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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

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

HEARING HELD
FEBRUARY 26, 2020



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

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, February 26, 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. Good morning, everyone.

We are gathered this morning to hear from the Secretary of Defense Dr. Mark Esper and the Chairman of the Joint Chiefs of Staff General Milley to hear about the President's fiscal year 2021 budget proposal for the Department of Defense.

And I will start with some good news. Well, first of all, I will start by thanking our witnesses for being here and thanking them for their service to our country.

Both have served our country in various capacities for a long time, not an easy thing to do. I respect and appreciate that work. I look forward to continuing to work with you.

The good news I want to start with is that, unlike last year, we have a budget agreement and last year we spent a lot of time talking about how difficult it is to run, well, anything in the government but, certainly, the Department of Defense without appropriations bills in a timely manner.

Now, last year we were off by, I don't know, 3½ months—something like that. But that's better than drifting into the next year. We did get appropriations bills and an authorizing bill done by December of last year, which gives some predictability to the Department. I think that is enormously important.

This year, we hope to come a little bit closer to October 1st, certainly, on the authorizing bill but also in the appropriations bill. But, most importantly, we have a budget number and, hopefully, we can get that predictability in place.

I think the second thing that is very important is something we have heard a great deal about and that is the so-called blank slate review that the Department of Defense is doing.

And I want to say I think that is perfectly appropriate to take a hard look at what we are doing in the Department of Defense, what makes sense, what doesn't, and what our strategy should be, going forward.

And I think this is the great challenge of this budget. We can go through the line items number by number, talk about the number of ships, the number of planes. But what is the strategy? And I think we are still struggling to get a clear coherent strategy in place.

As the history lessons go, we had the Cold War. We had a clear strategy during the Cold War and then we developed a post-Cold War strategy and now for a number of years we have been in the post post-Cold War period.

I don't think we have still quite worked out what that strategy should be. We have a number of complex challenges. We have heard about great power competition. The terrorist threat is still present. We deal with Iran. We deal with North Korea.

And the thing that I think is most concerning to me, and the Secretary and I have talked about this, is that right now we have ambitious goals that outstrip our means and that means in too many cases we are asking people serving in the military to do things that we don't have the resources to do.

And I don't know the exact stats on this but I do consistently hear that our combatant commanders, they make requests for assets and a frequent complaint from people advocating for one program or another is, do you realize that we only met 40 percent of CENTCOM's [United States Central Command's] requests last year for aircraft carriers, or whatever. Fill in the blank.

There are countless statistics exactly like that where whatever the combatant commanders ask for they get maybe half, maybe less than what they asked for. And a lot of people look at that and panic and say, oh my gosh, we are not meeting our needs.

I look at that and say our strategy is fundamentally wrong. If we are setting up an expectation that we are not even half meeting, then we don't have the right strategy.

Because it is not like we are not spending a fair amount of money—\$738 billion plus some emergency money last year projected to be \$741 billion this year. We need to rationalize our strategy to our resources, to understand what we can do and, most importantly, to figure out how to balance the risk.

And I am not, you know, unmindful of the fact that if we decide to do less there is risk attached to that. But thinking you can do absolutely everything and you can't also comes with a fair amount of risk and that's why I do think I wouldn't have called it a blank slate review, personally, because I think we do have lessons from the past that we should simply not wipe out.

But that is just a philosophical point. However you want to look at it—bottom up, start over—I think a review of our strategy is perfectly appropriate and we look forward to hearing more of the details about that.

One important aspect of this continues to be the audit issue, which is enormously important. I, certainly, want to thank the Secretary and I know the Deputy Secretary has spent a lot of time on this as well and progress has been made—progress from an absolutely unforgivably abysmal situation to one that is simply merely bad.

We still don't know where we spend our money in many instances. Transfers are not adequately accounted for. We don't know the assets that we possess. There is a legacy reason for that.

But it is something we still need to be committed to fixing, because in an era of scarce resources, making sure that we are spending those resources wisely or, at a minimum, we know where we are spending them becomes all the more important. So I want to make sure we emphasize that.

But overall, and I think, you know, we have heard a lot about the AFRICOM [United States Africa Command] situation because that is where the blank slate review started, with AFRICOM. I think getting a deep dive on the thinking behind that will be very appropriate.

There are two issues beyond that basic challenge that I do want to bring up and am concerned about. Number one is the money that is once again being diverted for the wall, and there are two chunks this year.

Three point eight billion dollars has just been reprogrammed, primarily out of the procurement budget into the drug interdiction account to go to building the wall.

This is an enormous problem, and for the moment I will put aside the debate about the wisdom of building the wall and simply focus on the wisdom of simply walking in and taking money out of the Pentagon budget that was otherwise authorized and appropriated and spending it on the wall.

I think that is very, very damaging to the Pentagon. Obviously, it creates, in this case, a \$3.8 billion hole but also the message it sends is that the Pentagon has got plenty of money.

You know, we just got this long list from the services of their, quote, "unfunded requirements," a sentence that I think should be banished from the Department of Defense's language, because if it's a requirement and it is unfunded then that sends a very dangerous message.

We ought to be able to meet our requirements within the budget we have. But we received, and I would have to add it up, but it was somewhere in the neighborhood of \$20 to \$30 billion of, quote, "unfunded requirements," and at the same time we found \$3.8 billion just sitting in a corner that can go to a purpose that was not intended. It undercuts any argument about the need for resources within the Department of Defense and it also undercuts the congressional process.

I do understand the 1976 emergency law and what is involved in it. But this, basically, says that Congress doesn't spend the money. The President does.

I think that is a violation of our constitutional responsibility and significantly undercuts the Department of Defense.

And make no mistake about it, these decisions have an impact. I have mentioned the \$3.8 billion from procurement. There is still \$3.6 billion now to be taken out of the MILCON [military construction] budget for this year, fiscal year 2020. That is not counting the \$3.6 billion that was taken out last year, and that has a very real impact.

I was just in Europe actually, and Africa, visiting with European Command in Stuttgart and there are a couple of MILCON projects

that are part of our European Defense Initiative that we are now not able to fund because that money was taken for the wall.

These are particularly important because these are projects that were done in partnership with our NATO [North Atlantic Treaty Organization] allies. And if our NATO allies cannot even rely on us to come through on a—I forget the exact amount of money; I think it was in the tens of millions, maybe just over a hundred million dollar MILCON project—if we can't come through with that, how much can they rely on us when we make a promise that we don't keep for something as simple as that?

Meanwhile, Russia is very aggressively pushing for greater influence in that region. We have to be a reