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HEARING  
ON  
NATIONAL DEFENSE AUTHORIZATION ACT  
FOR FISCAL YEAR 2021

AND  
OVERSIGHT OF PREVIOUSLY AUTHORIZED  
PROGRAMS

BEFORE THE  
COMMITTEE ON ARMED SERVICES  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED SIXTEENTH CONGRESS  
SECOND SESSION

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FULL COMMITTEE HEARING  
ON  
**THE FISCAL YEAR 2021 NATIONAL  
DEFENSE AUTHORIZATION BUDGET  
REQUEST FOR THE DEPARTMENT  
OF THE NAVY**

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HEARING HELD  
FEBRUARY 27, 2020



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**THE FISCAL YEAR 2021 NATIONAL DEFENSE  
AUTHORIZATION BUDGET REQUEST FOR THE  
DEPARTMENT OF THE NAVY**

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HOUSE OF REPRESENTATIVES,  
COMMITTEE ON ARMED SERVICES,  
*Washington, DC, Thursday, February 27, 2020.*

The committee met, pursuant to call, at 10:00 a.m., in room 2118 Rayburn House Office Building, Hon. Adam Smith (chairman of the committee) presiding.

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

The CHAIRMAN. We are going to go ahead and get started. We have a full committee hearing this morning to discuss the fiscal year 2021 national defense authorizing budget request for the Department of the Navy.

And we are joined by three witnesses this morning: the Honorable Thomas Modly, Acting Secretary of the Navy; Admiral Michael Gilday, Chief of Naval Operations; and General David Berger, the Commandant for the U.S. Marine Corps.

Gentlemen, thank you all for being here. Appreciate your willingness to testify, and also your service to our country, all the work that you do to help make sure that we have the strongest military we possibly can and meet our national security objectives.

We kicked off our posture hearing season yesterday with the Secretary of Defense and the Chairman of the Joint Chiefs of Staff, and I think got a pretty good overview of the overall budget, and now we are going to work our way through piece by piece.

And I think the most interesting thing is what the Department of Defense has undertaken—that I know you all are participating in as well—that has come to be called the blank-slate review; basically, an effort to look at everything that we are doing within the military and reassess, figure out where we could potentially save money, where we should spend more, and how we need to realign our priorities to make sure that they match up with the National Security Strategy that was put in place over a year ago now, I believe.

The overarching theme of that is the notion of great power competition and the re-emergence of that, which re-emerged a while ago, but dealing with Russia and China and how that enabled—how we should realign our forces and realign our defense priorities to meet that challenge. And I think that is the most difficult question and one that we definitely want to hear from all of you today

in terms of how it specifically impacts the Navy and the Marine Corps.

What do you need to do differently? Where are you short assets? Where can assets be transferred from? And how do we balance all of those complex needs? And the great challenge here of course is we do not have infinite resources. The budget is what the budget is. So if we come to you and say, "We want you to do more here," logically, you are going to have to do less somewhere else.

I do realize that efficiencies are part of that. We discussed a little bit yesterday the move towards an audit, trying to make sure that we create greater efficiency in the acquisition and procurement process.

I know Ranking Member Thornberry has done an enormous amount of work on that. All of that done, we still have to make choices within the budget. And you gentlemen are in the position to best understand those choices and why you have made the ones you have. So hearing from you how you prioritize where you want the money spent is going to be enormously important.

We are specifically concerned—and I know Congressman Courtney will express these concerns better than I can—about some of the reductions in the shipbuilding accounts and money that apparently was transferred around in the President's budget at the last minute that, among other things, required the reduction of one attack submarine and how we are going to meet those needs.

And overall, in that area, I am interested in—we have been talking about a 355-ship Navy I think for the entire time that I have been in Congress. I think they had a different number when I started, but I forget what that number was.

It is almost meaningless at this point. Since it is like 20, 30 years out, we are going to try to get to that number. What I am more interested in is, what do we have now? What are we likely to have in the next 5 years? How does it meet our needs, and how do we plan for the future? It is great to have goals, I suppose, and we can aspire towards that number.

But at the point—at this point, it seems like just that: an aspiration. It doesn't translate necessarily into a strategy, so we are more interested in how the short-term strategy works on that front. So we look forward to your testimony, and we have many questions, and it will help inform us as we get ready to produce the National Defense Authorizing Act this year.

And with that, I turn it over to the ranking member, Mr. Thornberry, for any opening comments he has.

**STATEMENT OF HON. WILLIAM M. "MAC" THORNBERRY, A REPRESENTATIVE FROM TEXAS, RANKING MEMBER, COMMITTEE ON ARMED FORCES**

Mr. THORNBERRY. Thank you, Mr. Chairman. And I join you in welcoming our witnesses today, and also thanking each of them for their service and their many contributions to the country's defense.

As chairman referenced, there was considerable conversation yesterday with the Secretary and the Chairman about Navy shipbuilding. It was interesting to me, one of the benefits the chairman and I have is we get to be here from the front until—the beginning until the end of these hearings. And while there was a lot of con-

cern about this year's budget, as the conversation evolved, there seemed to be more questions about, okay, where is the Navy headed in a longer term sense? Not just numbers of ships, but characteristics of ships and capabilities, and so forth.

And so I do think members are interested to get that sort of where we are headed, and that will enable us to do a better job not only this year but in the future. And, similarly, a reference was made to potential changes coming to the Marine Corps.

And so I think while we will focus, of course, on this year's budget, as the chairman referenced, changes in warfare, moving from as much emphasis on counterterrorism toward great power competition, means that all of the services will have to make some changes, maybe your two as much as any.

So we look forward to hearing from you, and, again, thanks for being here.

The CHAIRMAN. Thank you.

Mr. Modly.

**STATEMENT OF HON. THOMAS B. MODLY, ACTING SECRETARY  
OF THE NAVY**

Mr. MODLY. Chairman Smith, Ranking Member Thornberry, distinguished members of this committee, thank you for your bipartisan efforts on behalf of our sailors, Marines, and civilians in the Department of the Navy. It is a true honor for me to be here today with Admiral Gilday and General Berger, both of whom have demonstrated great commitment to each other and to each other's respective naval service as they have worked collaboratively to lead our integrated American naval force.

Consistent with that spirit, we have taken a different approach to the written testimony this year, as you have received—we have submitted one unified document instead of three separate statements. And staying ahead in today's rapidly changing global strategic environment demands that our naval forces commit to unified planning, clear-eyed assessments, and sometimes some very, very hard choices.

In this process, we must harmonize competing priorities, sustain our critical industrial base, and not allow our maritime competitive advantage to erode relative to global competitors and, more accurately stated, aggressive adversaries who wish to hasten our decline as a global force for liberty and decency around the world.

In the end, this budget submission is a manifestation of the hard choices we had to make this year. But it is centrally about our sailors and Marines, their safety and their security and their well-being and their families.

Ultimately, I ask that you recognize that in this submission we could not make trades that put our sailors and Marines on platforms and with equipment that are not ready for a fight if that fight is what is required of them. While this budget does slow our trajectory to a force of 355 ships or more, it does not arrest it.

You have my personal assurance that we are still deeply committed to building that larger, more capable, more distributed, naval force within what I consider a strategically relevant timeframe of no more than 10 years. I look forward to working with

this committee and the entire Congress in the coming months as we develop realistic plans to do so.

Our budget also demonstrates a clear commitment to the education of our people as we implement the recommendations of the Education for Seapower study that I led while serving as the Under Secretary of the Navy for the last 2 years. We are establishing a naval community college for our enlisted personnel as part of a bold and unified naval education strategy that recognizes that the intellectual and ethical development of our people is going to be the most critical element of our success as a naval force.

We are also stepping up our efforts to meet our solemn commitment to our military families through significantly more engaged oversight and accountability of our public-private venture housing program.

Finally, I would like this committee to understand that as leaders of the Department of the Navy, we are both vocal and united in our determination to prevent sexual assault and sexual harassment throughout our force. Every sailor, every Marine, and every Navy civilian deserves individual dignity, respect, and protection from this great naval institution that we have the honor to lead.

We have a lot of work to do in this regard, but you have my personal commitment that we take it very, very seriously, and we are going after it every day. We are grateful to the committee for passing this year's NDAA [National Defense Authorization Act], which enables many of the priorities identified within this document. In passing this legislation, you sent a strong signal of support to our people and a stern warning to our adversaries around the world.

We also appreciate the funding stability and predictability of the last several years. This has saved a lot of money for the American taxpayers and given our force the agility and flexibility to address emerging threats while investing in our integrated force.

We urge this committee to do what it can to continue this stability in the future, so that we can implement the reforms and investments required to meet the great power challenges we face, protect the maritime commons, and defend the United States of America.

Thank you for your time, and we look forward to your questions. Thank you.

[The joint prepared statement of Mr. Modly, Admiral Gilday, and General Berger can be found in the Appendix on page 59.]

The CHAIRMAN. Thank you.

Admiral Gilday, are you going to make a statement? We are——

Admiral GILDAY. Yes, sir. I can.

The CHAIRMAN. Okay. Go ahead.

**STATEMENT OF ADM MICHAEL M. GILDAY, USN, CHIEF OF  
NAVAL OPERATIONS, U.S. NAVY**

Admiral GILDAY. Chairman Smith——

The CHAIRMAN. If you could be sure and pull the microphone down in front of you there.

Admiral GILDAY. Chairman Smith, Ranking Member Thornberry, distinguished members of the committee, good morning, and thank you for the opportunity to appear today with Secretary Modly and

General Berger, and for your enduring support of the Navy-Marine Corps team.

I would also like to point out that my wife Linda joins me this morning.

I will be brief, sir. I would like to address some of the points that both of you made in your opening statements, and this really gets down to priorities. So in our budget submission for this year, the Navy has four priorities. The first is to fully fund the *Columbia*-class submarine. So that nuclear seaborne deterrent that this Nation depends upon is aging out. By the time we replace the *Ohio* hull, it will have 42 years in the water, and so we need to deliver *Columbia* on time for its first patrol in 2031.

Numbers two and three are readiness and lethality. We are catching up and closing gaps that we have created over the past 15 to 20 years. And so in order to come to this committee and ask for more money for a larger fleet, we need to make sure that we can maintain and sustain the fleet that we have. And so those are two priorities for us, and our budget reflects that.

In terms of lethality, we are closing gaps against near-peer competitors by investing in capabilities that have range and that have speed. Twenty-one percent of our budget is invested in closing those gaps against our near-peer competitor. While we are doing those top three priorities, we are still investing in capacity. The size of the fleet is growing; it is just not growing at the pace that some would prefer.

And to meet those priorities, we have had to make some hard choices inside the Navy, and that includes decommissioning some legacy platforms that don't bring lethality to the fight.

So with those comments, sir, I thank you again for your time this morning.

The CHAIRMAN. Thank you.

General Berger.

**STATEMENT OF GEN DAVID H. BERGER, USMC, COMMANDANT,  
U.S. MARINE CORPS**

General BERGER. Chairman Smith, Ranking Member Thornberry, distinguished members of this committee, I appreciate the opportunity to testify on the posture of your Marine Corps and the priorities for our future.

And I will start by echoing Secretary Modly and Admiral Gilday's thanks for timely funding, as well as your enduring commitment to Marines, sailors, and their families through efforts like the hurricane recovery effort and funding that you provided last year, and the revision to the public-private venture housing program. Your bipartisan support is critical to ensure that we continue to prioritize people as our greatest resource.

Thanks to predictable funding over the past few years, the Marine Corps has made significant progress in restoring both availability and readiness. We are now at an inflection point. We have to pivot now toward modernization, while sustaining the readiness that this committee has resourced.

This pivot, in my opinion, cannot wait until next year or the following. We must move now or risk overmatch in the future by an adversary, and that is a risk we will not take.

As the National Defense Strategy directs, and as Secretary Modly recently emphasized in his first Vector to all hands, we must pursue urgent change at a significant scale. Marines have always sensed when it is time to move out smartly. We don't hesitate. This is that time.

Realizing the bold direction of our strategic guidance requires acknowledging fundamental changes in the operating environment, and that means how we must train, organize, and equip the force. I believe most leaders recognize that significant changes are required, yet the scope and pace of necessary change is seemingly at odds with some historical resource allocations and major acquisition programs which predate the National Defense Strategy.

This budget submission marks the beginning for the Marine Corps of a focused effort to better align resources with strategic objectives. Our future budget submissions will build on these investment decisions with informed recommendations for force design modifications and adjustment to our programs of record.

Together, in partnership with Admiral Gilday and under the direction of Secretary Modly, we are committed to delivering the integrated naval and Marine forces that our Nation requires.

As always, I welcome the opportunity to discuss our findings along the way, and keep each of you and your staffs informed as we progress. We will be frugal with the resources we are given. We will ask for no more than we need. With Congress' commitment and support, we will ensure your Marines continue to have every advantage when we send them into harm's way.

And I look forward to your questions.

The CHAIRMAN. Thank you, General. Could you, as a starting point, quantify for us the readiness gains, where we were at, where we've come to, how much further we need to go, taking your point on the procurement needs now that are paramount. Explain to us where you are at on readiness, where you were, where you are at, where you think you need to be.

General BERGER. Chairman, I will probably just use a couple of examples. First of all, TACAIR [tactical air], fixed-wing aviation. Three years ago, if memory serves me right, we were in the mid to upper 50s across the F-18 and Harrier community, and we were just introducing the F-35. And 50 percent is not the readiness that you all expect.

Last year, the goal that the Secretary outlined, and we both strove towards, was 80 percent, and we in fact achieved that. We would never have made that without the resources that Congress provided.

Ground side, similar picture. Because of Iraq and Afghanistan, we had rode our forces, our equipment, pretty hard, and we had postponed maintenance. The last 2 or 3 years we have recovered that.

The CHAIRMAN. Terrific. Thank you.

Admiral, could you help me out with the 355-ship thing? I think it is really important, as the ranking member pointed out, what are the capabilities we need? What are the types of ships? How do you sort of balance that focus in terms of what types of ship you are building, what capabilities you need, with the oft-stated goal of having 355 ships? And when is it—I forget the date when we are

supposed to achieve that number. How do those two things mesh in terms of your plans?

Admiral GILDAY. To your point, it is about capabilities. And so when we take a look at what we need—what we need in the Navy as part of the joint force, we are taking a look at what unique capabilities the Navy can bring to the fight that other services can't.

And so it is an analytical approach within the Pentagon to try and make the best investments now to close capability gaps against both the Chinese and the Russians.

So a couple of examples of the Navy in terms of the air wings that are embarked on aircraft carriers. So no other place in the military do we have an airfield that I can move 700 miles a day, and at the same time provide the integrated capability of early warning, electronic attack, anti-submarine warfare, air-to-ground, air-to-air, and logistics; all the while you have a self-sustaining platform that, again, is mobile.

At the same time, we bring unique capabilities with respect to ballistic missile defense and anti-submarine warfare on the destroyers, and with our submarines as well. And so those fold into that joint mix in terms of what the Navy can contribute to the joint fight, and that translates into platforms.

And so, simply, that is kind of the quadratic equation that yields the number of ships, but it also takes into account attrition models in a fight. It also takes into account what other missions we need to conduct around the globe in accordance with the National Defense Strategy. So that would include deterring another near-peer competitor conventionally, strategically, being able to respond to additional threats, assuring allies and partners.

Those also fold into the equation, as well as a strategic reserve bench in case we do get into—

The CHAIRMAN. What is the point of the 355 goal? Mr. Modly, if you want to take—

Mr. MODLY. Mr. Chairman, do you mind if I address this question? So it is not a random number. It is a number that was basically benchmarked off of a study that was done in 2016, the force structure assessment.

The CHAIRMAN. But when is it that we are saying that we are going to need the 355 ships?

Mr. MODLY. I am sorry, sir? I didn't—

The CHAIRMAN. When? When are we planning on—

Mr. MODLY. Well, it is my objective to try to get us there within 10 years. That is the strategy I am trying to drive through, and it is not just a random number. It is driven by strategy. It is driven by the capabilities we think we need.

I will also say it is improper for us to be benchmarking against a static number. What we are trying to develop in the Department of the Navy is more of an iterative process to look at that number, so that we can understand how we might adjust certain ship categories based on how we perceive the security environment evolving.

The security environment is not static. We have to develop a force that is agile, that we can quickly adjust certain ship categories as we see that we need them.

We just completed an integrated force structure assessment that was led by the Commandant and the CNO [Chief of Naval Operations] for the first time together, trying to determine as we look at that future security environment and the 10-year horizon—and we have to take it with some reality here because it takes a long time to get ships designed and built and into an industrial base that can support it. But in the 10-year horizon, as we looked at those numbers again, they actually ended up increasing, but the mix is different.

So what I am trying to emphasize is that it is—the 355 was pegged to a force structure assessment that was done 4 years ago. We are trying to develop a process in the Navy where we constantly look at this, constantly iterate this, give good signals to industry so they can adjust with it.

The CHAIRMAN. Understood. One last question on that. So looking at that 10-year goal, how does the money that was taken out of shipbuilding that cost us that submarine, number one, in this budget—which was not in the original President's budget that was taken out, as I understand it, to fund the NNSA [National Nuclear Security Administration] at a higher level—how does that, plus the cuts that you are now facing from the money being reprogrammed for the wall and the programs that are cut, how do those things impact your ability to meet those goals?

Mr. MODLY. Well, to be frank, it is not helpful, because it takes a ship out of a plan that we are driving towards. It particularly is harmful in the sense that it takes a ship out of a category of ship for which we are going to have a hard time getting to anyway. We feel like we need to have at least 66 attack submarines.

Even on a 10-year trajectory, based on industrial base capacity, we think we can get to about 49 or 50. So it takes out one. If we can get to 48 instead of 49, that impacts that number. But that is—so, of course, any ship that comes out of the process of—in any given year is going to impact our ability to get there as quickly as I would like to.

The CHAIRMAN. Understood. Thank you.

Mr. Thornberry.

Mr. THORNBERRY. As I look at the numbers, the shipbuilding account is down, what, about \$4 billion from last year? And the readiness—O&M [operations and maintenance] account for the Navy is up about \$3.6 billion from last year. Basically, the same, the cuts and the increases.

So could either of you, Mr. Secretary or Admiral, give me a little deeper explanation for why the emphasis needs to be, in your view, on the O&M part this year?

Mr. MODLY. I will take it initially, and then I will turn it over to the CNO. But I think what I tried to basically say in my opening statement was we did make that trade.

It was an intentional trade because our decision was that at this particular time, because of the readiness hole that we had fallen into over many, many years, we needed to address that first and foremost, because that immediately impacts the safety and security of the sailors and Marines that we put out on these platforms.

We could not, in good conscience, trade that money for more ships that could not operate properly with the right equipment and with the right readiness. And so that is the trade we made.

We have to look now, as we look from 2022 forward, how do we afford this larger Navy and maintain the readiness? And those are the challenges, and that is being pressurized by a lot of things, such as the *Columbia* recapitalization, which is a necessary part of our national security. But we are looking internally to see what we can do, to look at our own budget first to see what we can do to find additional funds to drive that.

Mr. THORNBERRY. Admiral, as you describe this, can you give us—you have got, what, ships that are not deployable? Kind of, what is this readiness priority in a practical, concrete way?

Admiral GILDAY. Yes, sir. So big picture, I believe that we need a Navy that is ready, that is capable, and lethal, more than we need a bigger Navy that is less ready, less capable, less lethal. And so the money that we are putting into the readiness accounts, right, specifically, if we talk about manpower—so when I commanded a destroyer, we had over 300 sailors on the destroyer. We went down to 245. We had collisions in the Pacific. We learned a lot, lessons learned in blood.

We are now buying that manpower back. We will be at 265 this year. We will come out to 285 in those destroyers in 2023, as an example.

We have gaps at sea. Those gaps need to be filled so our ships are fully manned for all the reasons that you well know. So we are buying back those people. There are years when the Navy has shedded people faster than we have shedded ships, and the size of the Navy has declined since I have been in uniform in 1985.

But the people piece is where you can get money fast, and it is a really attractive place to go after money, and we are saying we are not going to do that. We are going to buy back that manpower that we know that we need on our ships.

In terms of training for that manpower, what we also learned from those collisions, we need to do a much better job at training our sailors at sea. We have put significant investments in live virtual training as an example—simulators that are world-class—and we have those at all of our fleet concentration areas.

In terms of modernization, so we are modernizing our ships. We have taken a holiday for a while, and keeping up with—70 percent of the fleet that we have today we are going to have in 2030. And so we have to take care of that fleet.

So in terms of modernization, we are putting new systems on there to make our ships more lethal, and we are filling the magazines with weapons. And the investments we are making in weapons are those that have range and speed. So for years, we have invested in defensive systems because we haven't had a hot breath down the back of our neck. Now that hot breath is China, so we are closing those gaps.

That essentially, sir, I hope answered your question on why that is where the focus is at the expense of growing a Navy at a precipitous pace. And so—

Mr. THORNBERRY. Okay. Let me just ask one other question. Lots of flack yesterday about not having a 30-year shipbuilding plan come with a budget. Any idea when we might see such a thing?

Mr. MODLY. Representative Thornberry, the issue with a 30-year shipbuilding plan is that we developed this integrated force structure assessment, and we presented it to the Secretary of Defense. He wanted some time and some space to look at that, analyze it, and understand how that would impact a 30-year shipbuilding plan.

So, unfortunately, it was a confluence of events this year that we did not—we submitted our budget, the force structure assessment was delivered, and we didn't have time to really iterate that, talk to him about it, test it, before we submitted a 30-year shipbuilding plan. But we will work with them. Hopefully by—in a couple of months we will be able to submit that.

Mr. THORNBERRY. Okay. Thank you.

The CHAIRMAN. So two quick things before we go to the rest of the questioning. First of all, we have a 5-minute clock for everyone, and the witnesses need to be helpful to me. Once you get down close to that 5 minutes, if you could try to wrap up, so that I don't have to interrupt you, that would be great.

Second, Mr. Garamendi has an introduction he wants to do quickly.

Mr. GARAMENDI. If I might—thank you, Mr. Chairman—very quickly. The 75th anniversary of Iwo Jima is upon us. Wandering into my office today is a 98-year-old veteran of Iwo Jima, a Purple Heart. Clinton Trefethen is down here in the front row. His unit was the first on the beach, an engineering unit. He was wounded in that battle, and I would like to welcome him.

General, Commandant, he has got a few things he can tell you about how to do it right.

[Applause.]

The CHAIRMAN. Thank you very much, sir.

Thank you, John.

Mr. GARAMENDI. He was just recently given his new license from the California Department of Vehicles. Highway Patrol caught him a couple of days after that traveling at over 100 miles an hour. And when the Highway Patrolman said, "Do you know how fast you were going?" he said, "Yes, 2 miles an hour over my age."

[Laughter.]

The CHAIRMAN. Thank you. On that note, Ms. Davis is recognized.

Mrs. DAVIS. Thank you, Mr. Chairman. Thank you to all of you for your service to our country and certainly for being with us today.

I wanted to go back to the issue that we began talking about yesterday. And as you may know, I had asked General Milley about the cut to the *Virginia*-class submarine—we have referenced that already today—to increase nuclear weapons programs. And he said that while he supported fully funding the nuclear arsenal, the last-minute change was not supported by his best military advice, and I know that has been mentioned again.

Could you share your thoughts about that, so we have a better understanding about how that occurred? I was addressing that to the Admiral, but, Mr. Secretary, do you want to—

Admiral GILDAY. Ma'am, I was not directly involved in those discussions. It happened at budget end-game very quickly, and we were informed after the decision was made.

Mrs. DAVIS. Okay. And, Mr. Secretary, I think you addressed it already.

Mr. MODLY. That is exactly the way I would—thank you.

Mrs. DAVIS. Okay. Thank you. Thank you very much. That is helpful, and maybe further discussions about how, again, Congress can play a stronger role in that as well.

In this budget, shipbuilding has also seen cuts in logistics and support vessels like oilers. And I wonder if you could talk about the way forward with those programs as well. Where are we? Where should we be going?

Admiral GILDAY. Yes, ma'am. Thanks. As you probably know, we have a new class of oiler that we are building and will reach its initial operating capability in just a couple of years, so replacing an aging fleet of oilers. We are also beginning to make investments in strategic sealift. And so that is another area of the budget, just like the *Columbia*-class submarine, just like our infrastructure ashore, where we haven't made significant investments in a while.

So the Congress has given us the authorities to buy used vessels, and so we are buying two used vessels in 2021, and the authority is to buy up to seven of those. At the same time, we are doing R&D [research and development] in a new class of affordable sealift platform.

At the same time, we did service life extension on six of our older ships last year. We are going to double that this year, and we are going to triple that next year in 2021 with this request.

I hope that answers your question, ma'am, in terms of—

Mrs. DAVIS. Sure. And you feel that that is going to get us where we need to be.

Admiral GILDAY. No, ma'am.

Mrs. DAVIS. Oh, okay.

Admiral GILDAY. And so—

Mrs. DAVIS. Where do we need to be?

Admiral GILDAY [continuing]. We take a look at pressure points within our top line, and that is among them. We are giving it attention, but it is just a long time to catch up with that aging fleet, given its size.

Mrs. DAVIS. Thank you. The Navy, as you know, has been offering unmanned systems and has developed multiple programs of record on systems that were never fielded. In fiscal year 2021, the Navy proposed a serial production of the large unmanned surface vessel before prototyping and testing are complete.

Considering the history, is it prudent to continue serial production of large unmanned surface vessels before the prototyping and testing are complete? Mr. Secretary, you want to answer?

Mr. MODLY. Yes, absolutely. Well, we have to really accelerate our investment in unmanned platforms. And that is what we are trying to do, and we are trying to do it at a reasonable pace, so

that we can understand how these technologies might work, and, more importantly, how they might operate together.

So without having the platforms, it is very difficult for us to do that type of testing, that type of integrated testing that we would need to do.

So we are proceeding, we think, in a somewhat cautious pace to do this. But it is absolutely going to be part of whatever future force structure we have, and so we need to start experimenting with concepts, understanding how the technology will work.

Mrs. DAVIS. Thank you. You know that the Navy struggles to forecast ship depot maintenance—that is a big, tough issue for everybody—and has recently requested congressional approval to cover approximately \$1 billion of shortfalls in this account. This creates unpredictability, of course, for industry and diminishes Congress' confidence that the Navy is effectively managing this huge and critical enterprise.

What are you doing to better predict the schedule and costs of ships and submarine maintenance availabilities?

Admiral GILDAY. Ma'am—I am mindful of the time, Mr. Chairman—but so as you point out, we have had challenges with depot-level maintenance on our ships. Most recently, we have only been able to get about 30 to 35 percent of our ships out of the shipyards on time. That has been a priority of the Navy, to turn that around.

We want to reduce 80 percent of our delay days this year. Right now, 63 percent of our ships are coming out of maintenance on time through 2020, and we want to eliminate all of those delays by the end of 2021. So it is very aggressively. We have done a lot of analytical work. We found out, as an example, that most of the—many of the delays, about 25 percent, could be attributed to poor forecasting and planning up front. That is our fault in the Navy, and so we took a round turn on that.

Additionally, we are taking a look at bundling contracts for private—

The CHAIRMAN. And we will have to leave it at that.

Mrs. DAVIS. Thank you.

The CHAIRMAN. Mr. Wilson is recognized for 5 minutes.

Mr. WILSON. Thank you, Mr. Chairman. And thank each of you for being here, and I particularly appreciate you being here. I am a grateful Navy dad, and I have a son who has been an orthopedic surgeon and serving today, has previously served in Iraq with the SEALs [Sea, Air, and Land teams] and the Rangers. So we just so appreciate our family being part of the Navy family.

Additionally, Secretary Modly, the National Defense Strategy lays out the rebuilding military readiness as we face a more lethal joint force as a distinct line of effort. The Navy's fiscal year 2021 request for F-35 Joint Strike Fighters include five less than last year, and six less than fiscal year 2019.

Topping the Navy's unfunded priorities list, however, is \$525.5 million for five F-35C carrier variants. How is the naval readiness, and ultimately military readiness, impacted by these aircraft not being funded? And what is the Navy's plan to compensate for the shortfall?

Mr. MODLY. Well, as you know, sir, we did put that in. It is the number two item on our unfunded priorities list. We would, obvi-

ously, love to have those aircraft. But, again, if the—when we got into the final budget deliberations, we felt that we could trade that without severely impacting our readiness over the long term and try to pick it up in future years.

Mr. WILSON. Thank you.

And, General Berger, I previously represented Marine Corps Air Station Beaufort. And one of the great achievements was for that community that just really loves the Marine Corps Air Station, they love the sound of freedom, all right, when it flies over. They do not complain. And so that is why they help recruit and support F-35s to be located there.

By replacing the fourth-generation planes at Beaufort with fifth-generation aircraft, what is the current process, and what challenges do you foresee?

General BERGER. Well, sir, 2½ years ago we sent the first squadron to Iwakuni. Last year they went on ship. A year and a half ago, they went on ship. We are moving fast.

In our view, comparing the Harrier against the F-35, it is pretty striking. And all you need to do is listen to the media in Indo-Pacific on the other side to find out what the impact of the squadron of F-35s on board an amphibious ship floating around out there is no difference or no—there is no comparison.

In Beaufort, on the east and west coasts, moving as fast as we can to get out of F-18s and Harriers and into F-35s. That is our goal.

Mr. WILSON. Well, we appreciate it. And they are—if ever there is a community that will welcome it, it is Beaufort, South Carolina, and the State of South Carolina.

And, Admiral Gilday, I am grateful that the Navy is fielding W76-2 low-yield warheads earlier this month. The nuclear posture review identifies a requirement to modify a small number of submarine-launched ballistic missile warheads to combat potential adversaries with low-yield nuclear weapons for peace through strength.

However, the W76-2 is one of two variants of the W76 which just completed its service life extension program. These systems will require modernization in the coming years as their cores are increasingly older. Which steps is the Navy taking to ensure the seamless modernization of these systems and to ensure that the naval readiness is not impacting by giving—by the growing nuclear threat?

Mr. MODLY. Yes, sir. Thanks for the question about low-yield nuclear weapons. We are making investments right now in modernizing our nuclear weapons inventory, and so that is included in that plan. It will take a number of years in order to close, but it is included.

Mr. WILSON. Well, I particularly appreciate it, because I know the Savannah River nuclear laboratory is very vital and very, again, enthusiastic to work with you.

Sadly, in 2017, I visited the *Fitzgerald* in Japan, which so many American sailors were tragically, and to me just shockingly, killed. What lessons have we learned? What steps have we taken to avoid any further accidents such as the *Fitzgerald* and the *McCain*?

Admiral GILDAY. Yes, sir. I know you are aware of the comprehensive review we have done and the phases we have gone

through in order to institutionalize what we learned from both of those collisions. I will actually be traveling to Pascagoula, Mississippi, tomorrow, and I will be aboard the *Fitzgerald* and we are going to talk about many of those issues.

Mr. WILSON. And I hope every effort is made for an early warning advance system for the best for our sailors. And I am grateful to be here and yield the balance of my time.

The CHAIRMAN. Thank you.

Mr. Langevin.

Mr. LANGEVIN. Thank you, Mr. Chairman. I want to thank Secretary Modly, Admiral Gilday, and General Berger for being here today, for your testimony, and all that you do on behalf of our Nation.

I want to begin by applauding your efforts with the recent Education for Seapower study to enhance professional military education and increase opportunities for our enlisted sailors and Marines to earn accredited technical degrees. I think it is absolutely essential that we continue to educate all of our service members wherever possible and provide them these opportunities.

It was a big priority for a former chairman of this committee, Ike Skelton, who believed greatly in professional military education and something that has stuck with me during my time here on the committee.

On another topic, I appreciate both the chairman and my colleague, Ms. Davis, for raising the concern about the cut to the *Virginia*-class submarine in this year's Presidential budget. I don't think this is a time that we should be cutting it, and it does concern me, Admiral, that that decision was made after the fact and not, it seems, with your input. That does not inspire confidence here that we are making decisions based on our military needs versus what someone may be doing with playing around with budget numbers.

But that being said, Secretary Modly, in your recent Vector 12, you emphasized the importance of continued increased undersea dominance for the long run. The most, obviously, survivable leg of nuclear triad, the *Columbia*-class submarine, is essential to that mission.

My question, Secretary Modly, or Admiral Gilday, is the *Columbia*-class submarine vital for our success in great power competition? And would you agree that the *Columbia*-class submarine is a strategic asset that will benefit more than just the Navy?

Mr. MODLY. Sir, I absolutely agree that it is probably the most vital part of our strategic nuclear deterrent. The current force is aging and has to be modernized, so that is why it is number one on our priority in terms of as we looked at this budget and how we intended to roll it out.

It is going to be even more relevant in a more complicated world with powers who have greater ability to project power both under the sea and in other areas. And so it is absolutely vital to our future, and that is why it is such a priority for us in our budget.

Mr. LANGEVIN. So this asset will carry 70 percent of the nuclear arsenal, and yet the Navy seems to be the only one covering the bill. Secretary Modly, or Admiral Gilday, do you believe that the Navy is shouldering a disproportionate share for this asset?

Mr. MODLY. Well, we work under the top line that we are given to work under, sir. And so that is how we are managing it. We prioritize it. I think there are a lot of discussions being held both in the halls here and other places about how we might come up with more creative ways to fund that program, because, frankly, it is putting a huge pressure on our shipbuilding budget. It is 25 percent now. It is going to escalate to 31 percent. And if we also have this goal of growing a fleet to 355, or I like to say 355-plus, we are not going to be able to do all of those things.

So we are looking, we are digging hard inside our own budget to see where we can free up dollars for this. There may be some creative ways to look at unexpired or unused or unobligated funds to try and fund that. But we are looking at every possible way to do that, but we can't abandon it, so—

Mr. LANGEVIN. I would agree. I think you would find support here on the committee. We need to get creative because this is a national strategic asset. I don't think we should be taking it just out of the shipbuilding budget.

But to this point, what steps are you and OSD [Office of the Secretary of Defense] taking to ensure the *Columbia*-class submarines procurement timeline remains less volatile than our current experience with *Virginia* class.

Admiral Gilday, I am glad to hear you talk about how we are committed to fully funding *Columbia*, but what are the steps we are taking to make sure that procurement timeline—

Admiral GILDAY. Probably the best example I can give you, Congressman, is the fact that when we begin building that submarine later this year, 83 percent of that submarine will be designed. If I compare that against *Ohio*, 2 percent of that submarine was designed when we started building it. *Virginia* class, less than half of that submarine was completed design by the time we started building it.

So it is vitally important, for the reasons stated previously, to stay in the timeline to begin its first patrol in 2031, that we absolutely remain focused on it. And the teamwork with the shipyards is absolutely critical here in order to stay in that timeline as well.

Mr. LANGEVIN. Thank you, gentlemen.

The CHAIRMAN. Mr. Rogers.

Mr. ROGERS. Thank you, Mr. Chairman, and thank you all for your service and for your availability today.

Admiral Gilday, to address a gap in the homeland defense due to program cancellations, Missile Defense Agency is looking at a regional defense system to serve as an underlayer to the GMD [Ground-based Midcourse Defense] system. Specifically, they are looking at the Aegis destroyer using the SM-3 Block IIA missiles. How would that impact your BMD [ballistic missile defense] mission?

Admiral GILDAY. Sir, it would allow us to use BMD-capable ships for other missions besides defending the homeland. And so it would give—I think it would give more flexibility to senior decision-makers in terms of how they would use those assets if that gap were covered with a land-based Aegis system, with essentially the same capability as the ships.

Mr. ROGERS. Well, I am glad you mentioned the land-based system. Has there been discussion about moving the Aegis Ashore from the Navy to the Army, given that there is talk about expanding that capability?

Admiral GILDAY. Sir, not that I am aware of.

Mr. ROGERS. Great. Over the last decade, we have seen significant growth in the Chinese battle fleet, and they have surpassed the United States now as the largest navy. We are seeing significant investments by both Russia and North Korea in their submarine technologies and capacity. How do you compete with that?

Admiral GILDAY. Sir, so I go back to the priorities, right? In terms of making sure that the fleet we have today, 70 percent of which we are going to have in 2030, is ready and capable of flight, that 21 percent of our budget is focused on lethality and modernization, so that we have weapons that can actually outstick our adversaries with great speed.

And that includes doubling our investment in hypersonics, and so we are working very closely with the Army and the Air Force as we develop not only the airframe that we should begin doing testing here together very soon, but also the warheads.

Mr. ROGERS. Thank you.

General Berger, you talked in your opening statement about this being an inflection point, and that we can't waste time. We have to start acting now. But when I look at your PB21 [Presidential budget for fiscal year 2021] numbers, I don't see much difference between PB20. What am I missing? If we have really got to do something now, why is it not reflected in larger numbers in the PB21?

General BERGER. This year is the pivot. This budget was largely built in July and August based on our annual fiscal cycle. So I could fit some things, I could change some things, but not the significant ones that we need to make.

In 2022 and 2023, it will be significantly more. But even in this one—even in this one—there is investments in things like ground-based anti-ship missiles that you wouldn't have seen a couple years ago at all. But this is the direction the integrated force must go.

Mr. ROGERS. Great. In your written testimony, you also talked about an acquisition review of legacy programs. You talked about F-35, the Joint Light Tactical Vehicle, and the Amphibious Combat Vehicle, and others. And like you said, we may have to turn loose of some legacy programs. When do you think that review is going to be complete and ready for you to take action?

General BERGER. I think much like the integrated force structure assessment in terms of ships, it is not going to be ever over, because we have an adversary that is moving. So we have completed the first round of it. We know the size of the Marine Corps that we are going to need, we think, in 10 years from now, and much of the capabilities and capacities are driven by the size of your force.

We will need to make adjustments to the programs of record based on a couple of things. First, the size of the Marine Corps. We don't—we are not going to waste the resources you give us. Second, the threat. We have to match—we have to maintain an overmatch all along.

So as long as we are in great power competition, we are going to gauge off of a pacing threat, which means we are going to increase/decrease.

Mr. ROGERS. From our previous conversations, I very much like the aggressive approach that you are taking. I am just wondering when we are going to start seeing you take the knife out and start taking some action. Will that be in the 2022 budget, or what?

General BERGER. This year, in this budget, we reduced the manpower equivalent of a couple thousand Marines. That probably won't be the largest one or the last. Why? I think every service chief would love to have a bigger force, but you need us to be lethal, you need us to be mobile, you need us to be integrated with the Navy.

So we are going to reduce the size of the Marine Corps some this year, more next year. You will see the impacts to programs I think later this summer and into the spring of next year. But, again, it will be—it is not a snapshot in time where we freeze, or else an evolving threat, we will stare at a signpost and it will be moving.

Mr. ROGERS. Well, I like your leadership on this. Thank you.

I yield back.

The CHAIRMAN. Thank you.

Mr. Larsen.

Mr. LARSEN. Thank you. Secretary Modly and Admiral Gilday, the fiscal year 2020 NDAA included a provision that required the SECNAV [Secretary of the Navy] to conduct real-time sound monitoring at no fewer than two Navy installations, and their associated outlying landing fields [OLFs]. And so we have a very peripheral interest. They are trying to deal with some issues around NAS [Naval Air Station] Whidbey Island and OLF.

But I think this is a good compromise step moving away from the traditional model that we have used and move to real-time noise monitoring. The plan, though, for additional monitoring is due to Congress by March 20 according to the language in the law. So is the Navy planning to submit that plan to Congress on time?

Mr. MODLY. Sir, my understanding, that they are wrapping up that study, and that it is on track to be delivered on time.

Mr. LARSEN. So the plan for the study is due on March 20, and then the implementation then would—

Mr. MODLY. That is right.

Mr. LARSEN [continuing]. Occur. So you are saying by March 20 we will see—we will have the plan?

Mr. MODLY. I have not heard anything otherwise in terms of our ability. I will check into that for sure and get back to you, sir.

Mr. LARSEN. Earlier is better, certainly. So, then, with that plan, I then assume the Navy is prepared to begin implementing the real-time monitoring soon after.

Mr. MODLY. Sir, I will get back to you on that one, sir. I was just reading about that this morning, that they were preparing this plan—preparing to deliver this plan, but I have not seen it yet. So once I know more of the details, I will get back to you on that, sir.

[The information referred to can be found in the Appendix on page 107.]

Mr. LARSEN. Great. Thank you very much. We will be in touch. Appreciate that.

And then, second, for the Secretary or Admiral—you can choose, really—the EPA [Environmental Protection Agency] signed interim guidance in December providing recommendations to address groundwater contaminated with PFAS [per- and polyfluoroalkyl substances] and PFOS [perfluorooctane sulfonate], and we have had this debate here. And, of course, again we have an issue on Whidbey Island.

And I will note the Navy's commitment to Whidbey Island has been great in helping the city of Coupeville deal with their well situation, but we still have groundwater issues there. Is the Navy following the EPA guidance, continuing to follow the EPA guidance?

Admiral GILDAY. Sir, so we finished our investigations. And in areas like Coupeville, where we found contamination, we have taken steps, for example, to provide suitable drinking water from other sources. We have money in the budget this year—about \$60 million—to address cleanup. And so we are moving through cleanup in 2020 and 2021.

So, in both 2020 and 2021, we have money towards cleanup. In the last report that I saw, we were on track to conduct that cleanup on time.

Mr. LARSEN. Excellent. We will follow up with you on that, too. There may be some—I think every community is unique, and we have some unique issues there at NAS Whidbey Island and Coupeville as well, so we will follow up with you on that. Appreciate that.

Third question I have has to do with the readiness question, especially as it applies to the F-18s; specifically, the Gs, the Growlers, at NAS Whidbey Island, and it is a Growler question. But what is the—given the percentages you have outlined with the Es and Fs, do you know the readiness level of the Gs?

Admiral GILDAY. Yes, sir. It is over 60 percent right now. We have learned a lot from what we have done with the Super Hornets, right, the Es and the Fs. And so we were at 50—we could not break 55 percent mission-capable aircraft for a decade. And so we took a deep look at our processes, and we are applying those same to our ships maintenance.

So we have now been sustaining above 80 percent for 4 or 5 months. So we are applying those same processes to every type, model, series aircraft in the inventory. So I expect that the Growler numbers will come up. They are headed in the right direction.

Mr. LARSEN. Excellent. So if—I apologize, this is kind of a leading question, because if we can get to 80 percent-plus on the Gs, does that change the number of Growlers that the Navy will need?

Admiral GILDAY. No, sir. It won't change the requirement. We just have a more ready fleet.

Mr. LARSEN. Okay. I think that is it. I yield back. Thank you.

The CHAIRMAN. Thank you.

Mr. Lamborn.

Mr. LAMBORN. Thank you, Mr. Chairman.

Thank you, all, for your service, for your contribution, and, Admiral, for your wife as well and what she contributes.

I would like to ask you about conventional prompt-strike, presumably with a hypersonic glide vehicle. What is the need for such a submarine-launched capability? Admiral or Acting Secretary?

Mr. MODLY. Well, one of the great challenges we have right now is that our adversaries have developed long-range hypersonic missiles that hold our forces at bay, make us have to operate farther and farther away from the first and second island chains. And so we have to develop some type of capability to be able to meet that.

And so that is why we are developing this conventional prompt-strike weapon, and we are working with the Army and the Air Force on this collaboratively. We are looking at all kinds of different options for how we might base that, some of which I can't discuss in an open forum, but would be happy to come in in a closed forum and talk to you about that.

Mr. LAMBORN. And we are talking about a conventional capability, not strategic or nuclear but conventional. Would that affect strategic stability? Would it make the environment more unstable with our near peers?

Mr. MODLY. Well, sir, I think the goal of everything that we are doing is to try and increase strategic stability, to maintain strong enough deterrent force to keep our adversaries guessing and uncertain about their capabilities.

So everything that we do is with that objective in mind. We have—there is nothing that we do to try to create a more unstable security environment.

Mr. LAMBORN. And does having such a submarine-based capability put our submarines under an unacceptable risk of detection, and so forth?

Mr. MODLY. I will yield over to Admiral Gilday on that in terms of the actual operational elements of the attack submarine force.

Admiral GILDAY. Sir, I think any time you fire a weapon you face that kind of risk in terms of—particularly if you are firing from a concealed position like a submarine. But it is not just what you are firing; it is how you are going to actually maneuver to conduct the fight, right?

So it is how we are going to fight, our concepts of operations, and so that will be taken into account, and each situation where we would employ those weapons will be a little bit different. So it will be based on the fighting environment as well.

Mr. LAMBORN. So are you confident that even if there is a risk it would be an acceptable risk?

Admiral GILDAY. Sir, we would maneuver to make that risk accessible. I want to create—we want to create a dilemma for the Chinese fleet commanders, so that they don't know what vectors they have to protect themselves from.

Mr. LAMBORN. Okay. Thank you. And how would not having this capability affect your ability to operate in a contested environment with a near-peer competitor?

Admiral GILDAY. So I think the ability to have a long-range weapon at speed like hypersonics, it allows you to get in closer sooner. So it allows you to create a dilemma for the enemy where you actually outstick them with mass volumes of fire to put yourself in a position of advantage early.

Mr. LAMBORN. Okay. Thank you. I appreciate those answers.

Changing gears, I would like to ask you about the four public shipyards. And I know that the current budget includes funding to continue the virtual mapping of the public shipyards and some mil-

itary construction funding for dry docks. When do you expect that the Navy will complete this mapping and begin increasing annual investments in the shipyard infrastructure optimization plan, SIOP, in line with about \$1 billion annually that it is going to need?

Mr. MODLY. Just at a high level, sir, this is about a 20-year program that we have that we absolutely must do with these public shipyards to modernize them, not just modernize the facilities but modernize the way in which work flows through them more efficiently and more effectively.

So we are starting already on this process of investing in this long-term plan. I don't know if the CNO has any more to say about that.

Admiral GILDAY. Yes. So the mapping should take a couple of years in terms of doing the virtual mapping of all of the shipyards, and really taking a look at processes and how they can become more efficient. But at the same time, we are investing in infrastructure like dry docks. We just began work less than a month ago down in Norfolk on a dry dock that is 101 years old. We just did a ribbon-cutting up at Portsmouth, New Hampshire, on a deep basin up there.

And so at the same time, sir, we are taking a look at where we want to make deliberate investments. We know some things now that we have to fix. We have to replace cranes, we have to rebuild dry docks, as examples.

Mr. LAMBORN. Okay. Thank you so much.

I yield back. Thank you.

The CHAIRMAN. Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman. And thank you to the witnesses for being here today.

I have had a chance to meet with you all over the last few months or so, and, again, just really impressive, serious people, and appreciate your testimony here today.

Just real quick, on the 30-year shipbuilding plan issue and the integrated force structure assessment, you know, the reason why that is in statute on the 30-year, it is just that shipbuilding takes a long time. You know, I mean, a sub is about 65 months for *Virginia* class. *Columbia* will be longer. Carriers, I think it is year 12 for the *Ford* carrier.

So we need to have that longer sort of perspective because these investment decisions, again, just have—they have just years-long impact in terms of how Congress operates.

The integrated force structure assessment—again, we look forward to seeing it. But, I mean, without trying to quibble here, these are two separate endeavors. I mean, the 30-year shipbuilding plan is a budget requirement in law. And the integrated force structure assessment, just like the last one in 2016, I mean, that was a separate process, a good process.

And the reason isn't necessarily to find out what is the top line, what is the—how many do we need. It is also about the fleet architecture. What is the composition of the fleet? Because when we talk about lethality, it matters, you know, in terms of being able to see, you know, where we are going over just a 1-year budget period.

So, for example, in this year's submission, you have got two salvage ships. We need them. They are important. But let's face it, you know, the OPLANs [operations plans] for our near-peer competitors—China and Russia—you know, attack submarines are really the tip of the sphere in terms of, you know, what we need out there.

And cutting, you know, that *Virginia*-class sub, I mean, again, I just think is at odds with the National Defense Strategy when you sort of drill down in terms of what real lethality is.

So last year, Admiral Richardson, Admiral Gilday's predecessor, when he was testifying about boosting attack sub production to above the program of record of two a year, stated that with respect to our greatest gap between the warfighting requirement and current inventory, there is no greater need than the attack submarine fleet. It is a wide gap, and it is getting wider.

So every single submarine counts against closing that gap. Again, at that point, we were talking about going above the program of record. Now we are in a situation where we are below the program of record of two a year.

Again, I want to just salute the fact that in your unfunded priorities you put at the top of the list restoring that submarine. Again, Admiral Gilday, we were up in Groton on Monday, and a couple of months ago up in Quonset. You got a real first-hand look in terms of the workforce, the design completion, which you mentioned for both the VPM [*Virginia* Payload Module] and *Columbia*.

What is the Navy's position about execution in terms of adhering to the two-a-year program? In terms of just, is that a factor in the decision, or was it resources?

Admiral GILDAY. Sir, it was definitely affordability in terms of that submarine being cut. If I could make a point about the force structure assessment. And so that work is done, and I think the reason you would benefit from having that inform the 30-year shipbuilding plan is because if we didn't use it to inform this plan, you would go back to the 2016 assessment.

And as you said yesterday, that 30-year shipbuilding plan is the headlights that we provide, so that you know where we need to go. So I think if we can have those discussions with the Secretary of Defense, and once he is comfortable with that, I think that that is all packaged and ready to come up to the Hill.

Mr. MODLY. And, Mr. Courtney, if you don't mind me commenting on this as well.

Mr. COURTNEY. I have one more question.

Mr. MODLY. Yes. Just quickly about 30-year shipbuilding plan. We agree with you. We understand the congressional requirements, a requirement for the Secretary of Defense to deliver. He wants a little bit more time to understand it, and we are going to help him with that. And it is not going to be a long delay. It will—as you think about 2021 budget, you will have plenty of information and enough time to be able to do that. You have my commitment on that.

Mr. COURTNEY. Okay. The chairman's plan is to get this to the floor, as you know, on a very aggressive schedule this year.

Mr. MODLY. Yes, sir.

Mr. COURTNEY. Which I support. Regarding *Columbia*, we talked, again, up in Groton about the fact that the NSBDF [National Sea-Based Deterrence Fund], which at least created authorities for incremental funding and multiyear, is a way of reducing costs. And just if there is—maybe you could just comment in terms of whether the Navy is coming to us with more requests in that regard.

Admiral GILDAY. Yes, sir. So to your previous question, you asked about, you know, numbers per year. Yes, in terms of two a year, to close the gap of where we need to be, that is how we need to build. And if you ask me, you know, if I could give you another ship today, what would it be, it would be a *Virginia*-class submarine.

And your question was about the—

Mr. COURTNEY. Incremental authorities?

Admiral GILDAY. Yeah. It—

Mr. COURTNEY. And maybe you want to take that for the record because I don't want to—

Admiral GILDAY. It is not the fund. It is the funding. That is—the issue is the funding that needs to go in that bin. I personally don't care what bin it is in as long as we can use it to build more submarines, but that is the issue is fencing that money off. The authorities are terrific and help us tremendously.

Mr. COURTNEY. Thank you.

[The information referred to can be found in the Appendix on page 107.]

The CHAIRMAN. Mr. Wittman.

Mr. WITTMAN. Thank you, Mr. Chairman. I would like to thank the witnesses for joining us.

Secretary Modly, I want to begin with you. You have heard my colleagues talk at length about the underinvestment the Navy is making in shipbuilding. When you put that in contrast to our adversaries and the increased investments that they are making, the pace that they are building their navies, it is pretty concerning; 355 ships is the law.

And we look today, as the Navy's budget—only about 10 percent of the Navy's budget is devoted towards building ships. And if you look at the current path that you are on, we are only going to have a net increase of eight ships in the next 5 years.

You talked about getting to 355 by 2030. That is an impossible task based on the current pace.

You heard my colleague, Mr. Courtney, talk about the incredible importance of our attack submarines. We are going to be down to 42 submarines, attack submarines, by 2028.

All of those things lead me to this question. What is the Navy going to do in looking at reallocating resources to the shipbuilding account over the period in the near future through the 5-year defense plan, better known as the FYDP [Future Years Defense Program]. Give me your perspective on how we do that, because you talked about 2030 being the focus on getting to 355. Tell me what you are going to do immediately to get us on that path.

Mr. MODLY. Well, sir, thanks very much for that question. As you know, I have been a pretty vocal supporter of the 355-ship Navy since I have been back in the Department of the Navy, and I would just take issue with your point about it being impossible.

I don't think it is impossible. I think there are two things that have to happen for it to be possible. One is a reasonable plan that demonstrates how we can get there on an accelerated path, and political will. That is it. If those two things come together, then I think we can do it.

My job is to develop that plan in a reasonable way, and also demonstrate that the answer isn't, "Oh, we need more top line to do this." Because I know that in our \$207 billion a year budget there is a lot of money in there that we could probably use a lot more efficiently.

So I chartered about 2 weeks ago something called a stem-to-stern review, and we are looking internally to see what we can stop doing that doesn't make sense for this future force. And that is what we are doing. So we are going to go through this process.

I gave them—I was very aggressive on the timeline. I said 45 days we need some answers on this. What we need to get on this path from preliminary analysis that we have done is about \$5–\$8 billion more a year. Relative to the overall DOD [Department of Defense] budget, it is a very, very small amount. But I am not in the business of making trades on the overall DOD budget. I am just in the business of trying to present a plan, advocate for the Navy, for the reasons that are important for the Nation, and sell that plan as something that is reasonable and that can be done, and then the political will has to align around it and then we can go do it.

Mr. WITTMAN. Got you. Well, listen, thank you so much for being focused on getting us to 355. Thanks for saying it is not impossible. I put that out there just to get your thoughts on what the path may be going forward. I am glad to hear from you that it is possible and that we are going to get on the path to do that.

Admiral GILDAY, I want to go to some of the comments that you have made. You talked about not just the ship component of the Navy, but the manning component of the Navy, and we see some of the things that have happened because of manning issues, the risk that the Navy has taken on; in many instances, unacceptable risk.

You know, you talked about the shortfall of sailors being at about 6,000. It now looks like some of the new projections are closer to maybe 9,000 sailors. Can you give me your perspective on what the Navy can do to reverse this alarming trend? And what are we going to do to make sure as ships go to sea we have both proper manning and training to make sure that our sailors have exactly what they need to do the difficult job we ask of them?

Admiral GILDAY. So, sir, thanks. So the answer is retaining them, right? Retaining that talent. And so that begins with their families, and all of those programs that we have, including child care, including housing, and the focus—and the budget reflects it—that we are putting on that.

Right now, our retention numbers over the past year are at 75 percent. So we have exceeded at every paygrade our expectations in terms of the numbers we retain. A lot of that has to do with the good work that the Navy has done over the past few years to digitize many of the applications that we use for sailors.

So to give you an example, we have a detailing marketplace now where, on an app, they can compete for jobs, and they can do this a year out, so that their family has the understanding of where they are going to move next. It allows the family to actually, through these apps, take care of child care and housing reservations months out before they even report to the duty station.

They seem like small things, but we are taking, you know, systems that are maybe 75 different websites and we are collapsing it down to a single entry point through a microprocessing app like on your phone. That just makes a world of difference for people.

So it is really—sir, a long answer to your question, it is really putting a focus on people and families.

Mr. WITTMAN. Thank you.

The CHAIRMAN. Mr. Garamendi.

Mr. GARAMENDI. Thank you, Mr. Chairman.

I think we need to really deal with the fundamental thing that is going on here. It is a sea change. The 355-ship Navy is yesterday's plan. If I am at all perceptive of what is going on here, it is that the Navy is rethinking the way it will operate, and the equipment, ships, and other things that they need to operate, and that that is underway. The Marine Corps, you are very clear that you are in the process of doing that.

I sense myself that this is happening, and, therefore, a frustration about let's share about what you are thinking. This may not be the forum in which that takes place, but underlying all of the questions that have come thus far and my own is, wait a minute, everything that we have been building and planning for, and suddenly, wait a minute, a sea change is occurring, and you are rethinking this. Good.

To the extent that you can, share with us soon the general outline of that rethinking. Commandant Berger, you said that you are not able, given today's budget, to make that shift today. I understand that. Nevertheless, we need to change our thinking, and we need to put in place in this NDAA and the appropriations the elements that allow you to continue that process.

Right now, we are very much in the dark. We really don't have that. And, therefore, we are kind of—not kind of. We are clearly—I am frustrated. I think my colleagues are also. The information we are hearing doesn't line up, or the information we are giving doesn't line up to what you are saying, or at least indicating.

So having said that in 2½ minutes, let me get to one of my favorite subjects, which I think all of you are aware of, and it is sealift capacity, my new flag that I keep waving in front of you folks. Whatever that future holds, the current sealift capacity, which is inadequate for at least the next decade, we need to think about how to bring into reality a sealift capacity for whatever you plan out there. Big power competition, the Pacific is a long, big ocean, and we simply are not capable of sustaining the fight. I mean, it is very clear.

I want to work with you on developing a national fleet. The bow wave of the *Columbia* and rockets and nuclear, and other things, is going to make it very, very difficult to provide the logistical sealift support from the Navy budget. You were just talking about that.

Is there another way to do it? I think there is. I think if we are to rebuild our merchant marine capacity in a way that builds that capacity in a militarily useful, Navy useful manner, for both the transport of weapons, material, men, equipment, as well as fuel, I think we can do it without significant impact on the Navy budget. And the Navy budget, insofar as non-combat ships, would be for the specialty ships that are not now available but would absolutely be necessary.

So the Navy does that, and then the merchant marines over here. We have available to us programs that have not been used for a couple of decades.

So I want to just put that on the table, pursue that with you, and, obviously, we don't have 38 seconds to answer all the questions here. But be aware, we are going to have this with MARAD [United States Maritime Administration], Admiral Buzby, and the like. And so I will let it go at that.

I yield back.

The CHAIRMAN. Thank you.

Ms. Hartzler.

Mrs. HARTZLER. Thank you very much, Mr. Chairman. Thank you for your support, and thank you as well for your support as well, Mrs. Gilday.

You have mentioned several times about the improvements with the F-18s and their readiness levels, and we, too, celebrate that. This has been a focus of this committee for several years, to get that up, and so we celebrate the 80 percent readiness milestone.

I really think that we continue to build on that with this year's budget that you put forth, an additional 24 new mission-capable aircraft. And as you know, the new aircraft have the most immediate and profound impact on the tactical aviation inventory and fleet readiness, which is why I am concerned that the budget request proposes to eliminate 36 Super Hornets for future year defense budget.

So would you please speak to how this will impact the tactical aviation inventory, since that is three squadrons' worth of aircraft that the Navy is no longer investing in?

And it is my understanding the Navy has an existing strike fighter shortfall of approximately 48 aircraft. So could you please speak to the impact and the potential operational risk that this will bring to our readiness?

Admiral GILDAY. Ma'am, thanks for the question. The cuts this year were due to affordability. And so we made what we thought were balanced risk discussions based on what we could afford given the current top line.

The mission-capable jets, the path that we are on right now to get the most we can out of the fleet that we have, including modernizing our existing Super Hornets to Block IIIs, puts us on a good path. As you know, the numbers of our F-18 Super Hornets are above 650. The fleet that we really need when we have our fourth- or fifth-gen mix is around 785. And so we are trying to maintain that path through the FYDP and beyond.

Mrs. HARTZLER. Will you be able to maintain the 80 percent target for mission-capable aircraft by cutting these aircraft out?

Admiral GILDAY. We think we will. So that—so the fact that we have reduced the buy doesn't necessarily affect our ability to reach 80 percent mission capability.

Mrs. HARTZLER. Okay.

Admiral GILDAY. Mission-capable aircraft, excuse me.

Mrs. HARTZLER. I am still concerned about this decision and the cost that it could bring to the aircraft, because you have current production lines that help bring the parts and the service to the modernization effort. And if you cut out that new line, then that could jeopardize the ability to get your parts and for the modernization.

So could you please elaborate on whether the Navy has assessed what additional cost will be incurred should the Super Hornet production line be shuttered? And can you provide this cost analysis to the committee?

Admiral GILDAY. Ma'am, if we could, I would like to get back to you with some more detailed information on that, so that we can lay it all out for you in a way that makes sense and gets to the details that you are asking for.

[The information referred to can be found in the Appendix on page 107.]

Mrs. HARTZLER. And you said that the cuts were due to the lower top line. Are you saying that if we were to add additional funds you would support reinstating those new aircraft and pushing that out?

Admiral GILDAY. I think it would go into the prioritization mix as we took a look at what we really need, you know, based on the timeframe that we are given.

Mrs. HARTZLER. Okay. Very good. Switching gears, talking about munitions, certainly we have a lot of challenges with that. Our stockpiles of high-demand preferred or precision-guided munitions have been significantly reduced, as we all know, over the last 15 years.

So in order to meet the objectives of the National Defense Strategy to support globally and integrated defense planning for contingencies, we need to procure sufficient inventories of munitions by a healthy industrial base.

So what is your assessment of risk in the Navy's precision-guided and preferred munitions request? And what specific actions are you taking to manage stability, capability, and capacity risk in the U.S. munitions industrial base, to include reducing critical supply chain dependency sourced from outside the United States?

Admiral GILDAY. Ma'am, in terms of—in terms of our budget this year—and I talked about a focus on both readiness and lethality, and 21 percent of our budget is dedicated to that. So a large portion of that is dedicated not only to modernizing our ships and aircraft, but filling our magazines with weapons. So that is not only our ships, but also our air wings.

And to get to your last point in the supply chain, ma'am, I would have to get back to you on that with more details.

[The information referred to can be found in the Appendix on page 107.]

Mrs. HARTZLER. All right. Thank you very much.

I yield back.

The CHAIRMAN. Thank you.

Mr. Gallego.

Mr. GALLEGO. Thank you, Mr. Chair.

Admiral Gilday, I understand the P-8A Poseidon maritime patrol aircrafts are the best submarine-hunting aircraft in the world. Would you agree with that assessment?

Admiral GILDAY. Yes.

Mr. GALLEGO. Thank you. Can you just—can you please describe to us and me, in an unclassified way, how we use our Poseidon aircraft specifically with respect to Russia and China?

Admiral GILDAY. So it is the most effective platform that we have for not only wide area search but also localization, and so that we can actually find, fix, and if we are in a position to, finish a Russian submarine. And so the capabilities of those P-8s, I think the best testimony is the fact that all of our allies and partners are lining up to buy the P-8. Tremendous capability.

Mr. GALLEGO. Sir, knowing that, were you surprised to see the Department—see in one of the cuts a P-8 cut from last year's budget to help afford this border wall?

Admiral GILDAY. Yes, sir. Before my time. I can't speak to the decisions that were made in the last budget.

Mr. GALLEGO. Okay. I think, Secretary Modly, the recent reprogramming notice says that the items above last year's budget request were what was stolen from, but the Navy says that we need 138 P-8As, and we only have funding for 120. How is this—how is the reprogramming anything other than arbitrary and capricious if the Navy is disagreeing with the Department's rationale for completing this theft of its budget?

Mr. MODLY. Well, sir, those decisions are made by the Secretary of Defense. We support them as he makes them, but he has lots of tradeoffs that he has to make for other competing priorities. We would, obviously, love to have more P-8s, clearly. It is an incredible weapons platform. We want a lot of our allies to have them, too, so we are looking for ways to work with our allies to get them involved in the program, so that Boeing can continue to produce them out in Washington.

Mr. GALLEGO. Were any of you consulted before being informed that your budget was being cut by Secretary Esper and others in the administration? Did they talk to you? Did they ask your preferences, if this was, you know, necessary or not necessary?

Mr. MODLY. Well, sir, we go through a continual process on budget negotiations and deliberations. So we are consulted all along the way. Ultimately, we don't have a veto.

Mr. GALLEGO. Well, no, no. And I understand that. Definitely understand you guys don't have a veto. But more along the lines of, did Secretary Esper or other aspects of the administration at least talk to you all before they went and did this cut? Because it is—this is not just unfunded money like it was last year. This is actual equipment, very necessary equipment.

Mr. MODLY. We knew that they were looking at a variety of different options, and then at the end those options were presented to us.

Mr. GALLEGO. Right. Admiral Gilday, again, I understand that you didn't have a veto over any of this.

Admiral GILDAY. Sir, I was not consulted before that final decision was made and the \$3.8 million under the provision 284.

Mr. GALLEGO. Okay. So the same thing, General Berger?

General BERGER. That is correct, sir.

Mr. GALLEGO. Okay. Moving on, our national posture in Asia is mostly naval and highly concentrated in very small and specific parts of Japan and Korea. This committee recently heard testimony from former East Asia DASD [Deputy Assistant Secretary of Defense] Abraham Denmark that the relatively small number of large bases that we have in Asia should be diversified to a new approach that prioritizes new airfields, new prepositioning, and new posture.

What is your take on the survivability of our naval assets in Asia and the supply lines across the Pacific should the balloon go up? We will start with you, Admiral Gilday.

Admiral GILDAY. So I think based on the fact that where we are located, we have concerns, which is why we are making investments in better weapons systems. And it is not just—it is not just on the kinetic side; it is the investments that the Department is making in space and in cyberspace to put us in a much better position against those types of threats.

Mr. GALLEGO. And just because I had a little—wanted to get one more question in. How does this budget take the necessary steps to increase the survivability of our INDOPACOM [U.S. Indo-Pacific Command] assets against Chinese threats or aggression? Mr. Modly.

Mr. MODLY. Well, as I mentioned before, everything that we did was to increase the readiness and lethality of our forces that are—particularly the ones that are deployed.

And so that is really what our primary concern is right now. So as we look to the future, we are looking at some of these other bigger issues in terms of, how do we distribute our force, how do we do more distributed maritime operations, what types of ships will we need to do that, to support that, et cetera.

And those are the types of changes and things that you will see that will be different in this force structure assessment than the one that was done 4 years ago.

Mr. GALLEGO. Great. I yield back my time. Thank you.

The CHAIRMAN. Thank you.

Mr. KELLY. Mr. Kelly? Hello? Mr. Kelly?

Mr. KELLY. Thank you. Sorry. Thanks, Mr. Mitchell.

I first want to talk about—I want to be real clear. I support our border, and particularly our southern border and building the wall. However, during the recent reprogram, \$650 million was diverted from an LHA [landing helicopter assault] *America* class of amphibious ship, which is built by Huntington Ingalls, a massive shipbuilder in Mississippi.

The impact that will be felt will be loss of jobs, and it will hurt the industrial shipbuilding base. I think consistency, long-term maintained plans, are key to maintaining our industrial base. And they, much like an aircraft carrier, can't turn on a dime. And so when we destroy that industrial base, we don't just get it back when we decide we want to build a different ship.

So what is the plan to get this ship back on track? Either Mr. Secretary or Admiral Gilday.

Mr. MODLY. Sir, I can speak to a high level on that. We did end up—funding was moved from this year for that. However, it did not change the delivery time for that ship. We actually pulled that ship forward and plan on starting that in fiscal year 2023. In previous plans, it was either 2024 or 2025, so it has actually—over the course of the last couple of years, we have actually accelerated the delivery of that ship.

And we understand and we are very sympathetic to the impact it might have on employment down there in Mississippi. That is a critical shipyard for us. They do fantastic work, and we want to make sure that we maintain a healthy shipbuilding capacity down there. But this is just a decision that was made here at the end game.

Mr. KELLY. I understand. But what we do is lose long-term effects for short-term gains, and you can't buy that back. We see that when we make cuts in personnel to the Marine Corps or the Navy or the Army. When we make those cuts, and then the next year we go, "Well, that number was a little too low, so we will just build it back," you can't replace that E-6 with a trainee. That is 12 years of experience to get there that we can't replace.

It is the same way with the industrial base. If they are geared up and tooled up to build a ship, and we change the plans, they can't just next year when we change them back get back to the same spot because they have lost that. Those guys are working somewhere else. Those guys and girls are doing a different job somewhere else, and we can't rebuild it. We just have to be real careful about doing that.

And I am a firm believer in all of our services owe us—every year we ask you, what are your personnel numbers? What are your requirements? And when you give those to us, and then we change them the next year, it makes it very difficult for us to plan and our industrial base to plan, and we have got to adhere to that, because I am kind of a Patton guy. An 80 percent plan violently executed is better than a 100 percent plan 2 days after it mattered. And so I just ask that we keep that in mind when we are dealing with the industrial base.

General Berger, in your planning guidance, you talk about the need for a smaller, more maneuverable Marine Corps that gets back to its expeditionary roots. I suggest we may need different platforms or amphibious ships to do this. Can you tell me what you envision in this, General Berger?

General BERGER. Sir, for the last two decades, we did what the Nation needed us to do in the Middle East. But that is not what you need us to do in the future. You need us as part of an integrated naval force, because our view, that is an asymmetric advantage that we have, by a wide margin. We need to sustain that margin.

So, in simple terms, we need—instead of a land force that could sometimes, if we really tried, and it would be really painful—get aboard ship, we need to be a naval force that you can send where you need to, the commander can send where they need to, can go ashore when they choose to, back aboard ship, very dispersed, very distributed. In other words, pose an adversary a real challenge, that it makes his day really hard. That is what we have got to do.

Mr. KELLY. Thank you, and I agree. And I think that 98-year-old Marine would agree also. He is not here anymore, Commandant, but I think he would definitely agree.

And, Secretary Modly, I want to talk a little bit. I just visited a DDG [guided-missile destroyer] when I was in Rota and visited our great sailors out there. And we had a discussion yesterday. But I just want you to talk about your Optimized Fleet Response Plan [OFRP] and how personnel figures into that.

Mr. MODLY. Well, one of the things that we are trying to do, particularly in this budget, is adjust some of the problems we had in previous years with respect to the manning that we had on our ships. And I think that the CNO mentioned this earlier in terms of what he experienced back when he was on a DDG and what that had declined to over the years.

And we started seeing the results of that in these horrible accidents that we had in the Pacific a couple of years ago. So we are trying to adjust that to make that better.

With respect to specifically about OFRP, we are doing a deep dive look on that. The Secretary of Defense actually hired an outside company, FFRDC [federally funded research and development center], to help us look at that and look at better options for that. I would—

The CHAIRMAN. I apologize. The gentleman's time has expired.

Ms. Speier.

Ms. SPEIER. Mr. Chairman, thank you. Thank you to all of you for being here today.

Secretary Modly, in your opening statement, you indicated that you are committed to stamping out sexual harassment in the Navy. And yet last February you promoted a man named Ronnie Booth to head the Navy's audit agency, even though there had been multiple whistleblowers and complainants that had come forward documenting his workplace sexual harassment retaliation dating back to 2007.

Alarming, many people reported him wanting to offer to mentor female subordinates, suggested they meet outside of work, arranged travel with them. This man is the person you chose to lead a major naval agency. I wrote your office asking about these concerns, and then-Secretary Spencer responded by saying there was no documented, substantiated evidence of Mr. Booth's behavior, yet, following my letter, Mr. Booth was reassigned to work as a special assistant and retired shortly thereafter.

Would you please indicate to us how that squares?

Mr. MODLY. Yes, ma'am. I appreciate the question, and I remember your letter very clearly. Let me say that that situation was part of a broader cultural and climate problem that I had at the Naval Audit Service. I had to take action to remove somebody and move somebody into a position of authority in that organization. I did it very methodically and very carefully.

If I may, I was not aware—when we made that decision, we went back and followed all of the rules in terms of what can restrict you from putting somebody in a position of that place. There was no documented evidence, no IG [inspector general] investigations, nothing, about—

Ms. SPEIER. There were complaints that had been filed. How can you say there was no documented evidence?

Mr. MODLY. There was no documented evidence in his individual record that prohibited me from doing that. When I found out about this, thanks to your letter and to some emails that came to me, we immediately started an internal investigation, the DOD started an internal broader investigation, and we were told to shut down our investigation on that. Okay?

Ms. SPEIER. Who told you to shut it down?

Mr. MODLY. The DOD IG, because once they start an investigation, we can't have a parallel investigation.

Ms. SPEIER. I see. Because they were now investigating.

Mr. MODLY. That is correct.

Ms. SPEIER. I guess the real question is, why did it take a letter from me that then triggered an inspector general evaluation—

Mr. MODLY. Because there was no—there was no evidence before I found that—

Ms. SPEIER. Well, I find it hard to believe if there are complaints that are filed that that is not considered evidence.

Let me ask you another question.

Mr. MODLY. Ma'am, may I say something?

Ms. SPEIER. In your budget proposal—

Mr. MODLY. May I say something else about this?

Ms. SPEIER. Well, maybe for the record.

Mr. MODLY. If the suggestion is that I would ever—

Ms. SPEIER. For the record.

Mr. MODLY [continuing]. That I would ever—

Ms. SPEIER. For the record.

[The information referred to can be found in the Appendix on page 107.]

The CHAIRMAN. Mr. Modly, she controls the time. I am sympathetic, but she has the right to ask the questions she wants to ask. So let her ask.

Ms. SPEIER. In the budget proposal, the Navy has cut the SAPRO [Sexual Assault Prevention and Response Office] budget. How can you cut that budget when we have an epidemic on our hands?

Mr. MODLY. Ma'am, I don't know the specifics in terms of how much we cut that budget. But I have been extremely committed to fighting sexual assault and harassment in the service.

Ms. SPEIER. Then why do you cut the budget?

Mr. MODLY. I don't know the—

Ms. SPEIER. The numbers are up.

Mr. MODLY. The numbers are up. We take it very seriously. The Navy, the Department of the Navy, actually initiated actions with other universities around the country to get after this problem, to share information and to share data.

And I will just say, if the suggestion is that I would ever put a person in a position of authority knowing full well, with documented evidence, that that person was a sexual harasser, that would never happen.

Ms. SPEIER. Well—

Mr. MODLY. I would never do that, and the suggestion I think is—

Ms. SPEIER. All right. This is my time. I would like to ask another question.

The LCS [littoral combat ship] turned out to be a debacle. Part of the problem was the cost estimates were way undervalued. They were first supposed to be \$220 million apiece. They ended up costing two and a half times that much. The GAO [Government Accountability Office] said you should do independent cost estimates. As of August of 2019, there has never been an independent estimate of the frigate.

CBO [Congressional Budget Office] thinks that the actual costs will probably exceed your estimates by about \$300 million per ship. Seems like we need the benefit of an independent estimate. Are you intending to do that?

Mr. MODLY. We intend to do—the LCS program predates me by many, many years. We intend to do independent cost estimates on every new platform that we are doing.

Ms. SPEIER. So the frigate will be subject to an independent cost estimate.

Mr. MODLY. Yes.

Ms. SPEIER. All right. I will yield back.

The CHAIRMAN. Thank you.

Mr. Cook.

Mr. COOK. Thank you, Mr. Chairman. I wanted to go off in a different direction. We had the NATO [North Atlantic Treaty Organization] Parliamentary meeting this last week, and there were kind of some things that were said there that were kind of scary to me, because some of the concerns in this committee were our ability, the number of ships to—if the balloon went up in Europe, our air refueling capability, which was a very contentious hearing here. Boeing did not have a good day, and I won't go into that.

But the point that was made at this meeting here—and I am a big NATO supporter and everything like that—but it broke out that the EU [European Union] was invited to speak. And they were talking, quite frankly, about taking over some of the aspects, the way I understood it, of the strategic forces under their cognizance.

Now, we have had problems with the EU going from some of the different exercises. And the RAND study that a few years ago we—you know, the Javelin missile and some of the other systems, were based on some of these things.

Now, if this is true, and it might be partly a reaction to Brexit, but there were a lot of countries that were alarmed at the fact that now the EU is going to make it very, very difficult if there—many of these countries, which are NATO members but also EU members, are not totally committed to NATO. Do you have any reactions, Mr. Secretary, at all? Or have you heard any of the repercussions of that conference?

Mr. MODLY. I have not been briefed on any of the repercussions of that conference, and on these discussions, so I don't have a comment right now. I can find out more information on it and get back to you, sir.

[The information referred to can be found in the Appendix on page 109.]

Mr. COOK. Yeah. And the reason I raise this issue here, because we are talking about some of these funding issues. In the past, you

know, it was the situation in Korea, and it changes from day to day where the threat is. And, by the way, I want to thank you for coming here. We learn a lot I think. We make changes.

I remember when General Scaparrotti talked about the Air Force wanted to get rid of the U-2s. This was in Korea, and he said, "No. The U-2s have more reliability." Next thing you know they are back in the budget. So some of the things that you say here have tremendous repercussions, at least in my decision-making, and I think everyone here.

All I am saying is that some of these other questions, in terms of preparing, prepositioning equipment, and everything else, if this NATO situation is going to be revisited in terms of perhaps conflicts with the EU, I think it might affect some of the things—our budget decisions in this committee.

Admiral or General, do you have any comments on that? I think you are familiar with those.

Admiral GILDAY. Sir, I would just say I take your point. There are two different political bodies that make different decisions that are not always synchronized, and there is a potential risk—I think your point is—to NATO.

I just am not familiar with the context of last week's discussions in Brussels.

Mr. COOK. Yeah. It was UNCLASS [unclassified], and you can probably see everything.

General Berger, I never thought I would be happy about the day that, you know, we are not getting new weapons systems or anything else. But right now in the President's budget we have the sewer plant for Twentynine Palms. This combat Marine, that is his greatest accomplishment was to get the sewer plant for Twentynine Palms.

But it really, really is a big deal because of the environmental concerns in California. And something like that can—I think it is one of the greatest training bases in the world. And it is an admin thing, so I am going to try and bring that all the way to fruition.

So thank you very much for being here, and I yield back.

The CHAIRMAN. Thank you.

Mr. Brown.

Mr. BROWN. Thank you, Mr. Chairman. Thank you for your testimony here today. You know, I am really proud of the efforts in the Department of Defense, our uniformed services, in integrating our force and leading this Nation by example, started in the 1940s, executive orders that removed racial barriers to service, and work that has happened over the years in terms—for inclusion of women in now every aspect of the military.

It is hard to believe that it took an act of Congress just last year to finally get the Marine Corps to include women in basic training platoons. But, you know, sometimes it has come easy and sometimes it has been a little bit more of a challenge, but I think we can all take pride in the progress that we have made.

Mr. Secretary, I really, really want to thank you for the historic decision that you made in naming an aircraft carrier after an enlisted soldier, recognizing the important contributions that enlisted men and women make to the force, and to naming that aircraft car-

rier after Cook First Class Doris Miller. So thank you very much for that.

Having said what I just said, we have got a problem. We have got a problem in both the civilian staffing and in uniform staffing in both the Navy and the Marines, and particularly in what I call the elite sectors, such as your fighter squadrons.

Looking at your civilian staffing, you stated in your statement on page 17 regarding recruiting, curating, and retaining the best talent, that you are leveraging leading private sector business practices. But in your human capital strategy for 2019 to 2030, there is only one mention of diversity in that strategy. Mr. Secretary, what are you doing to ensure that you are diversifying the civilian workforce at the Department of Navy?

Mr. MODLY. Mr. Brown, first of all, thank you for the compliment on the *Doris Miller*. I really appreciate that, and I agree with you in terms of the historical significance of it. And I will tell you that as great a day as it was for the family of Doris Miller, it was an even greater day for the Navy. So just a wonderful moment for us as a country.

We have challenges with this, sir, and we have talked about this in your office before about the challenges that we have, particularly on the uniform side. As people progress through the service, we don't have a lot of diversity in senior ranks.

We have pretty good diversity in the civilian ranks. It is interesting that you note that. I did not note that when I read through the human capital strategy. I will have to look through that again.

But the whole concept of our human capital strategy is to try to attract people from a variety of different areas, new types of people, new thinking, more diverse thinking, give them ways to come in and serve in the government, perhaps go back out. So I will look in specific—

Mr. BROWN. Yeah. So let me just suggest, then, if in—as in your statement you suggest that you are taking leading private sector business practices, I think in this regard the private sector is well out in front of your strategy. So I would ask you to go back and look.

Let's turn to the uniform service. Both the Marine Corps and the Navy, you have a serious problem in your fighter units, your fighter pilots. You have in the Navy 710 Navy fighter pilots; 17 or less than 3 percent are African American, and not a single woman.

You have 735 Marine Corps fighter pilots. Less than 1 percent or 5 are African American; one woman.

You have got claims of equal opportunity violations, inspector general reports. You have flag officers who are making inappropriate public comments undermining the integrity of the EEO [Equal Employment Opportunity] process and the inspector general process, and I have sent a letter to the Secretary to that regard.

You have pilots—an African American pilot who has left the service, another whose record is still tarnished and will inhibit his promotion, a whistleblower who is still on the edge awaiting an outcome of a report, and the concern is that the initial EEO complaints substantiated that there were racial discrimination against these pilots.

And then for some unexplained reason it was reversed, and now you have three people sitting on pins and needles wondering the fate of their future, because you have these outstanding complaints. So you take the numbers alone, the lack of diversity and conclusion by race and gender, you have got these terrible cases in front of you, and you have a pilot shortage to boot, you have got a lot of work to do.

So I will take it for the record what your response will be because I did submit a letter to you back in January, and I am waiting for the response.

Thank you, Mr. Chairman. I yield back.

[The information referred to can be found in the Appendix on page 109.]

The CHAIRMAN. Thank you.

Mr. Gallagher.

Mr. GALLAGHER. Thank you.

Secretary Modly, so in the last 24 hours, we have learned that you have delivered the integrated naval force structure assessment to the Secretary of Defense. He wants some time to evaluate that, potentially compare it against some alternative assessments that are out there, whether they are in CAPE [Cost Assessment and Program Evaluation], or he alluded to outside assessments, and that is why we don't have a 30-year shipbuilding plan because it would be informed by the integrated naval force structure assessment.

But over the last 4 years, we have done a lot of outside studies. A lot of us have committed to not only rhetorically but put it into law that we need a 355-ship fleet. We believe that to be a floor, not a ceiling. So could you help us put into perspective what the total ownership costs of a 355-ship Navy would be in constant dollars over the current fleet of about 293 ships?

Mr. MODLY. So as we have looked at this in terms of, as we used the integrated naval force structure assessment as our benchmark, as sort of our North Star in terms of where we think we should go as the Department of the Navy, and understand that the Secretary of Defense has not signed off on that or has not bought into it yet, in order to get there on an accelerated path, which would approximate getting to that ideal force structure in 10 years, it is probably—if you assume a flatline budget for us, it is probably going to take between 120- and \$130 billion more total over that 10 years.

Those are the initial cuts we are looking at, the initial numbers that we are looking at. So that is basically what it comes down to.

Mr. GALLAGHER. So per year, would it be fair to say that would be well north of \$8 billion?

Mr. MODLY. Yeah. We are looking—and that is the reason why I put this benchmark out for our teams to look at, how do we get \$8 billion out of the top line that we have right now? So at least we can start moving down that path.

Mr. GALLAGHER. Thank you.

Admiral Gilday, I couldn't help but notice that the budget for the new frigate now reflects one ship per year over the first 3 years of production. Can you assure me that the Navy remains fully com-

mitted to executing this program to achieve the 20 ships briefed to this committee previously?

Admiral GILDAY. Yes, sir. We are committed to that number. I think that one frigate in the first year is prudent. We need to get this right. There have been comments made about LCS and other programs. And so we are focused on making sure that that first ship puts us in a very good direction for the remainder of the class.

Mr. GALLAGHER. Secretary Modly, should the *Columbia* be a Navy bill?

Mr. MODLY. Well, Rep. Gallagher, it is a Navy bill, and so we are assuming that it is a Navy bill. Obviously, it has strategic implications for the whole country, for the whole force, but right now it is a Navy bill.

Mr. GALLAGHER. Commandant Berger, in your planning guidance, you write about the importance of ground-based, long-range precision fires with no less than 350 nautical mile ranges, and you call for potentially even more than that.

Can you talk a bit about how central these long-range precision fires are to your planning guidance and executing the overall strategy and what any restrictions on the ranges of missiles your Marines could employ would impact your ability to execute your vision?

General BERGER. The distributed maritime operations concept that we fit within means we do two things in support of the fleet commander: sea control and sea denial. The fires that you are speaking of, that capability allows us to do that, either embarked or ashore.

What is the value? The value to the fleet commander is he is not just hauling around Marines as passengers anymore. They are part of his—part of his fighting capability. We need the ability to reach out and hold at risk an adversary's naval fleet from wherever we are, embarked or ashore.

Range limitations, you definitely want longer rather than shorter if you are going to outsticker an opponent. Though any restrictions on ranges of weapons systems from our perspective, from a warfighting perspective, we are going to push back on that. Then it becomes just a function of technology and weight, you know, size. We have to be mobile. We have to be expeditionary.

Mr. GALLAGHER. Let me just follow on your planning—well, this is just a comment. Your planning guidance has sparked a lot of very useful discussion in forums like War on the Rocks among company-grade officers, field-grade officers. I just—I know you are bought into this, but I just would continue—please continue to encourage that. Make sure that those Marines who are challenging long-held assumptions aren't being punished when it comes time for them to be up for promotion, because I think there is a really healthy discussion going on in the Navy and the Marine Corps right now among all levels of officers and enlisted, and I am really pleased to see that.

Finally, just to end where we started, you know, we have, really, at times a contentious debate about waiting for the shipbuilding plan. And, you know, there is a lot of frustration here. You know, in 2017, we had three outside studies about the force structure and where we needed to go with the fleet. The next year the NDS [Na-

tional Defense Strategy] came out. Two months later, in March 2018, the Navy came to this committee and testified that a new FSA [force structure assessment] was on its way.

Then, in September, the Navy said, “Wait. It is not coming until 2019.” N9 said we would have it by now last year, so, please, just as soon as you can tell us your vision for the future of the Navy and the Marine Corps, in geopolitical terms, I think you will find a very receptive audience here, because it is hard for us to give you money until we know that vision.

General BERGER. Duly noted.

The CHAIRMAN. Mr. Moulton.

Mr. MOULTON. Thank you, Mr. Chairman. And I want to start by echoing my colleague and fellow Marine Mike Gallagher’s comments about how important it is to encourage this discussion. And I would say not only should we make sure that these Marines aren’t punished for being willing to question the assumptions, they are exactly the people that we should be promoting, and promoting quickly.

What you are doing is setting an important tone for the entire Department of Defense, Commandant. And we need the other services to do it, too. We need to do it more. I am the co-chairman with Representative Jim Banks, a Navy veteran, of the Future of Defense Task Force. We are trying to do that here on the Armed Services Committee, to really question our assumptions, because we are losing the game to Russia and China right now. That is the harsh reality. They are outpacing us, and that is why they are closing the gap.

So we have got to keep doing this, and it is incredibly important. Of course, one of the challenges is literally staring at you on this committee, because about half the questions this morning, if my tally is correct, were essentially parochial questions about district priorities, not strategic questions about what we need for our Navy or Marine Corps.

In other words, are my airplanes going to be okay at my local base or my missile capability, is that going to be developed? How do you propose that we get around that challenge to your changes, and that we support your courageous willingness to slay sacred cows in order to make room for new and innovative weapons systems?

General BERGER. I think we owe you a couple of things, sir. First of all, our assumptions about where the threat is, where the adversary will be in the future, which could change because it is—there is a series of assumptions that go into that.

Second is a clear picture at the UNCLASS—more valuable, the classified level of how we expect we will fight the joint force. Then a subset of that is how we will fight the naval force. Armed with that, you should be able to ask us, okay, now armed with that, the threat picture is this. I understand now how you think you are going to fight. Tell me how these capabilities that you are asking for, that are on your shopping list, how do they fit into that mix?

Mr. MOULTON. So let me ask you, Commandant, about one specific capability, the CH-53. As you are aware, the Marine Corps has a proud tradition of generating overwhelming combat power with less manpower and less cost. But right now, the per aircraft

cost is set to exceed \$120 million, which is \$20 million more than a fifth-generation fighter, and many more orders—and many orders of magnitude, rather, more expensive than proven alternatives such as the CH-47F.

That is a very expensive toilet, for a joke that only the Marines will get. What is going on here, and what do we need to do to fix it?

General BERGER. The lift requirement to move Marines and equipment and the naval force around remains valid. As distributed as we are going to be, we are going to need the ability to move that force and the sustainment around. So the requirement is valid, and it is 200 aircraft.

The cost—to your point, the cost is the big factor. APUC [average procurement unit cost] right now, \$107 million. Total flyaway cost, we are still a margin away from where it is an affordable aircraft, even to buy off the shelf, much less sustain over the long term. So we have a valid warfighting requirement. We have an affordability challenge.

Now it is up to us negotiating with Sikorsky and Lockheed Martin to try to drive the costs down to where it is affordable by the Department, affordable by the Marine Corps.

Mr. MOULTON. Okay. Well, we will certainly support that.

Mr. Secretary, I want to come back to a question that Representative Lamborn asked about whether hypersonics increase or decrease strategic stability. And you replied that we always want to increase strategic stability, which I heartily agree with, but it is sort of like acknowledging that the ocean has water in it, which you don't need to be the Secretary of the Navy to know.

Explain to me how having a weapon—and, understand, I am supportive of innovative future-focused capabilities. But how is having a weapon, especially one that is submarine-launched, that you know is launched but you don't know where it is going and you don't know if it has a conventional or nuclear weapon on it—so, in other words, you have to make a decision on how to respond to it, and a timeline similar to with an ICBM [intercontinental ballistic missile], except it is more compressed, so you don't know where it is going. How does that increase strategic stability?

The CHAIRMAN. You need to explain that in 20 seconds, so go.

Mr. MODLY. Well, I am sorry you didn't like my previous answer. But I think what it does is it does create some—it creates more unpredictability, that is true. It does—and that is really what we are trying to do. We are trying to create a more unpredictable nature of our forces, so that our—

Mr. MOULTON. My time is up. But if we could take this for the record, I think that would be valuable, because I agree it increases unpredictability. My concern is that it also increases strategic instability, and we need to understand that more fully before we commit the kinds of funds we are talking about.

Thank you, Mr. Chairman. I yield back.

[The information referred to can be found in the Appendix on page 108.]

The CHAIRMAN. Mr. Gaetz.

Mr. GAETZ. Thank you, Mr. Chairman. And I will take note of my colleague's admonition about parochial questions, and so I will

ask my parochial question in as strategic a way as I possibly can. We are incredibly proud of the cyber warriors that we train up at Corry Station that go to serve the Navy. And so I was just wanting to give you the opportunity to reflect on the nature of the cyber mission and how it fits into the strategic paradigm that we are working on building.

Admiral GILDAY. Yeah. So, sir, thanks for the question, and thanks for the comments about those cyber warriors down in Corry. We think they are the best in the world, or among the best in the world.

So we are not going to fight in one domain, and so we are leveraging those cyber warriors in terms of our concept of how we are going to fight in the future. We are about to do our largest exercise in a generation this summer. And as part of that exercise, we are going to include a cyber electronic warfare and space cell inside of our fleet commander's headquarters, and we are going to assign tactical offensive cyber teams to the fight. We haven't done that before.

And so just two examples of how we are going to try to better integrate those capabilities into what we want to do in the future.

Mr. GAETZ. I also wanted to commend the Navy. We have got a lot of naval aviation going on in my community, and the TH-57 is a platform that needs to be retired. Every other day we are having one of those helicopters come back on a truck because they are having to land them out in a peanut field or soybean field somewhere as a result of an alert.

Folks should not have to train on analog and then go to digital. But the Navy has been very innovative in embracing off-the-shelf options, and I think that particularly at Whiting Field we are going to see a replacement for the TH-57 that will be at lower cost and with greater utility for our naval aviators.

My colleague, Mr. Gallagher, had some follow-up questions, so I will yield to him the remainder of my time.

Mr. GALLAGHER. Thank you, Mr. Gaetz. Very generous.

Just a quick follow-up for Secretary Modly. So you said that it is going to cost about 120- to \$130 billion more over the next 10 years to get to 355 ships. Was that correct? Is that just acquisition costs, or is that the total—

Mr. MODLY. No, that is everything. That is—

Mr. GALLAGHER. That is everything. That is total—

Mr. MODLY. Yes, sir.

Mr. GALLAGHER [continuing]. Ownership costs. So that is—

Mr. MODLY. Above our—if you assume a current flatline budget, this would be the incremental cost of getting to there. As you know, sir, we are kind of tapping out at about 305 ships. That sort of will be—

Mr. GALLAGHER. Yeah.

Mr. MODLY. That flatline can sustain that 305 ships. If we want to accelerate to 355 within 10 years, based on the analysis that we have done, that is the incremental additional cost to not only acquire but also to sustain those platforms.

Mr. GALLAGHER. Okay. So in order—I mean, in order to build a fleet that is about 20 percent bigger than the one we have now, it

is going to be about—and this is just back of the envelope—7.5 percent more each year. But you are saying that is—

Mr. MODLY. That is right.

Mr. GALLAGHER [continuing]. That is your analysis of the total—

Mr. MODLY. Yes, sir. That is—

Mr. GALLAGHER [continuing]. Man, train, build, equip, maintain, modernize.

Mr. MODLY. Right. And that has a lot to do with the mix, because we are not filling it up with—we are not filling that gap with 50 aircraft carriers, right? We are looking at some smaller, more distributed types of ships that are less expensive, and that will help fill the gap over that time.

Mr. GALLAGHER. Great. Thank you. And we all look forward to the integrated naval force structure assessment when it arrives.

Mr. GAETZ. I yield back, Mr. Chairman.

The CHAIRMAN. Thank you.

Ms. Horn.

Ms. HORN. Thank you very much. Gentlemen, thank you so much for being with us today. I want to—General Berger, I want to address my questions to you talking—when we are speaking about the needs and choices that we are going to have to make in terms of cost, especially looking forward in our needs for the next-generation aircraft and fighters, you have spoken repeatedly about the need for a balanced mix of manned and unmanned systems that includes manned—excuse me, unmanned aerial combat vehicles and low-cost attrital—attritable—I am having—aircraft that are disposable, that can be used as targets. Let's just—I can't get that word out today—aircraft technologies.

And when you talked about the stated requirements for the manned F-35s, while that is well known and is a matter of record, we haven't heard articulated requirements for the unmanned systems to be paired with the more technologically advanced aircraft because we are clearly not going to use the F-35s for target practice.

So do you—my question is, do you intend to pursue a large number of lethal unmanned aerial systems per your comments in the command's planning guidance and other statements? Or do you have another plan? Can you speak to that first?

General BERGER. I don't know today. We don't know today the number or the ratio. What we know is we have got to move faster than we have in the past 3 or 4 years. Some use a metaphor or example of like a quarterback, where the manned platform, a ship or a plane, is sort of the quarterback with a whole bunch of unmanned—and the Air Force uses the term “unmanned wingmen.”

We need to move fast. Why? We can cover a lot more ground if it is a mix of manned and unmanned. It is also more survivable. We have got to complicate the adversary's collection and targeting problem. We are making it too simple when they are all manned.

It is not in a trying to reduce casualties mode as much as it is try to gain an advantage and maintain that. But our processes don't reward going out on the edge and replacing something with something you have today, but we have got to press the accelerator down now. We have got to move now. Initially, some hybrid of

manned and unmanned, lightly manned, but in the end, it is going to be a hybrid of all of that. And if you are sitting on the other side at an adversary's radar screen, you can't tell the difference.

Ms. HORN. Thank you. And to follow up on that, I think we are—in terms of strategic capabilities and costs and the balance, do you expect to include those needs in the next version of the aviation plan? When can we expect the requirements for that? Because, as you said, we have got to move fast, but what does that look like in terms of needs assessment?

General BERGER. You will see it in both 2022 and 2023 budget. We are in the latter phases now of necking down what we are going to procure to put on board a ship, provide the ISR [intelligence, surveillance, and reconnaissance], and maybe multiple payloads off of a ship.

The other construct is an unmanned series of vessels that launches an unmanned swarm of aerial vehicles. Why would we not try to do that? We should never put—if we are going to cross a beach, go somewhere, we should send a machine where we can do the reconnaissance, to take a look before we ever send the first human.

Ms. HORN. Cost effective and strategically increasing capabilities.

I yield back the balance of my time. That is all my questions. Thank you.

The CHAIRMAN. Thank you.

Mr. Bacon.

Mr. BACON. Thank you, Mr. Chairman. I want to thank our gentlemen here today for your leadership and taking care of the world's greatest sailors and Marines.

Admiral Gilday, my first question is for you. You know, 3 years ago, we had a serious readiness problem, and the numbers we were using is like 50 percent of the aircraft in the Navy could fly on any given day. Now, after 3 years where we restored roughly 60 percent of the budget from what we had from 2010 cuts, could you just give us some feedback? How are we doing with the aircraft readiness? Are we—do we have a very noticeable improvement with the last 3 years' budgets?

Admiral GILDAY. Very noticeable improvement. So we are at over 80 percent right now sustained with Super Hornets in terms of mission-capable aircraft. And I was just down in Norfolk recently at the operations center where they actually bring together all of the maintenance officers from the wings, and they bring them together to get after constraints or getting ready aircraft back on the flight line.

And so it includes bringing together the folks from DLA [Defense Logistics Agency], the folks from the Navy Supply System, engineers from NAVAIR [Naval Air Systems Command], and so we have really brought the team together, ironed out some process issues that we have had, and significantly increased readiness.

Mr. BACON. Is there a way that we could quantify it? That was the F-18s when you say 80 percent. I would like to be able to go back to our constituents and say 3 years ago, 50 percent across the board; today we are 75 percent, or whatever it may be, you know, broader than, say, just the F-18, because I think that was important. Readiness is vital.

Admiral GILDAY. Sir, if I hear you, are you talking about each type, model, series?

Mr. BACON. What was the composite number, the 50 percent or a cumulative number of all of the Navy aircraft?

Admiral GILDAY. So I was really talking about the focus initially has been Super Hornets. And so we have been at 50, 55 percent for a decade. Now we are at 80 percent, above 80 percent sustained. We are bringing those same processes into the other type, model, series aircraft to bring them back—to bring them over 80 percent sustained as well.

Mr. BACON. Okay. Thank you. I want to go to electronic warfare [EW], something I have been involved with for about three decades. And we have fallen significantly behind as a department, and each of our services, so I appreciate the Navy's focus on it. Even while I was in the service, I think you had your sights on it all along.

The joint staff has appointed a two-star now to lead their EW program. The Air Force has a one-star. They created a panel for funding, so it is a separate funding process. What is the Navy and the Marines or the Department doing to raise the bar here for electronic warfare? Because, to me, it is a physical domain that we have to control. We can control the ground, the sea, the air. But if we can't talk, can't use the radars, we are in trouble. So I appreciate your feedback.

General BERGER. Sir, 2 years ago I think it was, General Miller talked with us about the need to move into the information environment, electronic warfare, MISO [military information support operations], cyber, and military deception faster. He traded—intentionally deliberately traded a three-star billet from a command and created a three-star general, Lori Reynolds, who oversees that for us.

Now, you wish you could go back 2 years and thank him for that, because right now she is incredibly far out in front of the rest of us, telling us where we need to go, and not just in one area, EW, but how do you integrate those domains and make it a warfighting capability.

So on our staff, on our headquarters Marine Corps smaller staff, a lieutenant general, Lori.

Mr. BACON. Thank you.

Admiral, or Secretary? However you want to do it.

Mr. MODLY. I will ask the CNO to talk about this as well, sir, but I think one of the things that we are emphasizing at the department level is to ensure that the Navy and Marine Corps are more integrated in this process going forward, as well as how we integrate with the overall joint force. And there is a lot of emphasis being placed on that at the OSD level as well.

Admiral GILDAY. So we stood up the Information Warfare Development Command down in Norfolk, and so it brings together cyber, electronic maneuver warfare, and space, into a single warfare development center. And it actually creates tactics and operating procedures for the fleet.

We are testing that in a big—we are testing a lot of that in a big exercise this summer and throughout the deployments that we make.

We have put together an IW [information warfare] commander on board our carrier strike groups and our amphibious readiness groups, so that, again, brings together space, cyber, and EW. We are doing it at the fleet command level based on what we learned there, and the Commandant is integrating with his expeditionary advanced basing concept, non-kinetic, into the fight from the shore.

Mr. BACON. Do you have a single bellybutton, if you will, in the Navy that does all things EW?

Admiral GILDAY. So we have a three-star in charge of programs on my staff. We have the one-star down in Norfolk that at the tactical level is bringing those concepts together.

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

And thank you, gentlemen.

The CHAIRMAN. Thank you.

And I would like to yield for just a moment to the ranking member, Mr. Thornberry.

Mr. THORNBERRY. Thank you, Mr. Chairman. Mr. Chairman, you often, rightfully, acknowledge the key contributions to not only our committee but to the country's national security by the members of the staff of this committee.

In my experience, working on 26 years, there is no staff member who has exhibited greater professionalism, dedication to the mission, tolerance and patience with members, and our inadequacies, than Pete Villano. He is about to leave the committee imminently, and so I think it is appropriate to just take a moment to specifically thank and acknowledge his many contributions to this committee and our work over the years, but also to hold him up as a shining example of the tremendous staff that enable us to do what we do.

I yield back.

The CHAIRMAN. Thank you. And I want to echo those remarks. In particular, I think it is noteworthy that Pete has—he has worked for both of us. And that is a key part of this committee, which by the way is unlike any other committee in Congress. We are bipartisan, and the staff is more responsible for keeping that in place than anyone, and Pete exemplifies that.

So 26—how many is it? Twenty-four years? I forget. Twenty-six total years of service. So we want to recognize that service and thank you very much.

[Applause.]

The CHAIRMAN. Thank you very much.

Resuming the questioning, we will go to Ms. Houlahan.

Ms. HOULAHAN. Thank you, Mr. Chairman. And I will also take my turn to ask my parochial and provincial question. My community is home to the Sikorsky facility that manufactures the VH-92, known as Marine One. And you all know that last year Sikorsky announced its intention to close that facility and to consolidate operations in other locations.

And I, at that time, was a very vocal opponent, joining with other members of our Pennsylvania delegation asking Sikorsky to reverse that decision and to have an enduring commitment to the city of Coatesville, which is where that factory is. And, thankfully, the President also shared this view, and Lockheed announced very soon after, in July in 2019, that it would keep the plant open, and

at least as long as it had work on the VH-92 program, it would remain so.

So I have two questions. I think probably the admiral would be most likely the appropriate person to ask the first one. Last year, I placed into section 133 of the NDAA a requirement for the Navy to report to Congress on its assessment of what the facility's closure would mean for the program, and we received this response in January. And this much of it is the assignment, and this is the answer.

And I was a program manager in the Air Force, and I was also a chemistry teacher in 11th grade, and on both counts I think this would merit an F in terms of effort. And I was wondering if you could maybe provide a little bit more insight onto what the implications would be, because in all likelihood the factory at some point will be closed and moved, and was hoping you might be able to provide me some more insight than this report does.

Admiral GILDAY. Ma'am, I don't think that I signed that report. I don't think that I have seen it. And so if I could take that for the record, or set up a meeting to come back and, a) get schooled in it myself, and then—so I can adequately answer your questions.

[The information referred to can be found in the Appendix on page 110.]

Ms. HOULAHAN. I would really appreciate that, because I really would love to have a more robust answer to a really important question.

And my second question is for General Berger. I understand that the Marine Corps aviation plan had originally called for two additional CH-92A, which are the trainer aircraft. Having dedicated training aircraft obviously helps to relieve the burden on the regular fleet, and I noticed that funding for this was struck in this budgetary process.

And I was wondering if there was a plan for that to eventually be added, why that was decided to be struck? If you could provide some insight into that as well.

General BERGER. The requirement remains, too, ma'am. You are accurate. One we have right now down at Quantico, one simulator. The requirement is a second one. So that part remains valid. We will need to find the funding for it, because as we field the 92, we are going to need two simulators, not one.

Ms. HOULAHAN. And I guess I would just—I appreciate that—elevate my concern that if this particular facility which is charged currently with this manufacturing is in fact at some point to be shuttered because of lack of demand, we really need to make sure we understand that demand shortly, so that we don't end up with a difficult problem.

That is the bulk of my questions, and I yield back the balance of my time. Thank you, gentlemen.

The CHAIRMAN. Thank you.

Mr. Banks.

Mr. BANKS. Thank you, Mr. Chairman. I am concerned about reports about the Chinese and Russian militaries investing heavily in their submarine fleets, with subs that can deploy longer and have more lethal weapons systems. They are increasing their activity in the North Atlantic region. And at the rate China is building and

currently commissioning ships, its Navy could have 100 submarines within the next 15 years. The Navy has validated warfighting requirements of 138 P-8 Poseidons, the only long-range aircraft that can detect and track deepwater submarines, as previously attested to by the Secretary and the admiral this morning.

My question is, has the Navy performed any risk assessment of not reaching the warfighting requirement for P-8s?

Admiral GILDAY. Sir, I would have to get back to you on specifically with respect to P-8s. But I think P-8s would be part of a broader set of capabilities that we would use against that submarine buildup. But I will have to get back to you with more specifics.

[The information referred to can be found in the Appendix on page 111.]

Mr. BANKS. Okay. I appreciate that. Furthermore, what does the shortfall of P-8 mean for the stockpile of associated capabilities that are necessary for anti-submarine warfare missions, such as sonobuoys?

Admiral GILDAY. Sir, I lost the connection there between sonobuoys and the—

Mr. BANKS. What does the shortfall of P-8s mean for sonobuoys?

Admiral GILDAY. So I am concerned about numbers of sonobuoys and have added that to my unfunded list. In terms of P-8s and the risk there, I think there is a direct risk to warfighting capability and capacity based on numbers. And so I think I can get back to you as part of that previous question and tie it together.

Mr. BANKS. All right. Appreciate that very much.

You already heard from Representative Moulton a little bit about the Future of Defense Task Force that he and I co-chair. We are working closely with DOD and members of the national security innovation base to identify opportunities to invest in our future force structure.

Mr. Secretary, in your testimony you state, quote, "There is clear agreement that certain new classes of ships that currently do not exist today must be designed and built rapidly in the next 10 years." What role do you see unmanned undersea vehicle systems playing in a conflict in Russia and China?

Mr. MODLY. Sir, I think they are going to play a role, and I think what we need to do, the work that we need to do now—and this is largely where there are some disagreements between the analysis that we have done, the analysis that CAPE has done, the analysis that think tanks like CSBA [Center for Strategic and Budgetary Assessments] has done, is how do you scale—what is the scale of that unmanned piece of the mission?

And the numbers vary. From my perspective, right now in this point in time, I don't think that that difference in numbers is that significant, because we have to get after it now anyway, and it is going to take time to get to that size of force. But I think we all agree that unmanned platforms are going to have a role to play, whether they are undersea unmanned platforms, large ones, medium-sized ones, small ones. They are going to be part of the future force mix that we are going to design.

Mr. BANKS. Can you comment a little bit further on the readiness of U.S. citizens studying STEM [science, technology, engineer-

ing, mathematics] professions and how that impacts your ability to prepare the Navy for the future?

Mr. MODLY. I think it is a huge strategic problem for us that we don't have enough students, and we are not generating enough students out of secondary education to meet those needs. I haven't studied it, but I have seen some statistics on it. And when you look at what particularly our biggest long-term competitor is doing, we have significant challenges there. And it limits our—it limits the types of input that we have into our force.

Mr. BANKS. Okay. I appreciate that.

Mr. Secretary, in reference to a subject that Congressman Lam-born brought up earlier, what is the Navy's plan to proliferate conventional prompt-strike and hypersonic weapons across the force in order to prevent them from being solely held within our submarine force?

Mr. MODLY. Sir, we have to come back and give you a classified briefing on that in terms of how we plan on deploying these. There are lots of different options that we are looking at, but I really can't discuss that in an open forum. But we would be more than happy to come and do that in a classified forum.

Mr. BANKS. We look forward to that. With that, I yield back.

The CHAIRMAN. Thank you.

Mr. Golden.

Mr. GOLDEN. Thank you, Mr. Chair.

A couple of questions, Admiral Gilday. I have sat here throughout this whole hearing just to get to this. Earlier today you mentioned that Portsmouth is in New Hampshire. I just had to point out that the entrance to Portsmouth Naval Shipyard is in Kittery, Maine. And most of that shipyard—you know I wouldn't let you get away with that. Most of that shipyard is in Maine, and we are proud of it and proud to share it with New Hampshire.

But more seriously, you have sat in front of the Seapower Subcommittee in the last year. We have had conversations about your excitement about the DDG Flight III and how important getting that platform out into the Navy is.

I also noticed that in a fiscal year 2021 budget request there is \$46 million for industry studies regarding the next large surface combatant, but that is a ways out there. You have testified today about how a lot of the platforms we have right now are going to be with us for a while. And as a result, you are going to be investing in upgrading the systems that you have.

And with that in mind, I wanted to remind you that the current multiyear procurement for DDG-51s runs out in fiscal year 2022. And, therefore, I wanted to ask both the Secretary and yourself what your plans are regarding a fiscal year 2023 multiyear procurement contract for DDG-51 Flight IIIs.

Admiral GILDAY. Right now, sir, I can't speak to a detailed plan for a multiyear procurement of DDG-51 Flight IIIs in 2023. I think that would really be dependent upon the integrated force structure assessment that we have done, and then prioritizing within that in terms of what we need to move forward on quickly, given the top line that we have.

And I don't mean to be evasive. It is just I don't have a firm answer to that yet.

Mr. MODLY. If I may just add to that. The multiyear procurements give us tremendous flexibility to purchase these ships, these long lead time ships, and reduce the cost of them over time. And so we are very much in favor of using that authority whenever we possibly can. So—

Mr. GOLDEN. Well, I appreciate that and, you know, would love to work with you on that as we plan for the future, because I think you have made the point, Mr. Secretary, it drives down the cost of the ships. I would be surprised—obviously, I don't know what the force assessment is going to look like, but I have heard an awful lot of good testimony about the importance of the DDG destroyer as the Cadillac of the Navy, the backbone of the force.

I would be shocked to see a dramatic shift. Maybe I will be proven wrong. But I think that would be an interesting conversation.

General Berger, I want to just ask you, in your planning guidance, you made this quote, "Marines cannot be passive passengers en route to the amphibious objective area. As the long-range precision standoff weapons improve, and diffuse along the world's littorals, Marines must contribute to the fight alongside our Navy shipmates from the moment we embark."

I also have heard you talk about having a distributed force. You have talked about land-based anti-ship weapons and being able to reach out and touch the enemy. I also can't imagine you envisioning a Marine Corps infantry that is not able to go ashore and tangle with the best of them.

So this is not a got-you question, but during your nomination you testified that you would continue the Marine Corps support for the Close Combat Lethality Task Force. I also wanted to point out that Secretary Esper basically committed the same, saying that the cross-functional nature of the CCLTF increases coordination of effort department-wide.

For those people listening that don't know, this is an effort to strengthen the lethality, survivability, resiliency, and readiness of U.S. squad-level infantry units to ensure close combat overmatch against pacing threats, yet there is a proposal to just move this into the Army and not keep it—a shared joint services effort.

I can't imagine that much has changed, but I did want to ask because it seems like a pretty rapid shift away from where we were just 6 months ago.

General BERGER. Sir, we have benefitted from the work they have done so far, because we were part of it. And inside this budget, plus a very small unfunded priority list for the Marine Corps, 44 percent of that unfunded stuff is individual Marine stuff, from the individual combat equipment for reservists to suppressors and night optics.

We have been the beneficiary of that. We have to continue that. We cannot let that flounder again, not because we are going to put 10,000 Marines across a beach, we are not going to relive 1944 or 1945, but because the way you describe it, we have to first deter, but if that doesn't work, be prepared to distribute a force ashore or afloat, either one. And then it is going to always boil down to a small unit leader, and we have to outfit that small unit leader and his team with the very best we can.

The CHAIRMAN. Thank you.

Mr. GOLDEN. I am out of time. Thank you. I appreciate it.

The CHAIRMAN. Mr. Waltz.

Mr. WALTZ. Thank you, Mr. Chairman.

Secretary Modly, before I get into my broader strategic and parochial questions, I just wanted to note that several members of the Florida delegation wrote you regarding the awarding of Purple Hearts to those wounded during the December terrorist attack on Pensacola NAS, and asking you to review whether any of those personnel merit valor awards.

As a combat veteran, I certainly saw valor in the actions of many to protect their fellow sailors and civilians. So I understand the valor awards are still under review, but I wanted to thank you for awarding several Purple Hearts to the victims of that horrific attack.

I just want to echo quickly my colleagues, Representative Gallego, Representative Banks, the concerns of the burgeoning qualitative and quantitative Chinese and Russian fleets. Lots of discussion of the *Virginia*; lots of discussion of the *Columbia*. Obviously, that is a key part of our deterrent.

Moscow and Beijing I think feel the same way, so taking a look at the P-8s and just following up on Representative Banks, we have a Reserve squadron, the P-3s are so old that I guess we are retiring those, even without replacements. But what is the bottom line on where you need to go on the total numbers of P-8s? And how and when are we going to get there? And I know that is a piece of the ASW [anti-submarine warfare] fight, but I think it is a pretty critical one.

Admiral GILDAY. Sir, we are not abandoning P-3s without a replacement. So P-8s are coming online and replacing those P-3s. In the late 2020s, that inventory will be closed, fully closed.

Mr. WALTZ. Admiral, my understanding is that this—the Reserve squadron in Jacksonville, Florida, is going to decommission before they get P-8s, if we could—I would be happy to be wrong on that, if you could just follow up for the record.

[The information referred to can be found in the Appendix on page 112.]

Admiral GILDAY. I will come back to you on that, sir. But I also take a look at whether or not that is being replaced in a different area with a different squadron.

Mr. WALTZ. Fair enough.

Admiral GILDAY. But I will get back to you with some—

Mr. WALTZ. Thank you. Thank you. And then, on the sonobuoy piece—and, again, you can take this for the record as well if you don't have the detail. As we looked at it, you request \$49 million to recapitalize the newest version, the SSQ-125A. Our understanding—my understanding, that is not in production yet. So we are confused on where, you know, basically, if you could come back to us and explain why we are recapping a sonobuoy that is not in production versus replenishing the stocks and continuing to replenish the stocks, which I think this committee has supported you in doing in the last few years, but that seems to us to be a disconnect for replenishing something that is not in production yet. If you could come back to us on that, I would appreciate it, Admiral.

Admiral GILDAY. Yes, sir. I will.

[The information referred to can be found in the Appendix on page 112.]

Mr. WALTZ. And then, you know, I just have a broader strategic topline question that I am asking of all of the services. I mean, and the Secretary and Chairman. We are looking at a flat topline budget. We are looking at increasing personnel costs. I still am not clear—and I think this is the broader strategic question we are all asking—how are we going to modernize? How are we going to recap?

And how are we going to procure when our personnel costs continue in the outyear and the FYDP to eat up more and more of a flat top line? It just—I am having trouble kind of circling that square. If you could—if you could speak to that, and then in the time remaining I have—I completely agree there is a quality and quantity. Are you looking at any types—of pulling anything out of mothball or modernizing any from the *Hazard* [*Oliver Hazard Perry*-class] frigates or anything along those lines of kind of really getting out of the box to keep up with the pace that the Chinese are cranking out ships?

Mr. MODLY. So I think, sir, that the best way to answer that first question from my perspective is we have to look internally at our own organization. And there are many things that we do, the way we operate, the way our business processes are set up, the business system structures that we have, that inhibit our organization to be as agile as it needs to be. And there is cost associated with that.

There are overhead structures that are associated with that that we don't need to have, and we need to funnel that into modernization. I think ultimately we can dig very deep to find some of that, but at some point there is going to have to be a broader discussion about a higher top line for the Navy. And that is something that I am trying to queue up, but I can't—

Mr. WALTZ. Thank you. Just in the time—thank you for that candor. And the other piece—again, I am on the Future of Defense Task Force as well. In my remaining 10 seconds, if we are moving long term to more and more lightly manned and unmanned systems, but we have the long-term personnel costs that are eating up that budget, how—you know, again, if you could come back for the record of how—you know, where those intersections come, is it 5 years, 10 years, and how we accelerate it.

Mr. MODLY. Happy to do so.

[The information referred to can be found in the Appendix on page 112.]

Mr. WALTZ. Thank you. And thank you, Mr. Chairman.

The CHAIRMAN. A number of members have hit upon this point, but I think that is a crucial question is making the budget work for what we want to do, make sure we don't overextend ourselves, so we wind up not doing anything well.

You know, if we have the money, we have the money. If we don't, we have to figure out how to make it work. And I think a lot of us—and you as well—are struggling to get the right answers on that. And that will inform a lot of what we do in this year's defense bill.

Ms. Luria.

Mrs. LURIA. Secretary Modly, I wanted to start with a comment that you made recently, and this is a quote. You said, “The service needs to settle on a North Star and begin the research and development and construction to get the hulls in the water, and then it could refine its vision as needed once fleet leaders understand how the new and old ships work together to bring naval power to a distributed fight.”

So, you know, I read this and what do you think it sounds like to me? It sounds like the LCS program, the DDG-1000. It sounds like the *Ford*. It sounds like the conversations we are having about unmanned surface vessels. So, you know, I just wanted to point out the fact that, you know, we have had class after class after class of ship procurement and construction that has essentially failed, and it has failed us in providing national defense, presence, deterrence overseas.

And it has failed the sailors who are working on those ships. They are the ones who are doing the right thing, but we are giving them platforms that can't do the job, that are not fully developed, that are not mature in design before we start building them.

And so in that discussion I want to discuss the LCS. So, in 2018, Vice Admiral Brown, Commander, Naval Surface Forces, said, “These ships bring unmatched capability to our surface Navy and provide flexibility to our fleet commanders.”

So in your assessment, do you agree with Vice Admiral Brown that these have brought us unmatched flexibility? And would you say the LCS is a success or a failure?

Mr. MODLY. Well, ma'am, I think it is too early to say whether or not they are a success or a failure. I think right now—

Mrs. LURIA. Well, no. It is too early to tell? You want to decommission the first four ships in the class, and it is too early to tell? We are going to go through, and we are going to start decommissioning them when the oldest one is 12 years old. And I will quote—Admiral Gilday gave I think a good assessment of what they turned out to be at the Shipbuilding Caucus breakfast a couple of weeks ago, that they were just prototypes, because we built them and then we figured out that they didn't work.

So is this like a “we will build it and then they will come” mentality that they Navy has? Is this your plan for the FFG, the large surface combatant? You know, what is the plan of the Navy to develop platforms and ships that actually do the mission?

And I am going to stop there because it is a somewhat rhetorical question and could never be possibly answered in 5 minutes.

But what I am going to move on to is this entire discussion about 355 ships. So since I have been here, what I have been talking about is, how did we get to the 355 number? We got to it through the OFRP, and the OFRP moved us from deploying 6 out of every 24 months, so 25 percent of the time, to 6 out of every 36 months, 17 percent of the time.

I am not that smart with math, but I am a Navy nuke, and I can do the math backwards. And 355, if you do the math backwards, at 25 percent of the time, it works out you only needed 282 ships to do the same thing presence-wise before you went down in the amount of time they are deployed.

So, honestly, a force structure assessment and a 30-year shipbuilding plan that are based off of an assumption that we are only going to deploy approximately 17 percent of the time, or 6 or 7 out of 36 months, you know, it doesn't work. It gets us to 355.

And, you know, I have been struggling to do your math because you said we could get to 355 ships by the end of this decade. I mean, do you have proof that our industrial base could even do that if we threw all of the money that the taxpayers had at it? Would it even be physically possible?

Mr. MODLY. I think it is possible, and I mentioned before, ma'am, what I think it would take.

Mrs. LURIA. So it is possible in the plan that we haven't seen yet. It tells us how to get to 355 in a decade.

Mr. MODLY. I will be able to tell you how we think—how I think we can get there. Yes, ma'am. But, you know, many of your points are valid, but some aren't. The LCS—the first two LCS ships were not designed to be operational ships. They were test ships.

Mrs. LURIA. Is that what was testified to Congress? When you came and asked us to pay a bill, and the American taxpayer to pay for ships, you told us you wanted to build two ships that weren't going to be operational, that were never going to deploy, and then you send sailors there and expect them to operate these and put all of their blood, sweat, and tears into operating the ships that are never going to deploy?

Mr. MODLY. The first two were purchased with R&D dollars, which meant they were research and development ships. So I think—I was not here, but that sounds to me like—

Mrs. LURIA. Okay. So then are they being counted? If they are R&D ships and they are just prototype test platforms, are you counting them in the 293 of 355 that we have right now?

Mr. MODLY. They are part of the—

Mrs. LURIA. Are they operational fleet ships?

Mr. MODLY. Yes.

Mrs. LURIA. Well, then, I don't buy that answer. If they are operational fleet ships, they can't deploy. We were going to have warfare modules for them. They were going to bring us a whole bunch of capability, but guess what? We didn't even develop those, and we are still not operational at this point. Is that correct?

Mr. MODLY. Some of them are. Some of them are operating right now. Some of them are doing operations out in the South China Sea right now. So they are out there, and they are doing things.

Mrs. LURIA. So they are out there, and they are doing things. So was it the agile, flexible platform that was going to solve all of the Navy's problems? When I see this mystery 30-year shipbuilding plan, is it all LCSs?

Mr. MODLY. No, ma'am. And I don't think anyone ever said that it was going to solve all of the Navy's problems. I think it was a new capability that would address certain problems in certain areas that other more expensive ships—that it was too expensive to do with those other ships. That is what it was designed to do.

The CHAIRMAN. The gentlelady's time has expired.

It is an incredibly important point, and a much more forceful and articulate way of getting at what I was trying to get at in my open-

ing statement is the 355 number kind of offends me because it doesn't get into this. And this is what matters.

You know, you could have 355 rowboats, theoretically, and you would have 355 ships. So I don't even know why we put that number out there. I would much rather see, here are the capabilities that we need to have.

And, you know, yes, I take your point about R&D ships, but you can't really count an R&D ship as part of the 355-ship fleet if you are being honest about it, if you are not just trying to hit an artificial number. It is about the capabilities.

And also, I think what—and you gentlemen have worked very hard on this and made it better. It is about, okay, we have it. Can we use it? And that is really important, and I know you focused on that. You focused on the maintenance. You focused on those issues.

That just seems to me like a lot more important than spending all of your time, you know, trying to come up with some chart that shows we can get to 355 ships. You know, the point is much more the capabilities and the deployability. Just my two cents' worth.

Mr. Bergman.

Mr. BERGMAN. Thank you, Mr. Chairman. Am I "Tail End Charlie" here?

The CHAIRMAN. I beg your pardon?

Mr. BERGMAN. Am I the last man standing?

The CHAIRMAN. At the moment. But you never know who is going to show up.

Mr. BERGMAN. Okay. Well, potentially, then, the only thing standing between you all and what you are going to get onto next today, I will try to be short, sweet, and to the point, but it will take 5 minutes.

So the point is, historically, we have heard the phrase used "There is no one more adaptable and creative than a Marine in a firefight." Conversely, personal experience tells me there is no one less adaptable than that same Marine within a change-resistant bureaucracy.

As I look at today's DOD and service bureaucracies, I see experienced, motivated, digitally savvy, young service members held back by analog bureaucrats who are change-resistant. That is just a perspective of 40 years in uniform, whether it be Active Duty or Reserve.

There is good news, because we have these service members, these young men and women, who they are there to fight. They are there to defend our country's interest at all cost. It is up to us to do the right thing, to enable them, and not stifle them after they have gotten the experience, that they can be productive in a changing environment that is always going to be changing.

So, General Berger, I know it was mentioned before I got here, you know, you are going to propose some—the Marine Corps is proposing cuts of about 2,000 personnel in the fiscal year 2021 budget request. You have indicated what your goal is.

I guess my question is, with the proposed cuts to manning, is the Marine Corps considering increased use of shared services, whether it be on the admin side, the fiscal side, where you don't need commands at all levels to have that completely filled-out shop; that you

can actually streamline your outputs for, again, HR [human resources] stuff and fiscal stuff by utilizing the shared services.

And can you—do you want to make a comment? Are you ready to—and if you are not, I mean, we can talk about it, take it for the record, because I would like to hear what you are thinking.

General BERGER. The force design efforts started with the warfighting end. So most of the adjustments to how we are built had to do with warfighting. And part of that, to your point, sir, was where we would best—where we ought to integrate with the Navy in a personnel manner.

In other words, at the numbered fleet, do we have it right? Because right now, today, a numbered fleet has one Marine colonel. We have got to do a lot different than that going forward.

So it is not for the sake of efficiencies. It is for the sake of warfighting. After that, where do we go inside the title 10 headquarters, all of the headquarters between us and a battalion squadron? We have to look at all of that, yes. Have we looked at it through the lens of where we could deliberately look for services elsewhere? We have not yet, no.

Mr. BERGMAN. Okay. Thank you. And also, for both—and, again, not necessarily to be answered right now, but for both Admiral Gilday and General Berger, we now use the term “operational reserve,” because since we can go back in the history since after Korea, where we didn’t—we didn’t populate the Guard and Reserve with equipment or resources necessary to keep them ready to the point where if we needed to use them, they were ready to go when we needed them.

Well, the last 20-plus years, we have seen the value of an operational reserve. So having said that, when we think about HD/LD assets, high demand, low density, quick turn on the deployments, things—now we are talking Active Component assets—intel, cyber, IT [information technology], for example—we know we are not going to keep those corporals and sergeants because the pay is too good and the opportunities too great in the outside world. So we train them up; they serve their time honorably; they do the job well.

So I would just encourage you to be looking at, how do you take those highly trained, capable assets, and keep their viability? It is different in an infantry battalion, but those kind of assets we need to keep for as long as possible.

And there is only one place to keep them, if they leave Active Duty, and that is a Reserve capability appropriately led by people who understand what it takes to be a reservist who is committed to a career after their service.

And with that, I yield back, Mr. Chairman. Thank you.

[The information referred to can be found in the Appendix on page 111.]

The CHAIRMAN. Thank you. I believe we are done, but thank you, gentlemen, very much. Appreciate your service, appreciate your testimony, and we will continue to work on this as we prepare the bill for this year.

And with that, we are adjourned.

[Whereupon, at 12:41 p.m., the committee was adjourned.]



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**A P P E N D I X**

FEBRUARY 27, 2020

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**PREPARED STATEMENTS SUBMITTED FOR THE RECORD**

FEBRUARY 27, 2020

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NOT FOR PUBLICATION  
UNTIL RELEASED BY THE  
HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF

THE HONORABLE THOMAS B. MODLY  
ACTING SECRETARY OF THE NAVY

ADMIRAL MICHAEL M. GILDAY,  
CHIEF OF NAVAL OPERATIONS

GENERAL DAVID H. BERGER,  
COMMANDANT OF THE U.S. MARINE CORPS

ON FISCAL YEAR 2021 DEPARTMENT OF THE NAVY BUDGET

BEFORE THE  
HOUSE ARMED SERVICES COMMITTEE

FEBRUARY 27, 2020

NOT FOR PUBLICATION  
UNTIL RELEASED BY THE  
HOUSE ARMED SERVICES COMMITTEE

Chairman Smith, Ranking Member Thornberry, distinguished Members of the Committee, thank you for your bipartisan efforts to build the strength and readiness of our integrated naval force.

As the nation's forward-deployed, global maneuverable team, the entire Department of the Navy (DON) – Sailors, Marines and Civilians – must be ready to respond as a single unit wherever and whenever there is need. We must deliver the personnel, platforms, and operational capability necessary to secure vital sea lanes, stand by our allies, and protect the American people.

Accomplishing this in today's global strategic environment demands planning, clear-eyed assessments, and hard choices. We must design a future integrated naval force structure, advance our intellectual capacity and ethical excellence, and accelerate the digital modernization of our force. That's why this budget prioritizes a strategy-driven, balanced approach to investment, informed by relentless examination of our present capabilities and realities. It builds on prior investments while adjusting fire where necessary to deliver greater efficiency and effectiveness. It sustains the industrial base, and maintains our competitive advantage. Overall, this budget will deliver a more integrated, survivable, and affordable future force.

Our testimony details the combined perspectives of the DON civilian and military leadership. We begin with the challenges we face, followed by our overall strategic vision, then the specific priorities of the Navy and Marine Corps to meet the requirements of this vision and execute the National Defense Strategy (NDS), which remains the guidepost for all of our decisions. The Department of the Navy sustains progress along each of the NDS lines of effort through adequate and timely funding from our partners in Congress. We are proud to work in partnership with this Committee in defense of our nation, and look forward to that work continuing.

**The Global Challenge**

The reemergence of long-term great power competition, the evolving character of that competition, and the accelerating advancements in technology are spurring a period of transformation in the strategic environment, requiring us to adapt our integrated naval force design and operating concepts to new realities. As the National Defense Strategy states, “there can be no complacency – we must make difficult choices and prioritize what is most important.”

Thus far this century, terrorist groups and rogue states have dominated our perception of the threat environment. These threats were lethal, but did not pose an existential threat to our national security. China and Russia present a different challenge, as each continues to develop sophisticated military capabilities backed by sizable economies. Their investments in surface, air, and undersea platforms have significantly increased the potential for kinetic conflict, while the leadership of both nations demonstrate increasing contempt for international law and the rules-based order that ensures the prosperity and security of all nations.

China’s battle fleet has grown from 262 to 335 surface ships over the last decade, and China’s commercial shipbuilding grew over 60% year over year from 2007-2017. It continues to take coercive actions against its neighbors and violate international law in the South China Sea. Russia’s irresponsible aggression continues on NATO’s eastern and northern flanks as well as the Black Sea, the Arabian Gulf, and the broader Indo-Pacific. China also invests heavily in submarines with advanced stealth capabilities and the platforms and infrastructure needed to dominate the emerging Arctic.

Meanwhile, warfare has evolved to new battlefields including cyberspace. China and other dangerous actors like Iran brazenly target the command, control, and communications (C3) systems and logistics networks on which our integrated naval force depends. China's nefarious activity also includes widespread cyber theft of intellectual property and sensitive information targeting our entire government, our allies, and our industry partners throughout the acquisition and supply chain.

As we prepare for the maturing threat of great power competition, we must remain on high alert for the actions of malign regimes such as Iran, and the continual asymmetric threat to our people, allies, and interests posed by non-state actors such as ISIS. In a recent example highlighting the impact of our integrated naval force, 5th Fleet and CTF-51/5 responded to crisis earlier this year by securing the U.S. Embassy in Baghdad with the Special Purpose Marine Air-Ground Task Force – Crisis Response – Central Command (SPMAGTF-CR-CC) and simultaneously coordinated additional naval support in theater. We stand ever-prepared to respond with every part of our integrated force to instability, terrorist threats, and rogue states throughout the world.

Our integrated naval force also has a critical role in preserving the infrastructure and access that powers the increasingly interconnected and interdependent United States and global economies. Our nation's continued prosperity and economic growth increasingly depend on open and secure access to the sea lanes. Maritime traffic has increased four-fold over the last two decades, with 90 percent of all global goods transiting shipping lanes, including new trade routes opening through the Arctic. Meanwhile, the undersea cables that power the digital economy and the global communications framework represent an overlooked but critical point of vulnerability for

American interests at home and abroad. Overall, the maritime system is more heavily used, more stressed, and more contested than ever before – and it has never been more important.

A dominant naval force is central to the effective execution of the National Defense Strategy in a changing world. But as we address these external concerns, we must also confront our business process challenges. These include a shrinking industrial base and vulnerable supply chain, inefficiencies due to legacy business operations, and antiquated acquisition processes which together result in increased costs and delays for both new development and overall maintenance. And despite the best efforts of this Committee, we must also continually prepare for the challenge posed by funding uncertainty.

Most importantly, we must never forget that our greatest resource is the men and women who wear the uniform, who comprise our civilian workforce, and the families that serve alongside them. We are committed to ensuring our Sailors, Marines, and Civilians are trained and equipped to execute the mission and return home safely, and that their families are provided with the housing, medical attention, and education they need.

As detailed in the following pages, our integrated naval force has made significant strides in addressing the external and internal challenges we face. But we can never be satisfied, and will always press forward with a sense of urgency to deliver the people, the platforms, and the capabilities necessary to protect the American people and our interests around the world.

**Meeting the Challenge with an Agile Integrated Naval Force**

To meet these challenges, the NDS requires a dominant, agile, accountable, and globally positioned integrated naval force. We will plan, resource, and execute the NDS with specific focus on the following:

**Integration**

We must transform from our present two-service model into one true expeditionary force in readiness, with the Navy and Marine Corps operating together with integrated planning, design, training, and execution at every echelon and in every domain. This priority has been emphasized in messages to the fleet and planning documents by each member of DON leadership and is a guiding principle for every aspect of our planning and resourcing.

**Velocity**

Our integrated naval force must maintain the readiness and lethality to respond anywhere at any time. We will achieve this through a global operating model that ensures the continual posture, presence, and readiness of our personnel and platforms. We will dominate the fight to get to the fight, with forward basing, distributed maritime capability, fully integrated logistics, and continual aviation readiness. We also must increase the speed at which we do everything across the Department to match the rapid changes and unpredictability of the future environment.

**Collaboration**

A primary line of effort in the NDS is to build and maintain a robust constellation of allies and partners. Our integrated naval force is committed to training, operating, and learning alongside our allies and partners in every part of the world through every day interaction and regular operational exercises such as Trident Juncture, Talisman Saber and Rim of the Pacific (RIMPAC). Afloat and ashore, our allies and partners are crucial force multipliers and enablers of our global reach, particularly in evolving regions such as the Indo-Pacific and the Arctic. We must also break down organizational silos across our own Department and build more collaborative relationships with the other Military Departments and the Interagency to support whole of government approaches to security that will become more prominent in the future.

**Visibility**

While cutting edge ISR, cyber, aviation, and undersea assets ensure our global reach and awareness, there is no substitute for sustained presence and engagement. Through frequent port visits, stand-in forces, and Freedom of Navigation Operations (FONOPS), we will continue to demonstrate our enduring commitment to the defense of our people and interests, as well as our readiness and will to stand alongside our allies and partners. We will also focus on increasing transparency and information sharing in order to facilitate more rapid, and informed decisions.

**Innovation**

We will transform the strategic space to our advantage through next generation research and development, industry partnerships, and naval education. We are embracing the challenge of next generation technology and determined to dominate the design, development and effective

deployment of major technological breakthroughs such as hypersonic weapons. We are making the key investments and forging the key partnerships to own the next “Sputnik Moment.” We will become more comfortable with trying new ways of doing business, and more forgiving of incremental failures made in support of change and progress.

**Adaptability**

Where we cannot change the strategic environment through innovation, we will adapt to it quickly and efficiently through agile thinking and nimble platforms. This will allow us to protect our people and interests through unpredictable shifting security environments, and ensure the broadest range of options are available to the Commander in Chief and the Secretary of Defense. We will invest in an adaptable force structure, foster adaptable approaches to problems, and nurture the development of adaptable people comfortable with uncertainty and unpredictability.

**Humility**

We will address our challenges with a sense of humility, taking full account of the deficiencies we have, but with confidence that they can be corrected. We will be realistic in our planning and budgeting to assure we do not trade growth for readiness. We will not allow ourselves to build a hollow force, but we will be honest with the Congress and the American people about what we see the areas in which we need their full support in order to build the integrated naval force that is required to maintain the nation’s security.

**Gray Hulls: Building and Maintaining the Right Capabilities**

In order to meet the many demands of the global strategic environment and ensure our warriors are always prepared to dominate the fight, we must design a future integrated naval force structure aligned to the threats we face, both today and in the future. This budget prioritizes the readiness of those platforms and systems that will enable the United States to maintain and expand its competitive edge over all adversaries while we examine ways to grow the fleet in a reasonable timeframe, all while remaining responsible stewards of American taxpayer dollars.

**Divesting from 20<sup>th</sup> Century Legacy Systems**

In keeping with the DoD-wide priority to modernize from low-value legacy systems to fund combat-overmatch lethality tuned to the challenge of great power competition, this budget divests from multiple legacy or surge-based capabilities that do not align with the requirements of the NDS. It shifts capabilities from a counterinsurgency focus to systems that enable our personnel to exploit positional advantage and defend key maritime terrain for persistent forward sea control and denial operations. This budget also aligns with Secretary Esper's commitment to become more of a "fast follower" of commercial technology, and to dominate the future development and employment of artificial intelligence (AI) and hypersonics funding.

**Building to a 355 Navy**

Thanks to the bipartisan efforts of this committee, the goal of a 355 ship Navy is now the law of the land. We will be working with the Office of the Secretary of Defense to develop a consensus perspective on this future force structure through robust analysis and wargaming and the

inclusion of expertise from our academic institutions (Naval War College, Naval Postgraduate School, Marine Corps University) and independent naval experts. This process will be **iterative and continuous**. In order to meet the nation's national security needs and remain within budget constraints, we must consider how to shift costs away from high-end platforms to a larger number of smaller, but still highly capable ships. Such a shift will allow broader presence, reduced manning, and longer reach through a significant increase in hypersonic weapons, greater stealth, and advanced anti-ISR capabilities.

We are also considering how unmanned surface and subsurface platforms should figure into our force mix. These platforms will not only allow us to distribute and conceal lethality, but to do so at a reduced cost and greater integration and interdependency with the Joint Force. While some perspectives vary on the ultimate composition of this future force mix, there is clear agreement that certain new classes of ships that currently do not exist today must be designed and built rapidly in the next ten years. The exact mix will be the subject of continuous evaluation and analysis, but it will not impede our immediate investment in the development and initial production of these new vessels.

#### **Fielding a Ready, Relevant, Responsive Integrated Naval Expeditionary Force**

A key aspect of our transformation will be a shift to greater naval expeditionary force capabilities and a restoration of the Fleet Marine Force. The potential for rapid change in the global environment, particularly in the Indo-Pacific, demands a rebalance from the current Marine Corps force land and surge based posture to a more distributed, rapidly deployable and fully integrated force. This budget continues investment in key Marine Corps development

programs such as the Ground Based Anti-Ship Missile, Ground Based Air Defense, CH-53K helicopter, and F-35B Joint Strike Fighter, supporting Marine Corps efforts to enhance Long Range/Precision Fires, Protected Mobility/Enhanced Maneuver, and Air Defense.

#### **Generating Readiness and Sustainability**

This budget optimizes Marine Corps readiness to achieve 80% serviceability of reportable expeditionary equipment, and implements the Commandant's Infrastructure Reset Strategy so our warriors are always prepared and present to defend our people, our interests, and our allies. It sustains the shipyards and supporting industrial base to maximize repair and modernization capacity and minimize turnaround and downtime. To provide continual presence and readiness for the fleet, this budget funds 58 days underway while deployed and 24 days underway while non-deployed per quarter, with an increase of 6.5% over last year for ship operations funding. Leveraging private sector best practices through the Naval Sustainment Strategy, this budget continues to invest in Aircraft Depot Maintenance to achieve the goal of 80% mission capable rates for strike fighter aircraft. This budget also increases the Flying Hour program by 5.8% and aligns the funding for air operations to the mission capable rates to ensure that all squadrons deploy combat-ready.

#### **Producing Next Generation Superiority**

The *COLUMBIA*-class submarine program enters the first year of incremental procurement funding for the lead ship, and this budget resources the program for on-track delivery to meet the first deployment in 2031, with a second ballistic missile submarine starting in FY24 and serial production begins in FY26, furthering the recapitalization of our Strategic Nuclear Deterrent.

Additionally, we continue to resource the development of the Fast Frigate, and Future Large Surface Combatant, both of which will greatly enhance our distributed capabilities and forward deployed lethality. This budget also continues advanced capabilities in the F-35B and F-35C Joint Strike Fighter for both the Navy and Marine Corps. We also maintain investment in weapons development to provide for longer range and hypersonic weapons, with increasing investments in areas like Conventional Prompt Strike and our Standard Missile family. Finally, we will look to Congress for support in our effort to expand training and testing opportunities through range expansion aboard Naval Air Station Fallon in order to fully develop and train with these lethal capabilities.

**Gray Zones: Winning the Fight Before the Fight**

The future battlespace extends well beyond the field of kinetic action. Ensuring our warriors are the best equipped and prepared in the world starts with accelerating our digital modernization across the force, streamlining our business processes and maintaining the highest level of efficiency. Agile and accountable naval forces are impossible without agile and accountable business processes that support them. With the support of this budget submission, the following are just a few of the reforms we are implementing throughout our integrated naval force to dominate the future fight, from the E-Ring to the front lines.

**Executing the Business Operations Plan**

The President's Budget Submission will allow us to accelerate our business process modernization across the naval enterprise through the use of advanced digital tools and technologies to substantially improve performance, speed, accuracy, and security. The DON Business Operations Plan (BOP) details the steps we are taking to transform our business operations in alignment with the NDS, with six, twelve, eighteen, and twenty-four month milestones to provide DON leadership the ability to better manage and monitor progress on the path to a more agile and accountable business enterprise. The plan provides clear direction for military and civilian leaders throughout the DON to maximize investments and effort in alignment with the NDS. It also provides greater transparency and oversight opportunities for our partners on this Committee as well as the American people.

**Transforming the Digital Enterprise**

Information management is a core strategic function of the DoN. Cyber security, data strategy and analytics, AI, and quantum computing have all combined to create massive opportunities - as well as vulnerabilities - across our entire enterprise. A critical element of mission readiness is the ability of our personnel to have access to relevant, reliable, and secure global communications and information, at every echelon and in every domain. In FY19 we consolidated information management functions in a restructured Office of the Chief Information Officer (CIO), driving transformation and operational capability through the following lines of effort:

- Modernize DON infrastructure from its current state of fragmented, non-performant, outdated, and indefensible architectures to a unified, logical, modern infrastructure capable of delivering an information advantage.
- Innovate operational capabilities through technologies like 5th Generation (5G) wireless and AI, and accelerate software development through Digital Innovation Centers, leveraging private sector and industry best practices to fuel our digital transformation.
- Defend networks and assets through continuous active monitoring across the enterprise to increase cyber situational awareness. We will institute a security culture where a personal commitment to cybersecurity is required to gain access to the network. We will transform from a compliance-centered culture to one of constant readiness, and we will work with our industry partners to secure naval information wherever it resides.

**Managing Finance and Operationalizing the Audit**

We have completed the second full scope financial audit of the entire DoN, revealing more opportunities to improve our financial management and business processes as well as many other aspects of our enterprise. The financial audit is the lynchpin to both monitoring and catalyzing improved business operations performance. Our senior leadership has repeatedly emphasized to all personnel that active participation in the audit process is not just a financial exercise, but a management tool that must involve the combined effort of all of our personnel in order to identify ways to improve our organization's effectiveness and accountability.

We are on track within the next two years to achieve qualified financial audit opinion for the Marine Corps, with an unqualified opinion the following year. This will make the Marine Corps the first military service in the Defense Department to receive such an opinion in the history of the United States. Achieving this for the Navy will be more challenging, but we continue to see improvements year to year. The DON has also conducted a Zero-Based Budget review designed to ensure alignment of goals and resources, achieve full value for every taxpayer dollar, and increase transparency in our resource allocation process. Finally, we have implemented Performance-to-Plan reviews that provided a fleet-focused and data-driven approach, accelerating readiness.

**Modernizing Naval Supply Chain and Logistics**

Our integrated naval force requires unified logistics operations and secure, reliable supply chains in order to maintain the distributed, forward maneuverable force demanded by the global strategic environment. Through the audit and other reform efforts, we have identified multiple areas where our supply chain and logistics processes are disjointed and divided, with areas of poor visibility and accountability that impact our forward inventory and readiness.

These efforts have also revealed areas where greater integration between the services is needed and where our multiple supply chains require consolidation and optimization. We are developing a long-term strategy to address these deficiencies, beginning with a new modern vision for future integrated naval logistics and supply chain management, and will proceed with executing reforms consistent with this vision this year.

**Gray Matter: Developing Our People**

We cannot solely define American seapower by ship counts and high-end systems. In the end, our core strength will always reside in the gray matter between the ears of our people as much as it does in the gray hulls out in our fleet. Recruiting, retaining, educating and caring for the best military and civilian force possible has always been and will always be our greatest edge against all competitors. We will meet this challenge through transformative investments in education, greater connections with partners and allies, a competitive human capital strategy, a recommitment to high quality housing for our naval families, and a determination to eliminate the scourge of sexual harassment and assault throughout our total force.

**Prioritizing Learning as a Strategic Advantage**

As stated in the 2018 Education for Seapower (E4S) report, the intellectual capability of our Navy and Marine Corps team and our ability to operate as a continuous learning organization will serve as the enduring foundation of our credible deterrent to war. In the year since the E4S report was completed, we have established the office of the Chief Learning Officer (CLO) and moved quickly to introduce sweeping changes in the structure, integration, and prioritization of naval education. These changes include:

- U.S. Naval Community College - Our highest priority is to create a new United States Naval Community College (USNCC) that offers advanced, online technical and analytic education to our enlisted force in critical areas like IT, cyber, and data science. Free for every Sailor and Marine, the USNCC will fill a long-neglected gap in our educational continuum and provide a recruiting and retention incentive through degree-granting relationships with major four-year public and private universities across the nation.

- Naval Education Strategy 2020 – Our recently released Naval Education Strategy 2020 is the first ever comprehensive education strategy for our integrated naval force. The strategy will lay out a clear road map to develop a lifelong learning continuum for our entire force, reform our personnel systems to better recognize and reward the value of education, and invest in our schools and education programs.
- Strategic Education Requirement for Flag and General Officers – The opportunity to wargame future scenarios and technologies, study naval strategy and debate alongside peers is vital experience for the leaders who will guide our integrated force through the future strategic landscape. That is why we are now requiring in-residence strategic studies graduate education for promotion to Flag or General Officer rank.

#### **Recruiting, Curating and Retaining the Best Talent**

This budget provides the resources to fuel a new human capital strategy to better access and curate best-in-class talent for our Navy, Marine Corps, and civilian work force. We developed this strategy leveraging leading private sector business practices designed for the new economy. Initial pilot programs in support of this strategy will begin this year. The Navy's Sailor 2025 initiative and comparable initiatives in the Marine Corps have contributed to successful recruiting and retention in what should be a very challenging market.

Through a combination of non-monetary, quality of life, and customer service programs, we are increasing our responsiveness to the needs of the individual warfighter and their family, making continued service a viable and attractive option. And we are increasing avenues for civilians with prior service through the Targeted Reentry Program, and expanding opportunities to serve in

meaningful civilian capacities. We are also increasing opportunities for our personnel to learn, operate, and innovate alongside partners in the private sector, across the joint force, and alongside our partners and allies.

#### **Setting Our People Up for Success**

Through USMC Global Force Management, we will continue to field an elite Active and Reserve Marine force, maintaining a 1:2 deployment to dwell ratio while working towards a necessary 1:3 ratio to preserve constant readiness and availability of personnel while also reserving time for training, refitting and family support. This budget increases funding and training for Marine Forces Pacific in support of the Commandant's Planning Guidance and the NDS. The DON has also implemented over 100 of the recommendations from the Readiness Reform and Oversight Council (RROC) in order to maximize opportunities for our personnel to succeed. Among many other changes, we have increased opportunities for shipboard certification and skills enhancement, while adjusting manning schedules to maximize safety and improve quality of life and professional effectiveness for our personnel while underway.

#### **Standing Up for Our Military Families**

Our people must be confident that their leadership will look out for their interests and advocate tirelessly for their safety and well-being. Unfortunately, as Congress correctly identified last year, we have not always lived up to that responsibility, particularly with respect to our administration and oversight of the Military Privatized Housing Initiative (MPHI) program. We are committed to making sure we assess, monitor, and remediate issues of concern quickly and effectively through active and engaged leadership and reinforced Department-level oversight to

restore the trust of our residents. Over the past year, Navy and Marine Corps leaders reached out to all of our Sailors, Marines, and their families to inquire about on-base housing concerns and offered home visits to better understand those concerns. We are also leveraging technologies such as an app for residents to report issues and track their resolution and an Electronic Data Warehouse that allows leaders at every level the opportunity to spot trends and issues quickly and effectively. This budget also provides resources for additional personnel to advocate for resident needs. In total, the Navy and Marine Corps housing programs are hiring 277 more housing management specialists, housing inspectors, quality assurance specialists, and project and business managers.

#### **Combating Sexual Assault and Sexual Harassment**

We are each determined to eliminate the scourges of sexual assault and sexual harassment from every part of our force. These behaviors stand as a betrayal of those who have stepped forward to serve and of every person who wears the uniform, military and civilian. Our Sexual Assault Prevention and Response Office (SAPRO) is coordinating education, outreach, care and prevention efforts across the force. We have reached out to university presidents and other civilian education leaders through our first annual symposium held at the U.S. Naval Academy in April 2019, as well as regional discussions in New York City in September 2019 and in Albuquerque, New Mexico in early February 2020. We are examining new prevention and education efforts including a renewed focus on junior enlisted leaders and the role of alcohol in sexual assault and harassment. We will continue to work with this Committee to pursue and share the best practices and ideas, relentlessly pursuing a future where no Sailor, Marine, or civilian teammate ever has to fear for their own safety while protecting us all.

**Building a Robust Constellation of Partners and Allies**

As extraordinary as the people of our integrated naval force are, we recognize that we cannot meet the global challenge alone. The strategic maritime defense partnerships we maintain with our partners and allies around the world extend the reach and power of our force, but more importantly they underscore the importance of cooperation and coordination in maintaining the rules-based international order that enables so much of our global prosperity and security. Our personnel regularly train and operate alongside their foreign counterparts, test the interoperability of our systems, and build our collective readiness. Operational exercises, international port calls, joint Marine force training, aviation training and other interactions all build the personal contact that generates understanding and respect across national and functional lines. Our personnel know that through their service they are front-line diplomats for our nation, promoting through their professionalism and dedication the connections that strengthen our collective security and cultivate shared ideals that send the message that the United States is a partner worth having.

**U.S. Navy Priorities**

The President's FY21 budget request seeks nearly \$160 billion for the U.S. Navy, an investment that will continue the momentum built since the release of the National Defense Strategy (NDS). The competition articulated in the NDS will continue for the foreseeable future and demands purposeful action over a long time horizon. As a result, consistent, sustained, and predictable funding is critical to ensure that taxpayer investments already made in the Navy are fully realized. We are grateful for the predictable funding we have received in recent years.

We are proud of our intensely collaborative effort to deliver **Integrated American Naval Power** to the people we are sworn to defend. This integration will sustain the naval forces that our nation demands and our Joint Force expects. This integration will also place the United States in the best position to compete and win against the pacing threats we face.

The guiding principle of the Navy's portion of this budget request is to deliver decisive naval power, blending **readiness, lethality, and capacity** together to create a naval force that is agile and ready to fight today while also committing to the training, maintenance, and modernization to ensure the Navy can fight and win tomorrow. This budget submission materially advances the efforts that fall under these three objectives.

**Readiness**

The CNO's initial guidance to the Navy stated, "Mission One for every Sailor is a ready Navy...a Navy ready to fight today." The Navy must be able to conduct prompt and sustained combat at sea, but current readiness also supports the indispensable roles the Navy performs on a daily

basis: securing American commerce, which is more heavily entwined with the seas than ever; telegraphing resolve; and deterring conflict. These roles are enduring and timeless, but they are also deeply connected to the priorities articulated in the NDS.

It is important to consider the historical context for this intense focus on readiness. The readiness landscape today differs significantly from twenty years ago. In 2000, the Navy had 318 battle force ships. Today, we have 293 after growing from a recent minimum of 271 battle force ships a few years ago. However, the number of deployed ships across the timespan from 2000 to today remained roughly constant. Today, we have 68 battle force ships deployed around the world. Sustaining this level requires many more than that number to deploy each year.

These demands for naval forces have led us to forward deploy a greater proportion of the force and significantly increase the length of rotational deployments. The extended deployment of the *ABRAHAM LINCOLN* is an example of this trend: her 294-day deployment was the longest for an aircraft carrier since the mid-1970s. While her extension was the best decision we could offer to support the demand for forces, it does not come without consequences. When ships, aircraft, and submarines are deployed longer, they require more maintenance to return to sea as ready as they were before. Moreover, our statistics show that this relationship is sometimes non-linear: “surge” deployments and heavier operational use can exponentially increase the time and cost required to recapitalize these valuable assets.

Our approach to implementing the NDS has already led us to guard readiness more carefully by ruthlessly prioritizing requests for forces. The growth of the Navy over the past several years has also increased the denominator in the readiness equation, relieving some pressure on the force.

Yet there is much more to do, and we are committed to finding and closing readiness gaps. The American taxpayer and the Congress have generously funded ships, submarines, and aircraft, and we owe it to the people we are sworn to protect and defend to be good stewards of those investments.

We are committed to funding readiness at the maximum executable level. PB-21 makes a strong commitment to current readiness, acknowledging the sustained effort required to mitigate the effects of decades of intensive use of our ships, aircraft, and submarines. The funding requested for individual accounts such as Ship Depot Maintenance and Aircraft Depot Maintenance have increased over FY20 enacted levels, reflecting purposeful choices about what we need to be ready today.

The Navy is already moving aggressively to ensure these funds are well spent. No reform is too small. Our relentless pursuit of reform has already paid dividends: our achievement of 80% mission-capable tactical aircraft this past year is one example. Acknowledging the challenges in depot-level maintenance and modernization, the CNO has directed Navy leaders to find the key levers of productivity that will allow us to deliver depot-level availabilities on time and in full. Although there is much to do, we are encouraged by the trends we are beginning to see. Our public shipyard workload has led us to increase hiring, increasing public shipyard end strength

by 16% from 2013. We are working aggressively to improve estimates of the length of time our platforms need to be in maintenance, level-load depot-level maintenance across our network of industrial partners, better integrate different maintenance organizations within the Navy, and utilize predictive analytics. In concert with continued discipline in guarding readiness, we believe that we can deliver our platforms in maintenance on time and in full. We are also grateful for the strong support we received from Congress in our enacted 2020 budget for a pilot program for private contractor shipyard maintenance in the Pacific, and request that this pilot continue. We value our close partnership with industry and recognize that predictability on our part will help incentivize our partners to grow, providing critical capacity to complement the work in our public shipyards.

PB-21 robustly funds ship and aircraft operations, another essential element of readiness. As previously mentioned, it provides for 58 underway days per quarter per ship and bolsters flying hours for our aircraft. This directly contributes to readiness by allowing our Sailors to train to complex, high-end naval warfare scenarios at sea and creating the maritime expertise our nation expects. While there is no replacement for operating at sea, the Navy is working rapidly to integrate Live, Virtual, and Constructive (LVC) training into the mix. LVC training allows units at all stages of force generation to maximize training for high-end warfare, and prevents the degradation of key warfighting competencies when platforms are undergoing maintenance.

This budget request also recognizes the truth that we cannot neglect our shore infrastructure in favor of future force structure or other priorities without an impact to readiness. This year's budget requests the largest amount of funds for Navy shore infrastructure in the past four years,

allowing us to create readiness at sea through increased readiness ashore. Congressional support for this request will also help the Navy meet its obligations to Sailors and their families, increasing the quality of public-private venture housing through increased oversight funded by approximately \$35 million each year of the FYDP, addressing perfluoroalkyl substances (PFAS) contamination with \$44 million requested for clean-up programs, and rebuilding Navy facilities in the wake of recent natural disasters.

Readiness at sea also depends land-based training ranges, especially for aviators and special warfare operators. These include the Navy's training center in Fallon, Nevada. Expansion of this range is critical to maintaining our readiness today as newer weapons, released from distances much greater than those of just a few years ago, require a larger safety zone around target areas. Expanding this range will allow us to send our Sailors into combat fully prepared, providing realistic training and the skills they will need to win. We are committed to work with federal, state, tribal, and local partners to do so in a way that addresses the concerns of all.

Finally, a ready Navy depends on our true asymmetric advantage: our people. PB-21 increases active-duty manning to keep our human capital synchronized with our force structure, raising our end strength by 7,300 Sailors. This reduces gaps and shortfalls at sea, directly contributing to readiness. Manning ships, aircraft, and submarines at sea remains a top priority, and we will continue to operate effectively and sustainably over time as the battle fleet grows. The budget also sustains the suite of efforts under the Sailor 2025 initiative and continues to transform our Manpower, Personnel, Training and Education (MPT&E) system to provide auditable, responsive services to our Sailors and responsibly reduce costs. It funds expanded educational

efforts to obtain warfighting advantage. Recognizing our ethical obligation to create a strong, positive environment for our Sailors, as well as the positive effect such an environment has on recruiting and retaining talent, we are committed to eliminating destructive behaviors such as sexual assault. We are focused on creating and sustaining a Culture of Excellence, where our Sailors do not merely avoid doing what is wrong, but actively pursue what is right. The Culture of Excellence program also leverages predictive analytics to intervene before destructive behaviors occur, breaking the cycle of simply responding to events.

We are witnessing very good trends in recruiting and retention. This has enabled us to fill gapped billets at sea, reducing them from 6,500 in December 2018 to 4,900 in December 2019. We met our retention goals for all zones in 2019, retaining 76% of the force. We're reforming our recruiting efforts, saving millions of dollars by processing forms for new accessions using biometric signatures. And our recruiters are exceeding their goals: 2019 saw the Navy sign the second-largest number of active-duty contracts, 40,756 new accessions, in the last 15 years. In an environment with low unemployment levels, these statistics are encouraging and demonstrate the America's young people see great value in joining the Navy team.

### **Lethality**

Deterring our competitors from malign activity requires fielding a forward-deployed, lethal naval force. Our competitors are heavily investing in technologies aimed at our naval forces. Across the Navy's Total Obligation Authority (TOA), the capability investments directly enhancing current and future lethality comprise approximately 21% of the Navy's annual budget. This investment can be further sub-divided into future capability (~11%) and modernization (~10%).

Relative to the entire Navy budget, the value proposition of our modernization investments are often overlooked when compared with resources applied to major ship and aircraft procurement accounts. Each dollar is thoughtfully applied to specific key capabilities based upon a rigorous analysis of iterative wargames, exercises, and experimentation. Offensive and defensive modernization efforts enable our ships and aircraft to operate in the face of today's advanced anti-ship and anti-aircraft systems.

In particular, we increased our investments in directed energy and hypersonic weapons. In terms of directed energy, we request to apply \$170.3 million in FY21 to our directed energy programs, which will rapidly advance our ship's defensive capabilities. In terms of hypersonics, we request to increase our investments from \$642 million in FY20 to \$1.4 billion. PB-21 continues our focus on developing long-range, offensive fires launched from ships, submarines, and aircraft, including: Conventional Prompt Strike, the Maritime Strike Tomahawk, Joint Standoff Weapon Extended Range (JSOW-ER), the Long-Range Anti-Ship Missile (LRASM), and the Standard Missile- (SM-) 6. We are moving quickly to extend the range of the carrier air wing with the rapid development of the MQ-25, the Navy's first unmanned carrier based aircraft. MQ-25 does more than extending our reach; it lays the foundation for integrating unmanned air power into our carrier fleet. The combined effects of these modernization efforts extends the lethal strike range of the CVW into denied areas while enabling the CVN to operate outside the threat ranges of adversary anti-ship missile threats.

The FY21 budget builds on the progress made in FY20 to pursue a networked fleet by investing \$82 million (\$395 million across the FYDP) in artificial intelligence and machine learning

technologies that improve decision quality and speed in combat. This networked fleet requires a resilient operational architecture to integrate our command and control, sensors, shooters, and weapons. To accomplish this, we will leverage our work on the Navy Tactical Grid to build the Joint All Domain Command and Control (JADC2) alongside our Joint teammates. Protecting our networked forces requires building cyber resilience and security into our platforms from the beginning. To meet this need, the Navy will fund \$4.17 billion across the FYDP to protect our operations, equipment, and industrial base from intrusions and ensure we have the means to fight through and recover from cyber-attacks. Meanwhile, we will integrate our cyber forces more closely with fleet operations to deliver catastrophic cyber effects as part of an integrated all-domain naval force.

These investments all support a highly maneuverable fleet that controls the high-end fight. Nuclear powered aircraft carriers remain crucial to this effort and the Carrier Strike Group remains the cornerstone of the Navy's forward presence, sea control, and power projection capabilities. The nuclear-powered aircraft carrier (CVN), associated air wing (CVW), surface combatants, and sub-surface combatants represent the most survivable and lethal maritime fighting force in the world, providing long-range kinetic and non-kinetic effects from distributed mobile platforms at sea without the need for foreign basing rights. The CVN and embarked CVW are vital to the Distributed Maritime Operations (DMO) operating concept, providing the flexibility and endurance to hold large swaths of land or sea at risk for extended periods of time. *GERALD R. FORD* (CVN 78) represents a generational leap in the aircraft carrier's capacity to project power on a global scale. *FORD*-class carriers are designed to generate a 30 percent higher sortie rate with a 20 percent smaller crew than a *NIMITZ* class carrier. This translates to

\$4 billion savings over the life of the program generating more decisive naval power. With the successful completion of CVN 78's Post Shakedown Availability and subsequent Independent Steaming Events, finishing our work and delivering this capability to the fleet as quickly and effectively as possible is one of DON's highest priorities. The Navy has learned with each test and is consistently bringing each of the innovative systems online. *FORD* is currently undergoing final air compatibility testing, bringing the entire carrier air wing onboard and progressing towards her maiden deployment. We will continue to learn, iterate and improve, driving down cost on each subsequent ship of her class. We are grateful for the Committee's support of the program with the historic two-carrier award for CVN 80 and CVN 81 and are confident that the *FORD* class will provide the foundation for highly maneuverable and lethal combat power projection well into the second half of this century.

Our naval logistics enterprise undergirds the effective employment of our forces in a dispersed, forward-deployed manner across the spectrum of conflict from daily operations into sustained major combat operations. Our logistics forces must provide forward-deployed repair and resupply as well as combat medical services to revive our forces on station. In addition, we will begin designing two new vessels, the Next Generation Medium Amphibious Ship and the Next Generation Medium Logistics Ship that will support our expeditionary forces operating in contested maritime spaces.

#### **Capacity**

To increase America's naval power, we will continue to build more ships, submarines, and aircraft. There has been a long-standing consensus across the government that the Navy needs to

grow. We are focused on responsible growth, a rate of growth that ensures our ability to effectively maintain the fleet and to properly man, train, and equip that fleet.

We appreciate the strong support from Congress for naval shipbuilding, funding last year's request for 12 ships. We reaffirm our commitment to reach the 355-ship goal in a reasonable and strategically relevant timeline, and to augment a future 355-ship Navy with developmental and unmanned vessels. The pace of growth will depend on both our ability to find savings within our own topline. While this budget request slows the growth to 355 slightly to ensure we properly maintain the fleet we have, we are seeking ways to support increased rates of growth in the coming years. The challenges extend beyond the shipbuilding accounts, as we must also consider what increases in operations and maintenance accounts will be required to continue the momentum we have built in regaining readiness. We cannot, and will not build a hollow force simply to reach the 355 ship number. Because of the rate of change in technology, we will continue to refine the required number of ships in an iterative fashion, in coordination with the Secretary of Defense, and as informed by wargaming and experimentation.

The FY21 budget requests \$21 billion in ship construction for 8 battle force ships and plans to build 44 battle force ships (plus 17 unmanned ships) over the FYDP. This procurement includes one *COLUMBIA* and one *VIRGINIA* class submarine each, two *ARLEIGH BURKE* Flight III destroyer, one Guided Missile Frigate, one LPD Flight II, and two Towing, Salvage, and Rescue ships.

Deterring a nuclear attack on the homeland remains the Navy's most sacred duty and our number one acquisition priority. PB-21 fully funds the first year of construction of the lead ship of the *COLUMBIA* class ballistic missile submarine. Over the FYDP, we plan to start construction on the second ship of the class in FY24 and, beyond the FYDP, to begin serial production in FY26. The *COLUMBIA* class guarantees the most survivable leg of the nuclear triad remains on patrol into the 2080s, ensuring the secure second-strike capability that is the foundation of strategic deterrence.

This budget request also supports one additional *VIRGINIA* Class submarine in FY21, continuing the Block V multiyear contract awarded in December 2019, which will then procure two per year from FY22 through the FYDP. Additionally, the Guided Missile Frigate [FFG(X)] program is proceeding well, and will provide the fleet with a lethal small surface combatant that is optimized towards distributed maritime operations. The Navy plans to award the lead ship of the class in July 2020 and the second ship of the class in FY21.

We are committed to experimenting with unmanned systems, moving them beyond their current conceptual stage, and continuously assessing how they should be counted within the battle force. While we do not count unmanned ships at present, we will continue to procure our large unmanned surface vessel, buying 10 over the FYDP. These ships are envisioned to host both sensors and weapons. This procurement will transition to SCN funding by FY23. We will also procure 6 extra-large unmanned undersea vehicles in the FYDP which will help provide solutions for specific fleet needs.

This budget also procures 277 fixed and rotary wing aircraft (including 121 F-35C) and 25 unmanned aircraft across the FYDP. We are completing the acquisition of several type/model/series aircraft and continuing to purchase essential capabilities, such as the advanced early warning provided by the E-2D Advanced Hawkeye and a new, flexible logistics capability in the CMV-22 Osprey.

We in the Navy are honored to defend American prosperity and American values around the world every day. We are excited to be working closely with the Marine Corps to deliver Integrated American Naval Power to perform these critical and timeless roles. We are conscious that every tax dollar spent to increase readiness, lethality, and capacity represents more than buying power, but the trust and confidence of the American people. We do not take that trust lightly and will seek every means to spend those dollars in a deliberate, methodical, and responsible fashion, maximizing naval power to the fullest extent that those funds enable. Thank you for your strong support and continued partnership in providing and maintaining a Navy.

**U.S. Marine Corps Priorities**

Mr. Chairman, Ranking Member and distinguished members of the Committee, this statement is my first report to Congress and represents my assessment of the current state of the Marine Corps and priorities for the future.

The future operating environment will place heavy demands on our Nation's Naval Services, demands that the Marine Corps is not currently organized, trained, equipped, or postured to meet. Modernizing the Marine Corps for the era of great power competition will require significant adjustments to long-term Service investments, new integrated naval warfighting organizations and concepts of employment, and better training and education for Marines; changes that only Congress can help us realize. The FY 2021 budget puts the Marine Corps on the path toward modernization, supports irreversible implementation of the National Defense Strategy (NDS), and sustains and builds our readiness to deter, fight, and win.

My top priority as Commandant is to build the Marine Corps that will define integrated American naval power in 2030, even as it must remain ready to confront the challenges of today. I seek no additional resources for this effort. It is attainable with a stable budget and sustained by the leadership and oversight of Congress. Service modernization will require several years of dedicated analysis, wargaming, and experimentation on a level that we have not experienced in recent memory. We are committed to this effort and have already begun charting a new course. The Marine Corps is grateful to the Congress for its leadership and support during previous periods of modernization and seeks its continued support today.

Before addressing the issues of force design, readiness, resourcing, and the latest FY21 budget submission, it is important that I start with a few comments on our individual Marines and the health of the Corps. I strongly believe that everything we do begins and ends with the individual Marine – the heart and soul of our institution. On any given day, the vast majority of your 225,000 Marines, representing every state and territory, serve honorably and perform their duties at home and abroad in an exemplary manner. I am extremely proud to serve alongside them, and based on my discussions with members of this committee, I know that my pride in them is shared. Regrettably, as several high profile incidents have revealed over the past several years, not all within your Marine Corps consistently adhere to our rigid standards, satisfy my expectations for professional behavior, or fulfill their obligations as Marines. Addressing the corrosive effects of misconduct and criminality by this small yet destructive minority is a top priority, and I offer the following observations:

The presence of the malignant individuals and sub-cultures within the institution produces a well-known and well-documented pattern of misogyny. A 2018 publicized report commissioned by my predecessor clearly supports these observations as facts. I have begun the process of exposing and eliminating these malignant subcultures from our ranks and will seek Congress' continued assistance to that end.

Eradicating sexual harassment and sexual assault remains a challenge across the military and the Marine Corps. I acknowledge what many of you already suspect or know – after many years of trying, and despite our best efforts and intentions, remedial actions taken to date have not caused the desired outcomes. I seek to address this problem head on.

There are some within our ranks who remain hesitant to accept gender-integrated training at our enlisted recruit depots. I would remind those Marines that the Corps has conducted gender integrated training at Officer Candidates School for more than two decades, with outstanding results. I have every reason to believe that we can replicate that model in our enlisted recruit depots, and have already begun moving forward expeditiously, with the continued support of Congress. I understand the direction and the effort the Marine Corps must take to comply with the specified timelines for both MCRD Parris Island and MCRD San Diego in the 2020 NDAA that will meet the intent of Congress and the needs of the Marine Corps.

The Marine Corps is a warfighting organization. We exist for that one purpose; to fight and to win. All that we do is standards-based in order to produce a premier expeditionary warfighting force for the Nation. In some occupational specialties within our Corps, there are legitimate operationally-derived physical requirements that every Marine must meet. Marines who meet these standards, regardless of biological sex or gender, will face no artificial barriers to their service or advancement.

Appropriately addressing all of these issues becomes even more paramount as we design a future Marine Corps that is optimized to meet the challenges of 2030 and beyond. As we consider the skills, education, and capabilities required of the next generation of Marines, we must be able to recruit and sustain a force that draws from 100% of our Nation's collective reservoir of talent, innovation, creativity, and patriotism. I take it as a personal responsibility to do everything

within my authority to ensure that the Marine Corps does not create any artificial barriers to service or advancement.

Force Design is my top priority as stated in my Commandant's Planning Guidance. Over the next three to five months, we will continue to refine and deepen the analytical depth of our initial planning through an iterative process of wargaming, analysis, and experimentation. That work will directly support the redesign of our Corps. Our collective Fleet Marine Forces, as well as our HQMC organization and many of its processes, to include the existing Planning, Programming, Budgeting, and Execution (PPBE) process, require a comprehensive overhaul to create the necessary level of naval integration across the Department. Naval integration with the CNO's Staff, with the fleets, and within the Department remains a top priority for me, the CNO, and the Secretary.

Thanks to your continued support, your Marine Corps remains the Nation's most ready force. We have made forces available for deployment to meet Combatant Commander requests around the globe, often on short notice. Those deployed Marine Units reinforce our commitment to U.S. allies and partners and serve to uphold the international rules-based order. Wherever deployed globally, your naval expeditionary forces facilitate conventional deterrence, prevent fait accompli scenarios from developing, and successfully compete against malign maritime gray zone activities to assure our allies and partners of our continued commitment. This will not change.

With your support, over the previous two years we have been able to satisfy increased global force management demands, including those made on our legacy fixed-wing aircraft squadrons.

However, we should be careful not to confuse availability with operational suitability. Readiness must be more than a mere measure of availability. True readiness, which we define as the readiness of a unit to be employed against a peer threat to achieve decisive tactical and operational outcomes, requires investment in modern capabilities commensurate with those of the threat. This will require a significant shift from our most recent FY21 budget submission. I would also respectfully submit that it may require a reassessment of our existing processes and metrics for assessing unit readiness – true readiness as described above. Within the Marine Corps, I am sustaining and reinforcing initiatives started by my predecessors that will increase the realism of pre-deployment training to more closely align with scenarios identified in the NDS. In addition, following a path that I readily acknowledge has been charted over the course of decades by the Army, we have added an extensive program of force-on-force training to our long-standing live-fire combined arms training exercise program.

With these goals in mind, over the coming months, we will make significant changes to the organization of our Training and Education Command, which will require the support and consent of civilian leadership for full implementation. Additionally, it is not lost upon me that our desert training facilities, superbly adapted as they have been to preparing for the challenges of the last three decades, are less than ideal for the kind of integrated naval training and experimentation that we need to prepare for great power competition in contested littoral environments. Identifying and developing first class littoral training areas will be one of my priorities going forward, for which I will ask your guidance and support.

Regarding this FY21 budget submission, I am well aware that our budget requests since the release of the NDS two years ago have changed only marginally year-to-year. While the cumulative impact of those marginal changes is in some cases substantial, many were budgetary actions that merely shifted funding within existing programs. This is not the kind of substantive change now needed, nor will it result in the premier naval expeditionary force required to implement the NDS and realize our evolving naval and joint concepts. In fact, our major programs of record prior to the formulation and release of the NDS – F-35, CH-53K, MV-22, ACV, and JLTV – have actually grown. As I stated in my Commandant's Planning Guidance, these and other programs – all of which were constructed to support a long-standing but now obsolescent conception of large-scale amphibious forcible entry – require a critical review. I expect that review will likely recommend major revisions and reductions to some of our major programs. We must then reinvest those resources into capabilities more relevant to the future security and warfighting environment, many of which we are developing but have yet to procure.

This necessary divestment and subsequent reinvestment process is a complex effort, and one that prudence dictates be conducted in the most thoughtful and analytically defensible manner possible. While it may be shocking to some for a Service Chief to openly criticize existing programs and priorities, our shift to the future is in no way an indictment of previous decisions or conclusions of those who once sat at this table or of any who provided oversight in the past. The simple fact that the strategic environment has changed significantly and that we are now in an era of great power competition, mandates that we must make the necessary adjustments to our naval warfighting concepts and accompanying investment plans to create true readiness – operationally relevant and available naval forces that create overmatch over anticipated adversaries. I

understand there are both structural impediments to change as well as strong interests resisting change; however, as I stated during my confirmation – I will always provide my best military advice and ultimately defer to and support the decisions of the civilian leadership within the Department and Congress.

The timing of this FY21 budget submission coincides with an inflection point for the Marine Corps. Subsequent annual submissions will reflect that significant change in focus, and indeed I anticipate there will be opportunities even during the execution of the FY20 budget to make in-stride adjustments with the consent and support of Congress. Simply put, with peer competitors striving to supplant the role of U.S. military forces regionally and globally, we cannot afford to delay modernization when we see opportunities to make prudent adjustments from prior plans. If we are to avoid being outpaced, agility in reprogramming becomes an essential tool to apply where it makes sense to do so.

This budget also supports our assertion that Marine forces – operating as part of an integrated naval force – must seamlessly integrate into and play a complementary role within a larger joint force. Over the next few years, we must strive to reduce duplication of warfighting capabilities to only those areas that make sense tactically and operationally. Marine Corps contributions should largely be unique, complementary, and tailorable to the joint mission.

Beyond the issues germane to my role as Commandant of the Marine Corps – to organize, train, and equip Marine Corps forces in support of the Fleets and Combatant Commanders – I offer the following observations as a senior naval officer and member of the Joint Chiefs of Staff.

Today's environment of renewed great power competition demands a truly integrated naval force; we no longer enjoy the luxuries of internal Service focus and inefficiency that the "unipolar moment" allowed. The imperative now to accelerate naval integration is driven not by historical example nor traditional bonds between our naval Services – it is driven by the global environment described in the National Security Strategy and National Defense Strategy. Our ability to operate as an integrated naval expeditionary force within contested areas provides the joint force with an asymmetric advantage, an edge that we must preserve and strengthen in this era of great power competition.

We need adequate numbers of naval platforms and surface combatants with the lethality to contribute to sea control and sea denial and appropriate defensive capabilities and sensors to operate in a distributed manner without imposing undue burdens on other platforms. Those platforms must also be affordable from both a procurement and sustainment perspective, as well as generate the kind of availability needed to meet future force generation requirements. Included in that future fleet must be adequate numbers of traditional amphibious ships as well as next generation amphibious ships that will enable the Fleet Commanders to employ the naval expeditionary force throughout a contested littoral area in a more distributed, lethal, and defensible manner.

While our aspirations and expectations are great, I am certain that Congress expects nothing less from the Marine Corps. With your continued leadership and support, we will achieve our shared

goals and modernize our warfighting capabilities and culture to best support the Navy, the Joint Force, and the Nation.

**Closing Statement**

On behalf of our entire integrated naval force and every Sailor, Marine and civilian in the Department of the Navy, the three of us would like to once again thank the leadership and membership of this Committee for your attention, interest, and ongoing support of our men and women in uniform. We are also grateful to the Committee for the recent passage of the FY20 National Defense Authorization Act (NDAA). By passing this legislation you have enabled many of the priorities identified within this document, and you've sent a strong signal of support to our people – and a stern warning to our adversaries.

We also appreciate the funding stability and predictability of the past several years. This has given our force the agility and flexibility necessary to address emerging threats and the needs of our integrated naval force, while shifting away from less beneficial and relevant spending. This stability has saved money for the American taxpayer. We owe it to them to ensure that every single dollar is invested in the most effective manner possible to fulfill our sacred oath.

We urge the Committee to do everything possible to ensure continued funding stability so that we may implement the needed reforms and spending priorities discussed in this document to meet the great power challenge, protect the maritime commons, and stand in defense of the United States of America. On behalf of the world's finest Marines and Sailors, we thank you for your time and ongoing efforts, and we look forward to your questions.

**Thomas B. Modly**  
**Acting Secretary of the Navy**

Honorable Thomas B. Modly of Ohio was sworn in as the 33rd Under Secretary of the Navy Dec. 4, 2017, and serves as Chief Management Officer and Chief Information Officer for the Department of the Navy.

He is currently serving as Acting Secretary of the Navy as of Nov. 25, 2019.

He is the son of Eastern European immigrants who escaped from behind the Iron Curtain after World War II. He was raised in Cleveland, Ohio.

Throughout his tenure, Secretary Modly has focused on increasing agility and accountability throughout the Department's workforce and in vital business operations, including information management, that support warfighting wholeness for Sailors and Marines.

Secretary Modly created the Office of the Chief Management Officer for innovative, engaged leadership of business processes, data systems, and risk management. He led the creation of the Department's first Business Operations Plan, a planning and execution tool designed for all Navy and Marine leaders, both uniformed and civilian alike. He orchestrated the efforts of many thousands of professionals who completed the first-ever audit of all Departmental resources, resulting in millions of dollars of recovered property and increased readiness.

As the Chairman of the Department of the Navy's Education for Seapower (E4S) Study, Secretary Modly, along with a blue-ribbon panel of national-level leaders undertook the most comprehensive review of naval education in over 100 years. This study informed key organizational, governance, and policy reforms which will elevate education as a true warfare enabler, and better support the development of strategic and critical thinking so keenly needed for naval leaders in an era of great power competition.

Prior to his current position, Secretary Modly was a Managing Director with PwC Public Sector practice and was the firm's Global Government Defense Network Leader. At PwC, he was the lead partner for the firm's NATO account and he lead economic development teams in Iraq and Afghanistan in support of U.S. stabilization efforts. Prior to this, Secretary Modly was the Deputy Under Secretary of Defense for Financial Management, a role in which he drove broad business transformation efforts across the DoD. He also has over ten years of experience in corporate strategy and mergers and acquisitions in the aviation support and IT services industries.

Secretary Modly graduated from the U.S. Naval Academy in 1983 with a Bachelor of Science, with distinction. Upon graduation he joined the United States Navy and proudly served as an UH-1N pilot and an Assistant Professor of Political Science at the U.S. Air Force Academy. He left active duty in 1990 to attend business school and to pursue a career in the private sector. As a midshipman at the Naval Academy, Mr. Modly also attended Georgetown University where he began work on a Master of Arts in Government/International Relations. He completed this degree prior to starting flight school in Pensacola in early 1984. He also attended Harvard Business School from 1990 to 1992 where he earned a Master's in Business Administration with Honors with a concentration in Business, Government and Strategy.

**Michael Gilday**  
**Admiral, United States Navy**

Adm. Mike Gilday is the son of a Navy Sailor. A surface warfare officer, he is a native of Lowell, Massachusetts and a graduate of the U.S. Naval Academy. He holds master's degrees from the Harvard Kennedy School and the National War College.

At sea, he deployed with USS Chandler (DDG 996), USS Princeton (CG 59), and USS Gettysburg (CG 64). He commanded destroyers USS Higgins (DDG 76) and USS Benfold (DDG 65) and subsequently, commanded Destroyer Squadron 7, serving as sea combat commander for the Ronald Reagan Carrier Strike Group.

As a flag officer, he served as commander Carrier Strike Group 8 embarked aboard USS Dwight D. Eisenhower (CVN 69), and as commander, U.S. Fleet Cyber Command and U.S. 10th Fleet.

His staff assignments include the Bureau of Naval Personnel; staff of the Chief of Naval Operations, and staff of the Vice Chief of Naval Operations. Joint assignments include executive assistant to the Chairman of the Joint Chiefs of Staff and naval aide to the President.

As a flag officer, he served in joint positions as director of operations for NATO's Joint Force Command Lisbon; as chief of staff for Naval Striking and Support Forces NATO; director of operations, J3, for U.S. Cyber Command; and as director of operations, J3, for the Joint Staff. He recently served as director, Joint Staff.

He has served on teams that have been recognized with numerous awards and is the recipient of the Defense Distinguished Service Medal, Distinguished Service Medal, Defense Superior Service Medal (four awards), Legion of Merit (three awards), Bronze Star, Navy and Marine Corps Commendation Medal with Combat "V," and the Combat Action Ribbon.

Gilday began serving as the 32nd Chief of Naval Operations August 22, 2019.

Updated: 26 August 2019

**General David H. Berger**  
**Commandant of the Marine Corps**

General David H. Berger assumed the duties of Commandant of the Marine Corps on July 11, 2019.

A native of Woodbine, Maryland, General Berger graduated from Tulane University and was commissioned in 1981. He commanded at every level – including a Reconnaissance Company; 3d Battalion, 8th Marines in Haiti during Operation SECURE TOMORROW; Regimental Combat Team 8 in Fallujah, Iraq during Operation IRAQI FREEDOM.

As a General Officer, he commanded 1st Marine Division (Forward) in Afghanistan during Operation ENDURING FREEDOM; I Marine Expeditionary Force; U.S. Marine Corps Forces Pacific/Fleet Marine Forces Pacific; and Marine Corps Combat Development Command. General Berger's staff and joint assignments include serving as Assistant Division

Commander of 2d Marine Division; policy planner in the Strategic Plans and Policy Directorate, J-5; Chief of Staff for Kosovo Force (KFOR) Headquarters in Pristina, Kosovo; and Director of Operations in Plans, Policies, and Operations, Headquarters, U.S. Marine Corps; Deputy Commandant for Combat Development and Integration.

General Berger's formal military education includes the U.S. Army Infantry Officer Advanced Course, U.S. Marine Corps Command and Staff College, and U.S. Marine Corps School of Advanced Warfighting. He holds multiple advanced degrees including a Master of International Public Policy from Johns Hopkins University School of Advanced International Studies.

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**WITNESS RESPONSES TO QUESTIONS ASKED DURING  
THE HEARING**

FEBRUARY 27, 2020

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#### **RESPONSE TO QUESTION SUBMITTED BY MR. LARSEN**

Mr. MODLY. We are submitting the report to Congress on 19 March and will then award the contract. It will take a few weeks to mobilize, but anticipate a kick off and logistics coordination meeting in April/May with follow on data collection starting this summer. [See page 17.]

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#### **RESPONSE TO QUESTION SUBMITTED BY MR. COURTNEY**

Admiral GILDAY. The Navy requested the authority to award an incrementally funded contract for SSBNs 826 and 827 (Legislative Proposal 017). In December 2019, the Navy and Electric Boat reached a signed agreement for the Columbia "Build I" as an option to the existing IPPD contract which will include construction of the first two hulls (SSBN 826 and SSBN 827) and associated design and support efforts. This will enable the Columbia program to begin construction in October 2020, and provide industrial base stability, production efficiencies, and cost savings when compared to individual procurements. In order to exercise the Build I option on schedule, the authority to award the incrementally funded contract is required by October 2020. Incremental full funding will allow the Navy to program the costs for the first two ships over a five-year period, reducing pressure on the Navy's shipbuilding account and risk to other shipbuilding programs. The program's approved acquisition strategy and budget requests assume incremental full funding in fiscal years 2021 through 2023 for SSBN 826 and fiscal years 2024 and 2025 for SSBN 827. Beginning in FY 2026, the program's budget requests will include full funding in the year of authorization for SSBN 828 and follow ships. If disapproved, the Navy would be unable to award the option for construction of SSBNs 826 and 827; delaying the start of lead ship construction and delivery schedules, increasing construction costs due to schedule delays and build disruptions, and compromising the ability to meet U.S. Strategic Command requirements. Additionally, in the event of a FY21 Continuing Resolution, a anomalies will be required, including new start language and incremental full funding authority. [See page 22.]

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#### **RESPONSE TO QUESTION SUBMITTED BY MS. SPEIER**

Mr. MODLY. In a letter dated July 26, 2019, DOD OIG advised that it had opened an investigation into allegations involving Mr. Booth. The investigation concerned, in part, allegations that were filed with DOD OIG on or before March 1, 2019, allegations that had been undergoing review. DON stopped any DON inquiries in order to prevent conflict with the DOD OIG investigation. DON had no role in the DOD OIG decision to open an investigation nor in the timing of the opening of the investigation. [See page 31.]

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#### **RESPONSES TO QUESTIONS SUBMITTED BY MRS. HARTZLER**

Admiral GILDAY. The F/A-18 production line shutdown comprises a number of elements including line tear down for the F/A-18 and EA-18G Airborne Electronic Attack Suite, disposition of government furnished equipment (GFE) and the transition of data into a single government repository. As programmed in the PB21 request, these costs total \$319.3M across FY22-24. Line tear down includes the inspection, identification and classification of inventory, followed by preservation, packing, marking and where required disposal. Additional funding is required for shutdown management, supplier close out, engineering and management planning and analysis as well as contractor liaison. The PB21 request programs \$89.218M for line tear down in FY22 and \$230.165 across FY22-24 for disposition of GFE and data transition. If the production line remains open through domestic or foreign military sales these costs would be deferred. [See page 26.]

Admiral GILDAY. We assess the risk of Navy's precision-guided and preferred munitions request as moderate. While we have reprioritized weapon/munitions invest-

ments priorities based on evolving Red Force threats, the Department of the Navy's overall request for weapons/munitions procurement funding has increased over the last three-years. Additionally, the Navy is taking deliberate actions to identify and reduce industrial base vulnerabilities to assure maritime and national security. The Navy also continues to maintain limited organic manufacturing capabilities for ordnance and energetics that will assure surge capability and capacity for munitions and ordnance components. The Department's FY 2021 weapons/munitions budget request continues to improve our capability and capacity position to meet all Defense Planning Guidance requirements. Specific efforts to manage stability, capability, and capacity risk in the U.S. munitions industrial base include: procurement of new capabilities; increasing legacy weapon capabilities via major modification programs; increasing capacity by making investments to increase repair throughput and reduce turnaround times for weapons Maintenance, Repair, and Overhaul; and working with the U.S. Defense Industrial Base to address specific industrial base issues and concerns such as reliance on offshore suppliers.

U.S. Defense Industrial Base Initiatives include:

Lockheed Martin Missiles and Fire Control (LMMFC): Working with the U.S. Air Force and Lockheed-Martin, LMMFC is in the process of expanding production capacity for Air Force JASSM-ER and Navy LRASM at its Troy, Alabama facility.

Boeing Company (LJDAM): Navy has developed contingency plans with Boeing to allow for U.S. production of Laser Joint Direct Attack Munition (LJDAM)/Precision Laser Guidance Set (PLGS) detectors in the event production operations in allied countries were degraded or destroyed.

Raytheon Missile Systems (RMS): Based on policies to use domestic suppliers over foreign entities for critical missile components, Navy coordinated with RMS to ensure the program leveraged U.S. based BASF Inc. over a foreign manufacturer for the use of Dimeryl-Di-Isocyanate (DDI) as a curing agent in the propellant and bond liner in the Rocket Motor.

Department of the Navy Management Initiatives include:

Weapons/Munitions Production Forecasting: To maintain weapons/munition production/industrial base stability, Navy program offices are sharing 2-5 year forecasts with industry (Congressional Service budget support dependent). This forecast sharing facilitates Defense Industrial Base production planning and enables an orderly transition and adjustment of personnel and resources.

Counterfeit Parts Mitigation Programs: Use of Trusted Foundries and Life-of-Type buy procurements.

Presidential Determinations (PD): PDs are being used to allow the use of funds to build or increase capacity and capability to produce chemicals used in munitions, and for rare earth magnets, many of which are used in weapons/munitions.

Other: OSD(MIBP) also funded other weapons/munition production risks mitigation efforts benefitting the DON, such as a project to establish a U.S. source for chemicals previously procured from China. Maintain the DON's organic government owned and government operated R&D and limited manufacturing capabilities to aid and augment industrial base capability and capacity for munitions and ordnance.

Procurement: Increases in procurement quantities to include LRASM, Tomahawk, and APKWS, including use of multiyear procurement authority to buy SM-6 Block I/IA AUR missiles. Increased investment in weapons sustainment and repair to increase readiness and reduce Maintenance, Repair, and Overhaul turnaround times.

Risks: Despite the many proactive efforts to fill our weapons magazines, risks continue. These risks include: concerns over key weapon/munition components/materials (e.g. batteries); single-source and/or fragile suppliers; fragile defense markets driven many times by the uncertainty of U.S. government spending; gaps in U.S.-based human capital (i.e. STEM personnel resources); general declines in U.S. manufacturing capabilities and capacity; and industrial policies of competitor nations. [See page 26.]

#### **RESPONSE TO QUESTION SUBMITTED BY MR. MOULTON**

Mr. MODLY. Strategic stability is a two-way street, so the capabilities of other states are an important consideration. Russia has a large stockpile of non-treaty accountable nuclear weapons, high-end conventional weapons and dual use delivery platforms, all in an effort to establish an asymmetric advantage. Russian doctrine also suggests a limited first use policy, where they may attempt to end a conflict through the use, or threatened use, of these systems. To address the question of a rapid response, the imperative to launch under attack arises if one fears the incoming strike will prevent a retaliatory response (e.g., an attack against the nuclear command, control, and communications system, or a massive first strike against nu-

clear forces). A single submarine-launched missile, regardless of its payload and warhead yield, would not present Russia with an existential threat and could not destroy Russia's nuclear retaliatory forces nor its redundant command and control networks. To maintain strategic stability and reassure allies that depend on our capabilities, the United States must challenge the adversary's perception of capability gaps they could exploit to achieve a strategic advantage. The current threat environment requires credible, flexible, and graduated deterrence options, and the United States is pursuing improvements to a range of forces to improve our deterrence posture. These improvements will continue to deter potential adversaries by credibly holding at risk that which their leaders value and therefore increase strategic stability. We are not creating asymmetry; both China and Russia have fielded hypersonic weapons. We are restoring strategic stability by restoring symmetry. [See page 38.]

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**RESPONSE TO QUESTION SUBMITTED BY MR. COOK**

Mr. MODLY. The U.S. and other Allies continue to advocate for greater NATO–EU cooperation on defense and security matters. NATO Allies and EU Member States have made two major commitments on greater cooperation at NATO Summits in 2016 and 2018. At the 2018 Brussels Summit, Allies and EU member states highlighted specific areas where defense cooperation is critical such as military mobility and resilience. To implement the commitment in 2016, Allies and EU member states also agreed to pursue 74 specific common proposals across both organizations. These proposals also cover areas such as military mobility, as well as hybrid threats, cybersecurity, and the EU's better aligning its defense planning processes with those of NATO. There has been varied success across all these lines of effort, but more work needs to be done to better share the burden of our transatlantic security. Secretary Esper and DOD continue to advocate that EU efforts not duplicate those of NATO and that all activities undertaken by Allies, either independently or under multilateral frameworks such as the EU, complement those they've committed to through NATO. The 2018 Joint Declaration between the EU and NATO also focused on better burden sharing. All Allies, including those 22 who are also EU Member States, have reiterated their commitment to the Wales Defense Investment Pledge to spend 2% of GDP on defense and 20% of defense spending on modernization by 2024. However, the EU has continued to pursue certain defense policies that exclude non-members such as the U.S, which needlessly weakens transatlantic security and defense industry and innovation as a whole. This is most notable in the European Defense Fund and in the EU's Permanent Structured Cooperation. These lines of effort each effectively exclude non-EU member states such as the U.S. from participating, which not only potentially handicaps all such projects by eliminating capable Allies and partner nations from contributing their resources or technologies, but also runs counter to the NATO–EU joint declarations to work better together toward the common end of transatlantic security. DOD and other elements of U.S. government continue to make this case to the EU and to Allies who are also EU members. When adding up all defense spending from the 30 NATO Allies, more than 80% of that funding comes from those who are not EU members such as the U.S. and UK. That reality reinforces the need for the EU to better cooperate with NATO, including those countries which are not members of the Union on Transatlantic security. [See page 32.]

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**RESPONSE TO QUESTION SUBMITTED BY MR. BROWN**

Mr. MODLY. Navy continues to build a more inclusive culture and diverse workforce across the Fleet and recognizes the importance of inclusion and diversity across all platforms. The Commander Naval Air Forces (CNAF) outreach program supports multiple demographic affinity groups to address underrepresented groups and has partnerships with the Organization of Black Aerospace Professionals, and many others across the country to inspire our youth to FLY NAVY. CNAF initiatives, include implicit bias training into every major symposium and commander training event. We believe change starts from within and are actively pursuing cultural progress through the CNO's Culture of Excellence initiative, a Navy-wide campaign dedicated to strengthening our mission effectiveness by instilling toughness, trust, and connectedness in Sailors to achieve warfighting excellence. Our focus encompasses a much broader definition of diversity beyond the traditional demographic measures of race, gender, and ethnicity. Sailors bring their own experiences and personalities to the Fleet and we seek out these future Sailors with diverse backgrounds, critical thinking skills, and mental agility. By showing young men and

women from across the country what Navy has to offer, the Navy attracts Sailors with diverse experiences, thoughts and perspectives. A few examples are:

- Faces of the Fleet: Documentary series highlighting Sailors' stories of their service, family, and life. Of the 15 episodes currently live, there are 11 that highlight diverse Sailors.
- Navy Promotional Days: Promote awareness/active recruitment efforts at Minority Serving Institutions (Historically Black Colleges, Hispanic-serving institutions, Tribal Colleges, Women Colleges) to build strategic networks within diverse and under-represented communities.
- Senior Minority Assistance to Recruiting Program (SEMINAR): Navy uses volunteers from the officer and enlisted community to participate in SEMINAR—targeted towards African American, Hispanic, and Asian/Pacific Islander, but participation is open to other minorities who volunteer in pay grades E-6 through O-6.

Additionally, we partner with influencers in African American communities, work with affinity groups who prioritize mentoring, coaching and sponsorship and publicize the accomplishments of African American exemplars both within and outside the Navy. This provides Navy direct access to high-achieving prospects and key influencers with multiple touchpoints year-round. Today, Navy's inclusive culture allows our leaders to capitalize on Sailors' diversity, leveraging different perspectives and ideas to achieve maximum possible performance. By including all Sailors' voices and ideas Navy can increase its lethality, readiness and ability to solve problems in innovative and unique ways, harnessing the exponential creative power of diversity. [See page 35.]

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#### **RESPONSE TO QUESTION SUBMITTED BY MS. HOULAHAN**

Admiral GILDAY. In June 2019, Lockheed Martin announced the pending closure of its helicopter manufacturing plant in Coatesville, Pennsylvania. In July 2019, Lockheed Martin reversed their decision and announced that the Coatesville manufacturing plant would remain open. Language in the FY 2020 NDAA requested an assessment of the impact of this decision to the VH-92A program. Based on Lockheed Martin's decision to keep the Coatesville facility open, there is no effect on the VH-92A program.

However, on the hypothetical that Lockheed Martin decides to close the Coatesville plant and move the S-92 production facility, the responses are as follows:

(1) Estimated effects on the manufacturing readiness level of the VH-92 program due to potential changes to the program manufacturing base; Response: If Lockheed Martin decides to move its current S-92A production facility, the estimated effects would be negligible based upon Lockheed Martin's past history and capability of producing S-92As in a different location (Stratford, Ct). The current VH-92 contract arrangement is Firm Fixed Price (FFP) with set delivery dates.

(2) The estimated assessment of cost risk to the program due to potential changes to the program manufacturing base; Response: If Lockheed Martin decides to move its current S-92A production facility, the estimated costs and assessment of cost risk to the program would be zero. The program has already exercised the FFP options for six Low Rate Initial Production (LRIP) Lot I aircraft and six LRIP Lot II aircraft.

(3) Any estimated schedule impacts, including impacts on delivery dates for the remaining low-rate initial production lots and full rate production, resulting from any changes to the manufacturing base; Response: If Lockheed Martin decides to move its current S-92A production facility, the estimated schedule impacts to the program would be zero. The program has a FFP contract in place for all production aircraft that includes set delivery dates.

(4) An assessment of the effect of changes to the manufacturing base on VH-92A sustainment; Response: The VH-92A sustainment strategy is not dependent on the Coatesville, Pennsylvania manufacturing and production facility, therefore, no impact.

(5) The impact of such changes on production and sustainment capacity for the MH-60 and CH-53K helicopters of the Navy. Response: CH-53K and MH-60 helicopter programs do not utilize the Coatesville facility, therefore, no impact. [See page 44.]

**RESPONSE TO QUESTION SUBMITTED BY MR. BANKS**

Admiral GILDAY. Due to higher budgetary priorities, the Navy was unable to fund P-8As in the President's FY 2021 budget request. The validated 138 P-8A aircraft warfighting requirement meets persistent deployed presence and surge support requirements for major combat operations. The existing program of record of 119 P-8A aircraft is in alignment with the National Defense Strategy; however, risk is accepted with regard to defense and deterrence capacity. [See page 45.]

**RESPONSES TO QUESTIONS SUBMITTED BY MR. BERGMAN**

Admiral GILDAY. As part of the Navy Total Force, Reserve Sailors provide operational capabilities, strategic depth, and increased lethality. Critical to maintaining a ready Reserve Component (RC), it is imperative to maximize the recruitment of trained capable personnel who decide to leave active duty, especially in highly valued critical skillsets. Navy established a Career Transition Office (CTO) that directly supports a rapid and seamless transition for Active Component (AC) Sailors to continued service in the RC. Navy Recruiting Command partnered with the CTO and launched a Prior Service Directorate that assists the CTO, particularly in critical and high demand skillsets. Prior Service Detachments assist in increasing AC to RC transitions in Norfolk, VA, Jacksonville, FL, San Diego, CA, Seattle, WA, Hawaii, and Japan and are staffed with Reserve Benefits Advisors who act as an extension of the CTO. These advisors educate separating AC Sailors on the benefits of the joining the RC, ensuring they have an opportunity to smoothly affiliate with the Reserves without a break in service. Additionally, these advisors work directly with AC Command Career Counselors and Sailors to expedite the affiliation and transition process into the RC. Finally, the Targeted Re-Entry Program (TRP) is a talent retention initiative that empowers commanding officers to identify and nominate their Sailors, both officer and enlisted who are separating from the Navy, for an accelerated return to active duty if they choose to do so. The program is designed to benefit both the Navy and the Sailor through continued service of sustained superior performers in critical designators and ratings who earned specific qualifications and possess valuable skill-sets needed in the Navy. Through the nomination process, the Sailor is considered for a Golden Ticket or a Silver Ticket. Golden ticket recipients are guaranteed a return to active duty within one year of release, as long as they remain fully qualified. Silver Ticket recipients are provided the opportunity to return to active duty within two years of release, subject to the needs of the Navy and as long as they remain fully qualified. [See page 53.]

General BERGER. Yes, the Marine Corps' unfunded request for 36 Naval Strike Missiles will allow the Marine Corps to build required capacity for the Ground-Based Anti-Ship Missile (GBASM) capability one year earlier than planned, moving this capability from FY23 to FY22. The Marine Corps' highest ground modernization priority, the GBASM capability, will provide anti-ship fires from land as part of an integrated Naval Anti-Surface Warfare campaign. This forward-deployed and survivable capability will enhance the lethality of our naval forces and will help to deny our adversaries the use of key maritime terrain. The Marine Corps' GBASM solution is the Navy Marine Expeditionary Ship Interdiction System (NMESIS), consisting of an unmanned Joint Light Tactical Vehicle-based mobile launch platform, called the Remotely Operated Ground Unit for Expeditionary Fires, and Naval Strike Missiles. The Naval Strike Missile is identical to the Navy's Over the Horizon Weapon System deployed on the Littoral Combat Ship and will provide the Marine Corps with a missile capable of sea-skimming, high-g maneuverability, and the ability to engage targets from the side, rather than top-down. This maximizes lethality and missile survivability. The first test of NMESIS took place in December 2019 and successfully fired an inert round. A second live-fire demonstration with a guided Naval Strike Missile is planned for June 2020. RC in FY19 through lateral move only with (2) Marines currently on hand. The Marine Corps began building this MOS (1721) into the Non-Prior Service pipeline in FY20, and the structure continues to grow in FY21. There are two programs available to Prior Service Recruiting and career planners to retain/attract Marines to the SMCR. The SMCR Enlisted Affiliation Bonus for corporals and sergeants permits Marines in the 1721 MOS eligible for a \$20k in exchange for a 3 year obligation in the SMCR. The SMCR Retention Bonus (SRB-R) for SSgt through MSgt permits these Marines to be eligible for the \$10K or \$15K in exchange for a 4 year reenlistment with a 3 year obligation in the SMCR. [See page 53.]

**RESPONSES TO QUESTIONS SUBMITTED BY MR. WALTZ**

Mr. MODLY. The Navy adjusts our end strength based on force structure changes, so as ships and aircraft are added or retired each year, we adjust end strength accordingly. Currently, Navy plans to use unmanned and lightly manned systems to supplement and increase the total capacity and lethality of our force in addition to manned Battle Force ships and aircraft. Adding unmanned and lightly manned systems would not necessarily cause a direct decrease in end strength or personnel costs. Growing to a 355+ ship Navy over the next 10 years will require commensurate increases in end strength. [See page 49.]

Admiral GILDAY. The Navy Reserve squadrons, VP-62 in Jacksonville, FL and VP-69 in Whidbey Island, WA, currently operate the P-3C, providing strategic depth to the Active Component Maritime Patrol forces, while providing P-3C Littoral Surveillance Reconnaissance System (LSRS) mission support through the end of FY 2022. In FY20, Navy requested 6 P-8As for the Active Component in the budget request and also prioritized 2 P-8As on the Unfunded Priorities List (UPL) to support recapitalization of the Reserve P-3Cs. In the FY20 Consolidated Appropriations Act (Public Law 116-93), Congress funded a total of 9 P-8As and specified that the funding for the three additional P-8As be used to recapitalize the Navy Reserve squadrons. In February, funding for one of those three P-8As was reprogrammed into the Drug Interdiction and Counter-Drug Activities appropriation to support the Department of Homeland Security. The two Congressional additions will allow for us to start the transition from the P-3C to P-8A for VP-62 personnel in FY 2023. To reach the full Reserve requirement for the 2 squadrons, ten additional P-8A aircraft are needed to fully transition VP-62 in FY23 and begin VP-69 in FY24. Exact Reserve composition and Primary Assigned Aircraft will be determined based on final P-8A deliveries and competing Naval Aviation Force Structure requirements. The warfighting requirement for P-8A is 138 aircraft. Additive P-8A procurement will continue to compete for prioritization in the Navy budget and on future unfunded priorities list. Navy will release a report to Congress in the coming weeks, which will provide the updated plan for recapitalization. [See page 48.]

Admiral GILDAY. The SSQ-125A sonobuoy IS currently in production. Navy awarded a five-year production contract for the procurement of SSQ-125A sonobuoy in July 2019. The Navy continues to use all types of sonobuoys in dealing with Out-of-Area deployers. PMA-264 annually optimizes the required inventory of sonobuoys across all types, driven by Fleet utilization and cost per unit to drive best value to the Government. The PB21 UPL requests funding to build inventory of the SSQ-125A and to give more flexibility to how we apply the remaining base budget to procure the other sonobuoy types. Additionally, the program office closely manages the inventory of SSQ-125 sonobuoys to ensure no break in capability to the Fleet until the SSQ-125A inventory and associated platform operational software update is in place. [See page 49.]

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**QUESTIONS SUBMITTED BY MEMBERS POST HEARING**

FEBRUARY 27, 2020

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## QUESTIONS SUBMITTED BY MR. TURNER

Mr. TURNER. General Berger, you recently published statements about how increasing gender integration is one of your top priorities for immediate action. You've also made public comments about longer term plans of potentially building a new gender integrated recruit training facility. Can you tell the committee more about your short-term and long-term plans for increasing gender integration and whether or not there is anything Congress can do to support these efforts?

General BERGER. Recruiting: As we consider the skills, education, and capabilities required of the next generation of Marines, we must be able to recruit and sustain a force that draws from 100% of our Nation's collective reservoir of talent, innovation, creativity, and patriotism. I take it as a personal responsibility to do everything within my authority to ensure that the Marine Corps does not create any artificial barriers to service or advancement. In FY18 and FY19, more than 10% of accessions were females (both officer and enlisted). In FY19, 12.7% of officer accessions were female, the highest number since beginning of the all-volunteer force, while 10.4% of enlisted accessions were female. As of October 2019, our Marine Corps is 8.9% female (active component), up from 6.7 percent in 2010. In addition to employing more female inclusive messaging, we are better employing data analytics to help understand—and eventually predict—why individuals decide to join the Marine Corps as well as remain a Marine. These efforts include improving current data collection and management; longitudinal accession, retention, and exit surveys; and cognitive and non-cognitive testing with the objective of identifying and fitting the right person, with the right skills, into the right jobs. While I am optimistic about our efforts to expand recruitment and retention of female Marines, there remains considerable work to be done, and I look forward to the continued support of Congress to help us achieve our goals.

Recruit Training: The Marine Corps has taken a proactive approach to comply with all relevant laws regarding gender integration at entry-level training, without compromising our proven standards-based model. Our current infrastructure at both San Diego and Parris Island is a major limiting factor to further gender integration at recruit training. As such, I directed the initiation of a conceptual planning effort to better understand the merits of a consolidated recruit training facility. As these long-term planning efforts mature, I will provide you and Congress with routine updates. In addition to those long-term planning efforts, I am pleased to report that the Marine Corps trained its first integrated company of entry-level recruits in 2019, comprised of five male platoons and one female platoon, at Marine Corps Recruit Depot (MCRD) Parris Island. This year, MCRD Parris Island has already graduated four integrated companies, with four more currently in training and set to graduate by end of May 2020. Moving forward in the short-term, the Marine Corps is exploring the feasibility of making this a standard training model for integrated recruit training, and will provide you and the committee with our final conclusions and recommendations. The Marine Corps employs female drill instructors and officers at the company and battalion level to train and supervise both male and female recruits. This female leadership, at both MCRD Parris Island and MCRD San Diego, participates in the majority of training, to include physical fitness, martial arts, water survival, and academics. This provides recruits an important and early opportunity to observe Marine leaders of both genders throughout entry level training. Graduation requirements are exactly the same for all recruits. Platoons train together, conducting the same scheduled events on the same training day and in the same location when logistically supportable. This includes “the Crucible” as the culminating event to earn the title ‘Marine’. Additionally, in November 2017, the Marine Corps implemented a fully integrated fourth phase of instruction in recruit training at both MCRDs. This training focuses on the “6 Fs” of the Marine Corps Leadership Development Model: Fidelity, Fighter, Fitness, Family, Finances, and Future. The goal is to develop maturity and self-discipline in each recruit so that they are better prepared for the challenges in follow-on training and the Marine Corps. This added phase of integrated training provides both male and female instructors additional time to mentor recruits.

Integration: The integration of female Marines into previously-restricted jobs and units is progressing without significant issues. The number of female Marines in previously-restricted Military Occupational Specialties (MOSs) is on the rise, and women are now represented in all occupational fields. In 2019, there were 203 women serving in previously restricted MOSs. Today that number is 283, including our first female F-35 pilot and first female Reconnaissance Marine. In 2019, 507 women were in previously restricted active component units; that number is now 737. To further expand the representation of female Marines in previously restricted MOSs and units, we are also: (1) Exploring the feasibility of offering incentives to female Marines in our reserve component who may be interested in returning to active duty for service in a previously restricted MOS or unit; (2) Seeking active-duty female company grade officers to volunteer to attend the Infantry Officers Course, with a follow-on assignment to an infantry battalion upon successful completion; and (3) Creating additional opportunities for qualified female Marines to execute a 'lateral move' into previously restricted MOSs.

Mr. TURNER. The Marine Corps has a well-documented F-35 and MV-22 pilot shortfall. This is also a well-documented problem within the Air Force, which was the subject of a prior hearing and is part of the congressional record. The Marine Corps' current program-of-record and overall aviation modernization plan include the procurement of over 400 F-35s. What is the Marine Corps doing to ensure that it will have enough pilots to fly all of the F-35s it is procuring?

General BERGER. I am familiar with the hearing in question, during which the Air Force identified challenges related to sustaining its 5th GEN pilot and UAS operator force, and its statements for the congressional record of having a pilot shortfall of approximately 2000, despite offering ever larger bonuses. There are lessons to be learned from the Air Force, and I welcome your continued oversight and assistance with this issue. As you noted, Marine Corps pilot shortfalls with the F-35 and MV-22 are well documented, and I have commented on these for the record. For FY19, we had a F-35 pilot shortfall of 167 and a MV-22 pilot shortfall of 274. Based on our FY20 Aviation Bonus, we anticipate shortfalls of 177 F-35 pilots and 191 MV-22 pilots; however, the increased deficit in F-35 pilots is due to the increase in squadrons transitioning to F-35 thus increasing the F-35 pilot requirement. Based on that preliminary data, it appears that our remedial plans are working. Aviation bonuses totaled \$5.1 million in FY18, \$16.3 million in FY19, and are projected to total \$16.5 million in FY20. We anticipate funds approximating FY20 totals being necessary in support of our pilot retention efforts for the foreseeable future. Based on the new bonuses, we have had 209 F-35 and MV-22 pilots take the bonus since FY18. To meet our future pilot inventory requirements we will need to increase new pilot production; increase transition of current pilots; and retain adequate numbers of pilots who will clearly see competing opportunities outside the Marine Corps.

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#### QUESTIONS SUBMITTED BY MS. SPEIER

Ms. SPEIER. General Berger, the FY20 NDAA included a provision I authored that prohibits gender-segregated training at Marine Corps Recruit Depots within the next eight years. The text explicitly bans gender-separate training, which means the Marines would have to revise the current model, which involves limited co-training among single-gender male and female platoons. Despite being asked by the press and in a letter from my office whether you would gender-integrate at the platoon level, your service has only stated that they would quote "comply with the law." General Berger, can you please remove the ambiguity and tell us whether you agree that the current law requires Marine basic training integrated at the platoon level, in ways that mirror the other services' training, and what your plans are to implement these changes?

General BERGER. The Marine Corps fully understands the language and intent of the current law, established in the FY20 NDAA provision, stating that Marine Corps Recruit Depot (MCRD) Parris Island and MCRD San Diego shall not be segregated within five and eight years respectively. We are taking a proactive approach to comply with the FY20 NDAA provision and all relevant laws regarding gender integration at entry-level training, without compromising our proven standards-based model. Our current infrastructure at both San Diego and Parris Island is a major limiting factor to further gender integration at recruit training. As such, I directed the initiation of a conceptual planning effort to better understand the merits of a consolidated recruit training facility. As these long-term planning efforts mature, I will provide you and Congress with routine updates. Beyond these long-term planning efforts, I am pleased to report that the Marine Corps trained its first inte-

grated company of entry-level recruits in 2019, comprised of five male platoons and one female platoon, at Marine Corps Recruit Depot (MCRD) Parris Island. This year, MCRD Parris Island has already graduated four integrated companies, with four more currently in training and set to graduate by end of May 2020. Moving forward in the short-term, the Marine Corps is exploring the feasibility of making this a standard training model for integrated recruit training, and will provide you and the committee with our final conclusions and recommendations. The Marine Corps also employs female drill instructors and officers at the company and battalion level to train and supervise both male and female recruits. This female leadership, at both MCRD Parris Island and MCRD San Diego, participates in the majority of training, to include physical fitness, martial arts, water survival, and academics. This provides recruits an important and early opportunity to observe Marine leaders of both genders throughout entry level training. Graduation requirements are exactly the same for all recruits. Platoons train together, conducting the same scheduled events on the same training day and in the same location when logistically supportable. This includes “the Crucible” as the culminating event to earn the title ‘Marine’. Additionally, in November 2017, the Marine Corps implemented a fully integrated fourth phase of instruction in recruit training at both MCRDs. This training focuses on the “6 Fs” of the Marine Corps Leadership Development Model: Fidelity, Fighter, Fitness, Family, Finances, and Future. The goal is to develop maturity and self-discipline in each recruit so that they are better prepared for the challenges in follow-on training and the Marine Corps. This added phase of integrated training provides both male and female instructors additional time to mentor recruits.

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#### QUESTIONS SUBMITTED BY MR. SCOTT

Mr. SCOTT. Would you support or oppose legislation that would amend 10 USC 5062(e) to include the U.S. Coast Guard as a matter of joint concern to the Navy when developing aircraft, weapons, tactics, technique, organization, and equipment of naval combat and service elements?

Mr. MODLY and Admiral GILDAY. The Navy would support legislation that would amend 10 USC 5062(d) to include the U.S. Coast Guard

Mr. SCOTT. In the Navy’s Stem-to-Stern Capability-Based Strategic Review, will you be looking for savings that could be achieved by greater partnership with both the U.S. Coast Guard and the Air and Marine Operations of the U.S. Customs and Border Protection to achieve economy of scale in the purchases of small boats, helicopters, and unmanned systems?

Mr. MODLY. The Department of the Navy’s (DON) Stem-to-Stern review will build on the budget optimization work already done by the Navy and Marine Corps, integrating those efforts across the entire Department and taking on the more strategic task of structural change in order to increase naval capabilities. Nothing is off the table. The Department is reviewing policy, structure, and legislation to identify low priority, redundant, or legacy capabilities, programs, processes, or headquarters functions that can be realigned, eliminated, or reduced to meet the DON’s resource needs.

Mr. SCOTT. What is the timeline for building a new National Museum of the U.S. Navy on Tingey Street SE between the Washington Navy Yard and Nationals Park and when do you intend to announce it?

Mr. MODLY and Admiral GILDAY. The Navy is seeking to acquire land on Tingey Street adjacent to the Washington Navy Yard to protect critical assets within security requirements. It may take three years or more for the Navy to acquire this property due to the land exchange, environmental review, zoning, and entitlement processes. The Navy’s preferred compatible use for the land is to serve as a site for a new National Museum of the United States Navy, and the Naval Historical Foundation, the 501 C(3) that supports the National Museum of the United States Navy, has agreed to lead the fundraising effort. Navy leadership is closely monitoring the progress of these efforts and will make a formal announcement at the appropriate time.

Mr. SCOTT. Is naval aviation’s adversary training at risk of irrelevance from equipment obsolescence and lack of long-term recapitalization? What are the advantages of using third generation and fourth generation aircraft in an adversary role to prepare for possible combat against Communist China or Russia?

Mr. MODLY and Admiral GILDAY. A Western fourth generation aircraft with highly targeted upgrades can accurately emulate Chinese and/or Russian fifth generation threats in most scenarios and at a lower cost. The Fiscal Year (FY) 2021 budget request provides naval aviation with a bridge solution for keeping our adversary

fleet relevant while we begin the process of long-term recapitalization. The FY 2021 budget requests funding for upgrades and to extend the service life of our adversary fleet of F-16s, and upgrades the Swiss F-5s procured in FY 2020. Furthermore, in 2020, the Navy is conducting an Analysis of Alternatives for long-term recapitalization to help determine the right mix of adversary training capability and capacity to continue to prepare our warfighters for combat with a near-peer competitor.

Mr. SCOTT. When can we expect you to issue an update of the CNO's Professional Reading Program?

Admiral GILDAY. Target release of CNO Professional Reading Program 5.0 is 4 July 2020. The Naval War College (NWC) developed a matrix of book titles aligned with CNO's primary lines of effort and stratified by the experience level of the readers. This document is under review by key stakeholders within the Naval University System. Accounting for COVID-19's impact on normal operations, the projected date for CNO/MCPON review of the final list is 15 May 2020. Assuming approval, NWC will work through June to prepare the website and purchase the e-books for delivery to the fleet on 4 July.

Mr. SCOTT. The Navy's two hospital ships, *Mercy* and *Comfort*, are floating goodwill ambassadors with some of the best medical equipment in the world. Are there additional ways to partner with the private sector and the inter-agency to increase the availability and share the costs of operating both of the hospital ships?

Admiral GILDAY. While DOD cannot receive funds to share operating costs, it does partner with external stakeholders to leverage talent and accept donations of medical equipment. When hospital ships are tasked to provide humanitarian or Theater Security Cooperation mission support, DOD collaborates with partners from the interagency and private sector to provide solutions. To enable these efforts, USAID provides a full time liaison officer (LNO) to Military Sealift Command (MSC) and the combatant commander (CCDR) headquarters to support civilian military coordination. Navy Medicine also provides a military medical officer to USAID as an LNO to facilitate discussions that include hospital ships. As a result, various non-governmental organizations (such as PROJECT HOPE) are able to offer invaluable volunteer medical care support that delivers medical diplomacy from "pediatrics to geriatrics." Further, CCDRs, in coordination with MSC, reach out to other non-federal entities to seek volunteers and donations, such as wheelchairs for medical missions. DOD appropriated funding covers operational costs and medical supplies for combat missions.

Mr. SCOTT. Marine environmental response is one of the Coast Guard's 11 statutory missions. Should the Coast Guard should take over all Federal On-Scene Coordinator Representative (FOSCR) requirements for the Navy?

Admiral GILDAY. No. Under the National Contingency Plan, the Navy is pre-designated as the On-Scene Coordinator for response to the release of hazardous substances, or oil spill/releases from any facility or vessel, under its jurisdiction, custody, or control. In the event the Navy cannot appropriately manage a spill event, the Coast Guard can provide additional assistance and resources. This current construct has proved both very effective and efficient in managing spill response incidents for the Navy for the following reasons: The Navy has the resources (ships, equipment, personnel, contractors, etc.), to commit funds or conduct actions to ensure a timely and effective response capability in managing spill events on Navy property (both on installations and in port). The Coast Guard does not have the authority to directly commit Navy funds and assets. The Coast Guard does not have the personnel or sufficient amount of spill response equipment to respond to spill incidents outside U.S. jurisdictional waters, where the Navy has facilities and vessels. The current construct for spill response is a tested and proven response leadership structure that has been highly successful for decades. It is strongly recommended that it not be changed or altered.

Mr. SCOTT. Are you satisfied with the training received by intelligence officers on U.S. naval combat capabilities? Can Navy intelligence officers give commanders sophisticated threat assessments without a strong foundational knowledge of U.S. military capabilities, particularly naval ones? Should a robust section on U.S. naval combat platforms and weapons be included in an information warfare officer's personnel qualification standard? Should more intelligence officers be rotated to independent deployments of destroyers and cruisers? Should a longer mid-career intelligence milestone course (weeks if not months) be created with rigorous testing, student ranking, and a discussion of U.S. Navy combat capabilities coupled with Chinese, Russian, North Korean, and Iranian threats?

Admiral GILDAY. *Are you satisfied with the training received by intelligence officers on U.S. naval combat capabilities?* Training is consistently evolving with our capabilities and technology, and is frequently evaluated for mission relevance and progress. We are fully committed to recruiting, training, educating and being opti-

mized for maximum effectiveness. A Training Requirements Review (TRR) for Naval Intelligence Officers Basic Course is scheduled in May 2020.

*Can Navy intelligence officers give commanders sophisticated threat assessments without a strong foundational knowledge of U.S. military capabilities, particularly naval ones?* Intelligence officers should strive to be proficient in all aspects of the threat presented and are consistently expanding their knowledge of Great Power Adversaries. This should include not only the adversaries' disposition, but also the expertise brought into the environment by those professionals, both U.S. and our Coalition counterparts, who hold the foundational knowledge of naval combat capabilities. This team-of-teams approach ensures the commander receives the most educated, timely assessment as possible. The combination of a naval intelligence officer, coupled with a career surface warfare officer is crucial to information dominance.

*Should a robust section on U.S. naval combat platforms and weapons be included in an information warfare officer's personnel qualification standard?* A PQS review is scheduled for May 2020. This has been submitted for discussion by fleet subject matter experts.

*Should more intelligence officers be rotated to independent deployments of destroyers and cruisers?* A Zero Based Billet review has been requested for all Officer and Enlisted intelligence billets across the Fleet. This review will identify if there are any requirements currently not being met and to ensure distribution of intelligence cadre to succeed in the GPC. The current rotation of intelligence officers to Destroyer Squadrons (DESRON) has proven professionally beneficial, increasing the knowledge and experience of the junior officers assigned to those units. Historically, these units have been assigned an enlisted Independent Duty Intelligence Specialist (IDIS).

*Should a longer mid-career intelligence milestone course (weeks if not months) be created with rigorous testing, student ranking, and a discussion of U.S. Navy combat capabilities coupled with Chinese, Russian, North Korean, and Iranian threats?* Training Requirements Review (TRR) for Naval Intelligence Afloat Senior Milestone Course (NIASMC) is scheduled in July 2020. Training is consistently evolving with our capabilities and technology, and is frequently evaluated for mission relevance and progress. We are fully committed to recruiting, training, educating and being optimized for maximum effectiveness.

Mr. SCOTT. Should the Navy implement more stringent damage control training and make available more tools and programs to reduce casualties and improving their damage control skills? Are a couple of basic firefighting schools enough experience for sailors to save a ship? One light-off assessment or a ten-minute drill a duty day?

Admiral GILDAY. The Navy has implemented stringent damage control training processes, tools, and programs to reduce casualties and improve their damage control skills. The Surface Ship Readiness Strategy, codified in the Surface Forces Training and Readiness Manual, follows a process that educates, trains, assesses, and certifies a ship's crew to conduct either integrated or independent operations. This approach to readiness supports standardization of training and ensures ships are prepared to accomplish their assigned mission by building proficiency through repetition of fundamentals, exercised in a variety of training scenarios that build in complexity. Once watch teams demonstrate sufficient proficiency, they proceed to the mission area certification event. Damage Control (DC) mission area certification requires the completion of not less than 11 discrete events, both knowledge and tasked based. Post-Basic Phase training, Sailors are required to conduct 14 DC training events with various degrees of frequency to ensure skills do not atrophy. These Certification Exercises (CE) and Recurring Exercises (RE) are contained in the Surface Force Training and Readiness Exercise Manual. Damage control mission certification includes an assessment of the ship's ability to self-train. Commanding officers are responsible and accountable with ensuring their units remain fully ready and may institute additional proficiency training including duty day drills as required. It is common practice for commanding officers to conduct damage control drills daily, whether in port with the duty section or underway, which may include full ship participation, i.e. General Quarters.

Mr. SCOTT. Dr. Milan Vego defined operational art as the "theory and practice of planning, preparing, and executing major naval operations aimed at accomplishing operational objectives." Are Navy officers introduced to operational art too late in their careers?

Admiral GILDAY. Officers are exposed to Operational Art at the appropriate point in their career progression, after leveraging cumulative experiential and training opportunities to mature foundational concepts. An officer's ability to embrace, understand, and effectively employ Operational Art is underpinned by a well formed understanding of their primary warfare specialty and associated tactical operations.

This is the main focus of the early part of an officer's career and is the product of both experiential learning and the primary level of Professional Military Education (PME) as outlined in the Officer PME Policy (CJCSI 1800.01). Once firmly grounded in their Service role at the tactical level (skill, knowledge, experience), officers transition to the operational level of warfare and embrace Operational Art in increasing depth. Intermediate PME/JPME, which occurs at the O-4 (or senior O-3 level in rare cases), builds on officers' cumulative experiential and training opportunities to provide them the foundational understanding of Operational Art necessary to successfully serve on warfighting staffs and progress onto the strategic level of warfare.

Mr. SCOTT. What steps are being undertaken to enhance the career path development and management, mentoring, and education of strategic sealift officers?

Admiral GILDAY. DOD is taking deliberate steps to review and update the training and development path for Strategic Sealift Officers (SSO), including designating a Captain (O-6) as the SSO Commodore in October 2019 at Military Sealift Command HQ to lead this effort. For more effective management, the SSO community is implementing a new Command and Control (C2) structure that provides more-defined career opportunities. A robust mentoring program is in place and aligned with the C2 structure to ensure all members have access to a senior mentor for career development and guidance. Current training for SSOs includes a two-week Post Commission Indoctrination (PCI) course for Ensigns (O-1) and a two-week Middle Level Officer Course (MLOC) for Lieutenants (O-3) is scheduled to start in June 2020. A two-week Commander's Senior Level Course is also planned to begin in 2021. These courses are designed as career milestone check-points, augmented by job-specific training courses, and include the necessary building blocks for SSO career development. Further recommendations from the SSO Commodore will be reviewed and implemented, where appropriate.

Mr. SCOTT. Prompt pre-hospital intervention is the most important element in wounded combatant survival. Are you satisfied with the critical care received by injured/wounded sailors and Marines in far-forward environments? Does the Navy need a Resuscitation Transportation Team (RTT) to bring together critical-care doctors and national registry paramedics?

Admiral GILDAY. My priority is to ensure that our warfighters have access to life-saving combat casualty care wherever the fight takes us—at sea or ashore—and we remain committed to enhancing our capabilities and skills in this vital area. Throughout the past 19 years of war in Iraq and Afghanistan, Navy and Marine combat casualties had rapid access to forward resuscitative care resulting in unprecedented combat survivability. Due to time and distance challenges of Distributed Maritime Operations (DMO) and Littoral Operations in the Contested Environment (LOCE) expected in the next fight, the "Golden Hour" will not be guaranteed. Therefore, the Navy is actively studying how all Roles of Care need to be optimized for maximal survivability in DMO/LOCE. Currently, the Navy does not have a requirement for a Resuscitation Transportation Teams (RTT) capability. We are however, constantly working to decrease combat casualty mortality and morbidity by implementing advanced trauma capabilities leveraged from both battlefield lessons learned and our civilian counterparts. Navy conducted a Requirements Evaluation Team analysis of Navy Expeditionary Health Services in support of Distributed Maritime Operations. As a result, Navy Medicine is creating Role 2 Enhanced (R2E) Containerized and Role 2 Light Maneuver systems that provide modular, scalable, and mobile forward resuscitation in DMO and LOCE. Navy Medicine is also creating Enroute Care Systems that mirror the Marine Corps ERC capability for enhanced movement of patients through the roles of care. Combinations of these new capabilities are designed to stabilize patients at or near the point of injury and optimize patient survivability during transport. Lastly, the Navy is developing a R2E system payload that converts Expeditionary Fast Transport vessels into "ambulances" to transport larger numbers of patients around the battle space. This platform will act as a connector between Roles of Care while simultaneously providing damage control resuscitation, damage control surgery, critical care, and patient holding for extended periods of time.

Mr. SCOTT. Should the Navy decommission Fleet Forces Command and recommission the U.S. Atlantic Fleet?

Admiral GILDAY. While disestablishing United States Fleet Forces Command and establishing an Atlantic Fleet could yield some benefits, ultimately the effort to do so would be costly and would create inefficiencies that would not justify the effort. Establishing an Atlantic Fleet that is aligned in a manner which is similar to the missions and tasks carried out by United States Pacific Fleet could simplify the lexicon across the world. However, a reorganization of this scope ignores the functions that Fleet Forces carries out as a force generator and provider for the entire U.S. Navy, such as Global Force Management. If this was not executed by USFF, it

would require it to be performed either by an entirely new staff, or growth in several staffs at both Pacific and Atlantic fleets to carry out, which is inefficient and would result in increases in the Navy's top line budget during a fiscally constrained environment.

Mr. SCOTT. Prompt pre-hospital intervention is the most important element in wounded combatant survival. Are you satisfied with the critical care received by injured/wounded sailors and Marines in far-forward environments? Does the Navy need a Resuscitation Transportation Team (RTT) to bring together critical-care doctors and national registry paramedics?

General BERGER. We provide our wounded and injured Marines and Sailors with excellent critical care in forward deployed environments. At the same time, we recognize that future operating environments will be less forgiving, and as a consequence, are seeking ways to enhance our critical care capabilities. Two decades of joint symposia and research conclude that Field Medical Service Technicians (FMT) and flight surgeons assigned to casualty evacuation (CASEVAC) platforms lack the training required to manage critically injured, wounded or ill service members in the aviation environment. Analysis of CASEVAC operations from Operation Iraqi Freedom and Operation Enduring Freedom indicate that 83.3% of combat deaths occurred prior to arrival at a military treatment facility, with 24.3% of those fatalities considered "preventable". These challenges will be even more acute on future battlefields, which will be characterized by greater dispersion of forces and longer flight times to military treatment facilities. In close partnership with Navy, we are working to ensure that appropriate Marine Corps units are staffed with medical personnel in the right number, and with the right training, to provide a Resuscitation Transportation Team (RTT)-like capability. Getting this right will be essential to providing forward-deployed Marines and Sailors with critical care capabilities, especially as we prepare for operations that are more distributed than in past conflicts.

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#### QUESTIONS SUBMITTED BY MR. BROOKS

Mr. BROOKS. During a full scale mobilization, over 90% of the Army surge will be carried on Navy surge sealift vessels. Unfortunately, the average age of these vessels is 45 years. In March 2018, Army indicated "Without proactive recapitalization of the Organic Surge Sealift Fleet, the Army will face unacceptable risk in force projection capability beginning in 2024." TRANSCOM recently completed a test of these vessels and the fleet responded with a 40% mission capable rate when the requirement is 85%. Is Navy responsible for the surge sealift fleet? Is a 40% mission capable rate sufficient to meet combatant commander requirements? What is the impact if Navy does not change the trajectory of surge sealift accelerating decline? Does Navy have a comprehensive plan to recapitalize the surge sealift vessels?

Admiral GILDAY. Yes, Navy is responsible for the resource sponsorship of the surge sealift fleet and values the importance of a credible and ready inter-theater sealift fleet capable of delivering U.S. fighting forces and equipment in support of COCOM requirements. Recognizing the current mission capability rate was below the required 85% when tested during the recent Turbo Activation exercise, Navy included deliberate funding in the President's FY21 Budget submission for which includes an additional \$130.6M for sealift readiness, funding to purchase two used-ships and the research and development money necessary to start building a new sealift ship in 2023. Navy's comprehensive plan to recapitalize the surge sealift fleet is reflected in the March 2018 Sealift that the Nation Needs report to Congress, to which we are committed. This report describes Navy's plan to address low mission-capable rates and reverse the readiness decline.

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#### QUESTIONS SUBMITTED BY MR. BYRNE

Mr. BYRNE. The President's FY2021 budget request represents a significant step back from the President's pledge to build a strong Navy to counter the growing threat from China and Russia. This request for only seven ships represents a significant blow to the already fragile defense maritime industrial base. To make the matter more urgent, the recent reprogramming of ships appropriated in FY2020 puts even greater stress on the Nation's industrial base and puts at risk the jobs of thousands of skilled tradesman and thousands of suppliers, many of them small businesses, located throughout the country. What consideration of the defense industrial base entered into the development of the FY2021 shipbuilding budget? What are the likely impacts of this budget on the shipbuilding industry, particularly the mid-tier yards and their supplier base?

Mr. MODLY. Given the budget topline constraints, the FY 2021 budget prioritizes a more capable and lethal force over a larger force that would be less capable, less ready, and less lethal. The FY 2021 submission remains mindful of the need to keep the shipbuilding industrial base loaded at an effective level that encourages industry investment in capital improvements and expansion and a properly sized world-class workforce. The Department is committed to at least 355 ships. To get there, the composition of the fleet needs to change so that we have fewer large platforms and more small platforms that are lightly-manned, eventually moving to optionally-manned. The fleet needs to have certain compositional characteristics, including distributed awareness, lethality, survivability, and sustainability, and we need to be much more aggressive in terms of experimenting and prototyping and then quickly moving to production once we feel confident. A healthy industrial base, including shipyards and the associated workforce, is absolutely critical to this effort. With adequate resources, and with budget predictability and stability, the industrial base has the capacity and capability to support getting to 355 ships in 10 years.

Mr. BYRNE. EPFs are an important component of the Navy's Combat Logistics Force. These versatile platforms are traditionally used for troop transport, but their variety of missions are ever increasing. In the FY20 NDAA, Congress authorized and appropriated money for the Navy to outfit EPF-14 as a medical variant to supplement our two aging hospital ships. It is my understanding that the Navy and Marine Corps are considering other missions for these ships. What other opportunities are potentially available for EPFs?

Admiral GILDAY. Mission requests received from the Navy's numbered fleet commanders fall into six specific areas: SOF support, SPMAGTF support, maritime security operations, personnel recovery, theater security cooperation, and humanitarian assistance/disaster response. No final configuration decisions have been made.

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#### QUESTIONS SUBMITTED BY MR. VELA

Mr. VELA. The capability of the Navy is in high demand around the world. With threats like China, Russia, and Iran, the Navy's forward presence is vital to our National Security. In your Stem to Stern memo, one of the areas you are looking at cutting is the Navy's "Global Force Management offerings." Does that mean you're going to have the Navy do less in a world where our ships are critically needed? Do you have certain capabilities you are looking to cut back on?

Mr. MODLY. Reductions to Global Force Management offerings is one of several areas that the Stem-to-Stern (S2S) review will take a hard look at, but that work is ongoing and the conclusions are pending Acting Secretary of the Navy review. The S2S review will also look at enabling capabilities that can be outsourced and enabling capabilities that can be consolidated to support an integrated naval force. The ultimate goal of the S2S is to identify low priority, redundant, or legacy capabilities, programs, processes, or headquarters functions that can be realigned, eliminated, or reduced to free up resources for other strategic and political imperatives, including building a bigger Navy. This ongoing review is looking across FY 2022-2026 and the results will be included in the FY 2022 President's Budget.

Mr. VELA. The DOD reprogrammed nearly \$1 billion from Ship Construction to build additional miles of border wall. Last year, Assistant Secretary Geurts testified to the Senate that these funds were needed in FY20 to maintain a stable workforce in our industrial base. What impact will this reprogramming have to our shipbuilding industry, to include the small businesses that are critical to it?

Mr. MODLY. A healthy industrial base, including shipyards and the associated workforce, is absolutely critical to achieving our goal of a 355-plus ship Navy. With adequate resources, and with budget predictability and stability, the industrial base has the capacity and capability to support getting to 355 ships in 10 years. The Navy will continue our efforts to best support workload stability and the shipyard's workforce, within our overall budget constraints. In determining the sources for the reprogramming, the Department of Defense used a deliberate and objective approach to select sources for the reprogramming. The funds were sourced from FY 2020 dollars that were considered to be either early or excess to need, particularly if not requested in the FY 2020 President's Budget.

Mr. VELA. The T-45 Goshawk has been in service since the early 1990s as a trainer for future jet pilots. It has been brought to my attention that the Rolls Royce engines have a risk of catastrophic failure and have been limited in their operating hours. With a new training jet years away, what is the Navy's plan to address this problem, and what can Congress do to help you?

Admiral GILDAY. In response to the T-45 Rolls-Royce Low Pressure Turbine (LPT) engine blade failures in October and November 2019, the Navy has limited the operating hours on the blades to 800 flight hours. The Navy and Rolls-Royce are aggressively increasing depot capacity to provide and sustain at least 100 engines by the end of April 2020, which will meet training needs. The Navy and Rolls-Royce are conducting an investigation, scheduled to complete this spring, to determine the root cause of the LPT engine blade failures. The Navy is assessing alternatives if the investigation determines the LPT blade operating life must remain at 800 flight hours.

Mr. VELA. You have said that LCS 1-4 can no longer have a purpose in our Navy. Why decommission LCS 3 and 4, when they were not R&D ships? A month ago Admiral Faller testified to the Senate about the enormous value that LCS platforms played in Southern Command. Couldn't these four ships, while not having the anti-submarine or air defense capabilities still play a vital role in maritime security operations in the region?

Admiral GILDAY. While LCS 3 and 4 are not R&D ships, they were transition to production ships that still differ significantly from the Block Buy configured ships (LCS 5/6 and follow) that are the true beginning of the class. Decommissioning them makes resources available for prioritized Navy investments in a Great Power Competition environment. LCS that deployed to the Southern Command area of operations in 2019 were Block Buy, deployment-configured ships, and future LCS deployments to the region by similarly-configured ships are already being planned. Even without a mission package assigned, LCS 1-4 would still require significant modernization and modifications to deploy to that region.

#### QUESTIONS SUBMITTED BY MR. GALLAGHER

Mr. GALLAGHER. Secretary Modly, you recently argued that future ships should include quality of life improvements for our sailors. I completely agree. What actions are you taking to ensure we improve our habitability requirements for all future ships?

Mr. MODLY. CNIC Morale, Welfare, and Recreation (MWR) Deployed Fitness System (DFS) relies heavily on the guidance provided in each class of ship's "Habitability Manual." These manuals drive the amount of space each ship/submarine has for fitness equipment, recreation equipment, and storage for shipboard MWR Afloat Recreation Programs. There are currently 14 classes of fitness and recreation "Afloat Standards" that CNIC MWR DFS uses to fund and outfit ships/submarines with equipment. CNIC HQ centrally funds this equipment with distribution occurring at the ship's/submarine's homeport. In addition, CNIC instructs shipboard active duty recreation services officers, recreation fund custodians, and the HQ civilian employees, CNIC Afloat Specialists, who are assigned to 20 ships as a Fun Boss or Fit Boss, in the proper administration of their afloat recreation programs and funds. Some vessels have ship's stores whose earnings support crew recreation. For ships/submarines without ship's stores or whose stores are closed because the vessel is in the yard, CNIC MWR DFS issues nonappropriated fund grants to support crew recreation. Actions being taken include continual review of the latest in fitness equipment trends and expanded training in Navy Fitness courses to Fit Bosses and shipboard Command Fitness Leaders, primarily through the Navy Operational Fitness and Fueling System program. Fitness equipment includes cardio-bikes, treadmills, rowers, versa climbers, elliptical trainers, and most recently a new fast attack submarine treadmill under contract. Strength equipment includes adjustable weight stack machines, plate loaded machines, free weights, dumbbells, kettle bells, and more. In addition, CNIC MWR DFS continues to recruit the best possible candidates to become a Fun/Fit Boss.

Mr. GALLAGHER. Admiral Gilday, over the past few years, the Navy has dedicated considerable resources to improving the operational availability of the fleet. Yet despite these efforts, we still face considerable readiness challenges, especially when it comes to day in, day out readiness.

I believe we must start to do things differently. We need to ensure that new ships are designed to improve maintainability, including through their equipment layout, density of equipment, removal routes, and more. At the same time, we must provide sailors the tools they need to effectively accomplish needed maintenance when it is required.

How is the Navy ensuring these desired capabilities are receiving due consideration in its evaluation of future ships, starting with FFG(X)?

Admiral GILDAY. In a direct effort to increase operational availability, the FFG(X) program directed the use of mature and proven Government Furnished Equipment

(GFE) elements in the combat and C4I systems as well as in key Hull, Mechanical, & Electrical equipment (HM&E) components. The use of GFE equipment incorporates proven designs with reliability and performance improvements, existing logistics and maintenance infrastructure and current fleet knowledge and training support—this directly contributes to increasing readiness and reducing fleet maintenance burden. The FFG(X) Program has also ensured that equipment reliability and maintainability are considered during source selection evaluation of the FFG(X) design. In accordance with the FFG(X) solicitation, Offerors are required to describe how reliability was considered in the design of major systems and component selection which could lead to lower maintenance burden on sailors. In addition, the Offerors are required to describe optimization and balancing of design elements such as maintenance considerations and incorporation of Integrated Logistics Support. The FFG(X) program specified Reliability and Maintainability values for critical systems within the technical requirements, which are then verified during source selection evaluation. Moreover, as a means to assess total platform readiness, the FFG(X) program has undertaken a robust modeling and simulation program. This program creates a ship-level reliability, maintainability, availability, and life cycle cost model that includes combat systems, C4I systems, aviation, HM&E systems, and navigation systems to enable total platform performance assessments. Future uses for such a model would be to increase readiness through targeted investments, such as different equipment, additional spares, design modifications, better training, higher manning, or increased infrastructure.

#### QUESTIONS SUBMITTED BY MR. CISNEROS

Mr. CISNEROS. Admiral Gilday and General Berger, what is current trend of the suicide rate in your respective services and how are you addressing them?

Admiral GILDAY. To address suicide and other destructive behaviors, the Chief of Naval Operations established the Culture of Excellence, a Navy-wide framework designed to promote signature healthy behaviors and enhance warfighting excellence by instilling toughness, trust, and connectedness in Sailors. Navy is using evidence-based primary prevention strategies to reduce destructive behaviors through decreased risk factors, and to promote signature healthy behavior by increasing protective factors. Preliminary counts of 2019 suicide deaths do not show an increase from 2018, but in-depth analysis is underway to determine the rate as compared to previous years in order to track the Navy's trend across time. Rates are important since counts do not take into consideration changes in the overall population. Our adjudicated counts and rates will be published as part of the Department of Defense Annual Suicide Report in September 2020. Relationships, legal complications, financial problems, transition periods, and mental health issues continue to be common stressors in most suicides. As part of the Culture of Excellence, suicide prevention measures include increasing embedded mental health providers who deliver direct support to our warfighters as far forward as possible for early intervention. We have also placed deployed resiliency counselors, who are civilian social workers, onboard aircraft carriers and large amphibious ships. An Expanded Operational Stress Control program was developed in conjunction with Command Resilience Teams to assist leaders in the use of chaplains, medical personnel, counselors, and community resources to build a culture that is supportive of help-seeking behaviors. The program's goal is to assist Navy leaders to build resilience within commands and individual Sailors by increasing awareness and understanding of stress and providing strategies to mitigate detrimental effects. Navy's vision is to develop an environment in which all Sailors are trained and motivated to navigate stress, to assist their shipmates, and, most importantly, to seek help early from available resources.

Mr. CISNEROS. As we've heard from the questions posed by my colleagues on this committee and your own testimony, now more than ever, every warship in the inventory counts. We can not afford the cost in terms of service members' lives, capability and monetary value. Therefore we must minimize the likelihood of preventable mistakes. A few weeks ago, the Seapower and Projection Forces and Readiness Subcommittee heard testimony from VADM Brown regarding the 2017 surface ship mishaps in the Pacific. As a Navy veteran, I'm concerned about the Surface Warfare community's status as professional mariners and the steps the Navy is taking to include Navigation, Seamanship and Shiphandling (NSS) assessments at all milestone levels to ensure proficiency.

Admiral Gilday, how exactly are these assessments performed? Are they completed virtually on simulators or are any performed at sea? Who are the assessors and how can we assure their impartiality?

Admiral GILDAY. As codified within the Surface Warfare Career Manual (COM-NAVSURFORINST 1412.7, 16DEC19), the Surface Warfare Officer (SWO) training and assessment continuum involves a series of 10 Navigation, Seamanship, and Shiphandling (NSS) assessments spanning all milestones across the SWO career path. Such ensures the development, assessment, and sustainment of NSS proficiency. These assessments span Ensign to Captain ranks and Division to Major Command career milestones, and ensure SWOs bear the requisite skills to safely and effectively handle their ships and manage watch teams in a variety of environments. The 10 assessments involve 3 Competency Checks conducted by the Surface Warfare Schools Command (SWSC), 3 evaluations conducted by Commanding Officers and ISICs, and 4 x Go/No Go Assessments conducted by the SWSC. Both the Assessments and Competency Checks conducted by SWSC are executed by senior post-command assessors (military Captains/Commanders and licensed civilian Master Mariners) in high fidelity ship-handling simulators. Evaluations conducted by Commanding Officers and ISICs are executed at sea and in high-fidelity ship handling simulators across the Fleet Concentration Areas. SWSC has a formal process for training and qualifying assessors. SWSC personnel use standardized checklists in the execution of Competency Checks and/or assessments at all milestone levels. In the case of Go/No Go Assessments for Prospective Commanding Officers and Prospective Major Commanders, at least two assessments are conducted, and two different assessors are utilized.

Mr. CISNEROS. Admiral Gilday, can you provide an update on the sailors that were aboard the *Fitzgerald* and the *McCain*? How are they being monitored?

Admiral GILDAY. The Navy is committed to ensuring that all Sailors have access to local mental health facilities and frequent opportunities to request additional support, as desired. The Navy Personnel Command has a formal process to monitor the status and career progression, for the USS FITZGERALD (FTZ) & JOHN S. MCCAIN (JSM) Service Members (SVM), who were onboard during the 2017 incidents. This process is overseen by the Personnel Management Department (Pers-4), and for enlisted personnel, utilizes a unique Navy Enlisted Code (NEC) to identify and track these sailors. FTZ/JSM officers comprise a much smaller cohort, and bear individual tracking by the Surface Warfare Officer Assignments Branch (Pers-41). The Bureau of Medicine (BUMED) uses the enlisted NEC and PERS-41 officer data to ensure mental health services are available to these Sailors. The Organizational Incident Operational Nexus Trauma Tracker (ORION) program, Periodic Health Assessment (PHA) Survey, and Post-Deployment Health Assessment (PDHA) are independent mechanisms, that each allow for intrusive engagement from mental health providers to assess, monitor and facilitate their mental health status and care. Created after the 2017 incidents, ORION provides targeted mental health outreach and caring contacts to affected SVMs. Sailors were initially contacted via phone and email regarding their need for care and the accessibility thereof. 100% were contacted and 62% responded. Of that percentage, 20% sought mental health care. The PHA includes a Mental Health Assessment. Such provides an annual inquiry regarding mental health symptoms and the need for care. If the SVM answers affirmatively to having difficulty, care is coordinated immediately. SVMs returning from deployment, are required to complete a PDHA within 30 days of returning from deployment, and Post Deployment Health Reassessment (PDHRA) within 90-180 days from deployment. Both assess mental health or any psychological issues. In addition to PHA/PDHA, all SVMs who self-refer receive immediate mental health specialty services. Options include: Primary Care Mental Health provider (Integrated Behavioral Health Consultant), the Mental Health Department, the Fleet and Family Support Center, Military One Source and Military Family Life Counselors. In summary, 100% of the affected FTZ/JSM SVMs were evaluated by a psychologist and provided the necessary mental health services. Significant oversight of the SVMs' mental and physical health, was conducted immediately following and throughout the first year following the collisions. The annual PHA and the PDHA processes are enduring tools by which Navy can monitor these SVMs, and ensure their access to all required/desired mental health services.

Mr. CISNEROS. Admiral Gilday and General Berger, what is current trend of the suicide rate in your respective services and how are you addressing them?

General BERGER. The number of Marines that have died by suicide in Calendar Year (CY) 2020 year-to-date is 8 for the Active component and 2 for the Reserve Component. The Marine Corps saw the highest rates of suicide in CY2018. Although the suicide rate for CY2019 has not been released by the Defense Suicide Prevention Office, we anticipate the rate for CY2019 will be notably lower than in CY2018. While no one intervention can be credited with a reduction in deaths by suicide, the Marine Corps approaches suicide prevention by using every resource available to promote and apply the leadership functions of Strengthen, Mitigate, Identify, Treat,

and Reintegrate, which allow Commanders to increase individual and unit readiness.

**Strengthen:** No matter the level of resilience a young man or woman has when he or she becomes a Marine, it is our intent to enhance individual resilience by strengthening the ability to respond to stress in a healthy manner.

**Mitigate:** While being a Marine is inherently dangerous, our commanders are trained to mitigate unnecessary stressors by enhancing the tools a Marine has to deal with the stressors of life.

**Identify and Treat:** All Marines are trained annually to identify fellow Marines who might be having difficulties handling stress. Marines learn to ask the tough questions and, if needed, refer one another to higher levels of support. This support may be in the form of mental health treatment or other resources provided to our commanders at the unit and installation levels.

**Reintegrate:** Commanders have the tools and training to care for a Marine throughout the spectrum of mental health response to include reintegration. As is the case with medical or physical injury, care is taken to get each Marine back in the fight as soon as appropriate, thereby increasing the readiness of our Marine Corps.

The Marine Corps' current suicide prevention initiatives include:

**Unit Marine Awareness and Prevention Integrated Training (UMAPIT):** updated for CY20, UMAPIT (pronounced YOU-MAP-IT) teaches every Marine the basics of suicide prevention, normalizes life changes, and emphasizes seeking help early in hopes of decreasing stigma. Research on social media and suicide is also included, as well as suicide safeguards. Survey results indicate this training is effective at increasing overall behavioral health knowledge, knowledge of where to refer Marines, likelihood of making Behavioral Health referrals, belief that it is socially acceptable to discuss suicide, and belief that suicide can be prevented.

**Combat And Operational Stress Control (COSC):** COSC initiatives promote prevention, intervention, protection and crisis response for stress reactions at the unit level. Operational Stress Control and Readiness (OSCAR) team training is one such COSC initiative and was updated for CY20. This training builds teams of selected Marines and unit leaders as well as medical and religious personnel who work together to act as sensors for the commanders by noticing small changes in behavior and taking action early. OSCAR teams support the commander in building unit strength, resilience, and readiness. The Marine-led training teaches team members to help Marines face everyday stressors before they become overwhelming. OSCAR team members use their leadership skills and knowledge of the full spectrum of stress reactions to break stigma and intervene when Marines show signs of stress, including suicidal ideations.

**Behavioral Health Non-Medical Counseling:** Non-medical counseling services are available to Marines to augment a Commander's efforts to teach and strengthen coping skills, mitigate stressors, and identify Marines in crisis, and/or at risk for suicide.

**Marine Intercept Program (MIP):** MIP is a targeted intervention that expands follow-on care for Marines who have attempted suicide or have had a suicide ideation. MIP provides follow-up contacts by telephone or in person, safety planning, and suicide risk assessment as well as coordination with the Marine's commander.

**Death by Suicide Review Board (DSRB):** DSRB analyzes all deaths by suicide to provide strategic and operational recommendations that address multiple Marine Corps suicide prevention goals. Recommendations from DSRB help commanders at all levels to understand the risks of suicide and improve prevention initiatives.

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### QUESTIONS SUBMITTED BY MS. SHERRILL

Ms. SHERRILL. Secretary Modly and Admiral Gilday, I'd like to echo my colleague Ranking Member Thornberry's concerns about the Department's recent reprogramming action. I agree with you that reprogramming is "unhelpful," especially in contrast to the Department's stated priorities of modernization and readiness.

I'd like to focus in on the P-8 program. The validated warfighter requirement is 138 P-8s. In Fiscal Year 2020, the Navy requested only six aircraft, which would have brought the total to 117. Congress, in response to the Navy's unfunded priority list, allocated nine P-8s, which would have brought the total number of aircraft to 120, still far below the warfighter's requirement.

This year, the Navy requested zero new P-8s after the Department reprogrammed one aircraft, leaving the Navy with a P-8 fleet of only 119 aircraft.

How does this request and reprogramming action reflect the validated warfighter requirement of 138 aircraft? Why did the Navy decline to request enough aircraft to meet the warfighter's need?

I have particular concerns about this program because of a projected "drop-dead" date for the production line of December 1, 2020. Are you aware that the P-8 is produced on an older 737 production line that will not be restarted once it shuts down? Has the risk of a production line shutdown factored into your budgeting decisions for this fiscal year?

Admiral Gilday, Secretary Modly, as you know, the P-8 is a premier anti-submarine aircraft. We are seeing the highest levels of Russian submarine activity since the Cold War and indications that China is investing heavily in its submarine force. How does requesting P-8 procurement below the level required by the warfighter and reprogramming further aircraft support the great power competition priorities of the National Defense Strategy?

Mr. MODLY and Admiral GILDAY. With the additional P-8As added by the Congress in the FY 2020 appropriations law, the Navy plans to begin transition of reserve personnel, located at Naval Air Station (NAS) Jacksonville, FL, into the P-8A starting in FY 2023. VP-62 will retire their legacy P-3C aircraft and begin training at the Fleet Replacement Squadron collocated at NAS Jacksonville. The collocation of the FRS (VP-30) with its simulators, operational flight trainers/labs, support equipment, embedded logistics, supply chains, and adequate ramp space, makes VP-62 the ideal choice to transition to the P-8A first. This transition would occur via the same classroom and simulator-training syllabi completed by the active duty squadrons. Due to higher budgetary priorities, the Navy was unable to fund P-8As in the President's FY 2021 request. A full Reserve squadron transition of both VP-62 and VP-69 from the P-3C to the P-8A would require additional aircraft. The two reserve P-8A aircraft currently apportioned are insufficient to transition a single squadron. With ten additional P-8A aircraft, the Navy Reserve could fully transition VP-62 in FY 2023 and VP-69 in FY 2024.

#### QUESTIONS SUBMITTED BY MR. BERGMAN

Mr. BERGMAN. Naval and Marine Corps rotary aircraft must be sufficiently manned and adequately equipped to defeat enemy threats. How confident are you in the safety of the rotary fleet? Are these aircraft adequately equipped with infrared countermeasure capability to detect and defeat heat seeking missiles? Is further investment needed to ensure the readiness of the rotary fleet?

General BERGER. Protection against today's infrared heat seeking missiles requires continuous upgrades within our aircraft survivability equipment (ASE) programs, coupled with an aggressive fielding approach. The AAQ-24 DON LAIRCM (Large Aircraft Infrared Countermeasure) is installed on 82 CH-53Es, 48 MV-22s and 10 KC-130J. The AAQ-45 DAIRCM (Distributed Aperture Infrared Countermeasure) will be installed on 16 UH-1Ys and 20 AH-1Zs. Such systems are significantly better at detecting all threat types in complex environments and at longer ranges. The majority of information about ASE and the threats it defeats is classified. We will be happy to provide a classified briefing at your convenience.

#### QUESTIONS SUBMITTED BY MR. WALTZ

Mr. WALTZ. One of the only U.S. Navy aircraft dedicated to anti-submarine warfare is the P-8A Poseidon. In Florida, one of our Reserve squadrons at Naval Air Station Jacksonville is dedicated to the anti-submarine warfare mission, but its legacy P-3 aircraft are so old that the Chief of Navy Reserve has testified that it will decommission without new P-8 Poseidon aircraft.

How can Congress help you recapitalize the Reserve squadrons with P-8s—particularly the one at NAS Jacksonville, FL—so that we don't lose that critical mission?

Mr. MODLY and Admiral GILDAY. With the additional P-8As added by the Congress in the FY 2020 appropriations law, the Navy plans to begin transition of reserve personnel, located at Naval Air Station (NAS) Jacksonville, FL, into the P-8A starting in FY 2023. VP-62 will retire their legacy P-3C aircraft and begin training at the Fleet Replacement Squadron collocated at NAS Jacksonville. The collocation of the FRS (VP-30) with its simulators, operational flight trainers/labs, support equipment, embedded logistics, supply chains, and adequate ramp space, makes VP-62 the ideal choice to transition to the P-8A first. This transition would occur via the same classroom and simulator-training syllabi completed by the active duty squadrons. Due to higher budgetary priorities, the Navy was unable to fund P-8As

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Mr. WALTZ. I support the Navy's need for sonobuoys and want to assure we authorize exactly what's needed. It's my understanding that the Navy is using large numbers of all types of sonobuoys in dealing with the out of area deployers.

In the Navy's unfunded priorities list, you request \$49.1 million to recapitalize the SSQ-125A sonobuoys. Can you explain why you are seeking to recapitalize a sonobuoy that is not in production versus replenishing?

Admiral GILDAY. The SSQ-125A sonobuoy is currently in production. Navy awarded a five-year production contract for the procurement of SSQ-125A sonobuoy in July 2019. The Navy continues to use all types of sonobuoys in dealing with Out-of-Area deployers. PMA-264 annually optimizes the required inventory of sonobuoys across all types, driven by Fleet utilization and cost per unit to drive best value to the Government. The PB21 UPL requests funding to build inventory of the SSQ-125A and to give more flexibility to how we apply the remaining base budget to procure the other sonobuoy types. Additionally, the program office closely manages the inventory of SSQ-125 sonobuoys to ensure no break in capability to the Fleet until the SSQ-125A inventory and associated platform operational software update is in place.

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#### QUESTIONS SUBMITTED BY MR. GOLDEN

Mr. GOLDEN. In written testimony as part of his Senate confirmation hearing, General Berger stated:

Question: In February 2018, the Secretary of Defense established the Close Combat Lethality Task Force (CCLTF)—a cross-functional task force charged to “strengthen the . . . lethality, survivability, resiliency, and readiness” of U.S. squad-level infantry formations to “ensure close combat overmatch against pacing threats.” Will you commit that, if you are confirmed, the Marine Corps will continue to support the CCLTF, ensuring that it is properly resourced for mission accomplishment?

If confirmed, I would continue the Corps' support for the CCLTF. The Marine Corps remains fully committed to increasing the lethality and readiness of our close combat formations. I will ensure the Marine Corps continues to work closely with the CCLTF as they implement the Secretary of Defense's intent. The increased resources provided over the last two years helped us improve readiness at the squad level.

Recently, the Secretary of Defense remarked, “What we're going to do, probably, is transition it [CCLTF] to the Army because something like that needs a strong foundation of backbone upon which its ideas can then filter out.”

Does the Marine Corps need to continue to work closely with the CCLTF and should the Marine Corps continue to be a part of the CCLTF?

General BERGER. The Marine Corps does need to continue to work closely with the CCLTF and will continue to do so. The Marine Corps continues to support CCLTF and Army planners as they mature plans to transition the task force to the Department of the Army. The Marine Corps' exact role and relationship with the CCLTF, once it is fully incorporated into the Department of the Army, will be determined as details of the transition are solidified. The Marine Corps fully intends to support the efforts of this critical task force and will continue to evaluate the best means to do so. The readiness and lethality of Marine close combat units remains an institutional priority.

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#### QUESTIONS SUBMITTED BY MS. TRAHAN

Ms. TRAHAN. Hearing loss is a major concern for the Navy and the Marine Corps. Sailors often work on vessels or in shipyards with constant high-level noise and marines operate loud artillery. According to the 2018-2019 disability claims data, the top two most common VA disability claims are tinnitus and hearing loss, respectively.

What kind of hearing protection measures is the Navy adopting to protect sailors during combat and training?

Admiral GILDAY. The preferred methodology for mitigating hazardous occupational noise in combat and training environments is to eliminate the need for hearing protection by reducing the magnitude of the noise source. The Navy is currently conducting pilot programs with the goal of reducing source noise in certain genera-

tional systems of record by 3 decibels. This target is significant in that achieving such a goal would double the amount of time a service member could safely work in a specific environment. Hearing protection devices are the second option to reduce hazardous noise exposure. A robust inventory, with new products routinely introduced, of passive, active, and noise mitigating devices are routinely used in the Department of Navy. Studies are underway for test protocols for fit-testing and effectiveness, which will be used at basic training for all recruits and for personnel with a decrease in hearing identified during annual testing. This effort will ensure our Sailors are adequately fit with proper hearing protection and fully trained on how to use the devices effectively.

Ms. TRAHAN. Hearing loss is a major concern for the Navy and the Marine Corps. Sailors often work on vessels or in shipyards with constant high-level noise and marines operate loud artillery. According to the 2018–2019 disability claims data, the top two most common VA disability claims are tinnitus and hearing loss, respectively.

What kind of hearing protection measures is the Marine Corps adopting to protect marines during combat and training?

General BERGER. For the majority of Marines, local commanders across the Marine Corps use operation and maintenance funds to procure various types of hearing safety devices for both combat and training. For those Marines that require additional equipment, the Marine Corps Systems Command, which is the acquisition command of the Marine Corps, procures additional hearing devices for protection and increased lethality. Following a congressional increase of \$5 million for fiscal year (FY) 2019, Marine Corps Systems Command procured approximately 5,500 Hearing Enhancement Devices in the fourth quarter of FY 2019. The devices were fielded to artillery and reconnaissance Marines in the first quarter of FY 2020. Hearing Enhancement Devices offer a combination of enhanced hearing capability to increase detectability of soft sounds through the use of volume control, as well as hearing protection from excessive noise through electronic compression of sound to a non-hazardous level. For FY 2020, Marine Corps Systems Command received a \$10 million congressional increase for hearing devices. Marine Corps Systems Command intends to conduct a full and open competition and award a contract in the fourth quarter of FY 2020 for approximately 11,000 Hearing Enhancement Devices. The challenge for operational Marine Corps units remain that we must balance noise cancellation with the need for Marines to hear commands. An artillery Marine, for example, must hear commands from their team chief in order to be effective and safe. We will continue to seek solutions, which bridge this difficult challenge.

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#### QUESTIONS SUBMITTED BY MR. BRINDISI

Mr. BRINDISI. Admiral Gilday, I note with disappointment that the Navy did not include any funding in the FY21 budget for another HELIOS–Integrated High Energy Laser weapons system shipset. However, I am pleased that you did include funding for it in your unfunded priorities list. Can you tell me, where does directed energy stand in your overall priorities and if it is high on that list, why was there no funding in the budget or in the FYDP?

Admiral GILDAY. Navy is all in on Directed Energy. We must have directed energy as part of our layered defenses for surface platforms. All of our investments are focused on delivering area and self-defense against anti-ship cruise missiles and lesser threats as part of the Surface Navy Laser Weapon System Increment 2 (SNLWS Inc 2) in the mid-2020s. SNLWS Inc 1 (also known as HELIOS) is the first high energy laser installed on a DDG and integrated into the Aegis Combat System. It will inform development of future SNLWS requirements and grow Navy laser operational concepts and tactics. However, SNLWS Inc 1 is not the desired end state. Navy made the decision to field a limited number of operational lasers to learn what we can at that power level, while simultaneously investing in the development of underlying technologies that are required for Increment 2, namely OSD's High Energy Laser Scaling Initiative (HELSD) and ONR's High Energy Laser C–ASCM Project (HELCP). Those two high-leverage projects are funded in PB21 and will develop technologies and the industrial base required to build a 300–500kW laser in the mid-2020s.

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#### QUESTIONS SUBMITTED BY MR. GRAVES

Mr. GRAVES. With the “group of systems” approach for the MUX/Advanced Tactical Unmanned Aircraft System, is the 22.5M\$ budget request actually sufficient

to provide for the testing and development required, particularly as it relates to MQ-9 and near-term capabilities? Would it be beneficial to increase funding beyond the unfunded request for \$6 million in order to fully test and develop the new MQ-9B as a prototype for the MUX family of systems?

Mr. MODLY. The Marine Corps will focus on a medium-altitude, long-endurance solution as the first capability for the Marine Air/Ground Task Force, Expeditionary (MUX) family of unmanned airborne systems. Development of a competitive acquisition is being pursued to allow industry to provide the best value at an acceptable cost to the taxpayer. Additional funding above the budgeted \$22.5 million would allow for acceleration of the system's development once a capability has been selected. The \$6 million unfunded request mentioned is a separate request for a training system to complement the ongoing Marine Corps MQ-9A procurement.

Mr. GRAVES. With the "group of systems" approach for the MUX/Advanced Tactical Unmanned Aircraft System, is the 22.5M\$ budget request actually sufficient to provide for the testing and development required, particularly as it relates to MQ-9 and near-term capabilities? Would it be beneficial to increase funding beyond the unfunded request for \$6 million in order to fully test and develop the new MQ-9B as a prototype for the MUX family of systems?

General BERGER. The Marine Corps will focus on a medium altitude, long endurance (MALE) solution as the first capability for the Marine Air/Ground Task Force, Expeditionary (MUX) family of unmanned airborne systems (FoUAS). Development of a competition will allow industry to provide the best value at an acceptable cost to the tax payer. Additional funding above the budgeted \$22.5M would allow for acceleration of the system's development once a capability has been selected this summer. The USMC desires to field a capability in CY23/FY24. The referenced \$6M request is a separate unfunded request for a simulator training system to complement the ongoing procurement of 2 x MQ-9A aircraft currently deployed.

#### QUESTIONS SUBMITTED BY MR. BISHOP

Mr. BISHOP. Admiral Gilday and General Berger—shortfalls associated with procurement of the Naval Strike Missile were prominent on the FY21 Unfunded Priorities Lists released last week. Do you agree that these unfunded requests would significantly enhance the lethality of the fleet, and support the deployment of the first Marine Corps Ground-based Anti-Ship battery?

Admiral GILDAY. Yes, additional Naval Strike Missiles (NSM) would enhance the lethality of the fleet. The NSM funding on the Navy's FY21 Unfunded Priorities List supports shipfill requirements for seven Littoral Combat Ships equipped with NSM systems. Additional missiles prevent the need for in-theater ordnance offload and transfers.

Mr. BISHOP. Admiral Gilday, I welcome the significant investment in the Tomahawk program in this year's budget request. However, I am concerned about the lack of certainty beyond this year for continued procurement, even as Congress has supported investments to modernize the production lines for the program. Understanding that the Navy is now completing analysis to determine what the future-year production profile looks like, can you please advise the committee on what factors are being considered and when the service will be able to advise on recommendations for future production?

Admiral GILDAY. Navy and the Office of the Secretary of Defense for Cost Analysis and Program Evaluation (OSD(CAPE)) are conducting a weapon inventory analysis, to include the evaluation of potential future Tomahawk procurements. This analysis will help inform, among other things, the proper mix of defensive and offensive weapons from both surface and sub-surface platforms. Initial study findings are estimated to be complete in the mid-summer 2020 timeframe. This study schedule will enable Navy to inform the pending POM-22 budget submit. Study results will also inform the annual update to the Naval Munitions Requirements Process (NMRP) which determines Navy's overall Total Munitions Requirements (TMR). NMRP takes into account Department-wide priorities and fiscal constraints that enables Navy to prioritize and balance the overarching weapons procurement plan to minimize TMR shortfalls across the Navy's entire weapons portfolio. The key TMR factors we take into account include: Fleet OPLAN munitions requirements, peacetime ship fill requirements, training requirements and post-engagement reload requirements. When making these decisions, Navy is also informed by defense industrial base production capabilities, capacity and sustainability.

Mr. BISHOP. Admiral Gilday and General Berger—shortfalls associated with procurement of the Naval Strike Missile were prominent on the FY21 Unfunded Priorities Lists released last week. Do you agree that these unfunded requests would sig-

nificantly enhance the lethality of the fleet, and support the deployment of the first Marine Corps Ground-based Anti-Ship battery?

General BERGER. Yes, the Marine Corps' unfunded request for 36 Naval Strike Missiles will allow the Marine Corps to build required capacity for the Ground-Based Anti-Ship Missile (GBASM) capability one year earlier than planned, moving this capability from FY23 to FY22. The Marine Corps' highest ground modernization priority, the GBASM capability, will provide anti-ship fires from land as part of an integrated Naval Anti-Surface Warfare campaign. This forward-deployed and survivable capability will enhance the lethality of our naval forces and will help to deny our adversaries the use of key maritime terrain. The Marine Corps' GBASM solution is the Navy Marine Expeditionary Ship Interdiction System (NMESIS), consisting of an unmanned Joint Light Tactical Vehicle-based mobile launch platform, called the Remotely Operated Ground Unit for Expeditionary Fires, and Naval Strike Missiles. The Naval Strike Missile is identical to the Navy's Over the Horizon Weapon System deployed on the Littoral Combat Ship and will provide the Marine Corps with a missile capable of sea-skimming, high-g maneuverability, and the ability to engage targets from the side, rather than top-down. This maximizes lethality and missile survivability. The first test of NMESIS took place in December 2019 and successfully fired an inert round. A second live-fire demonstration with a guided Naval Strike Missile is planned for June 2020.

Mr. BISHOP. General Berger—In the House Report accompanying of the FY20 NDAA the committee designated the rifle accessory control unit (RACU) as an item of special interest. The committee stated that it expects the Marine Corps to complete the phase 2 evaluation and, subject to a successful evaluation, expects the capability to result in a validated requirement. The Marines began testing and evaluation of this technology in FY2016. Because of the funding lags that threaten the viability of small technology companies, I am concerned about the inordinate amount of time it has taken to get to this point and equally concerned about the potential for continued delay. What is the USMC doing to assure that this item of special interest moves forward onto a rapid acquisition strategy?

General BERGER. The Marine Corps is not pursuing a rapid acquisition strategy for the Rifle Accessory Control Unit (RACU), as the Marine Corps does not have a requirement for the RACU. The majority of close-combat Marines are not equipped with a radio and have only one weapon accessory to be controlled; an additional accessory adds unnecessary weight and does not increase lethality. There are no current plans to create a new requirement specific to this item.

Moreover, the environmental testing and report for the RACU is complete. Twelve environmental tests were conducted on three RACU variants. All three RACU variants failed Immersion testing and either failed or sustained damage in the Operational Drop test. A copy of the environmental test plan and final report are being provided to KORD Defense.

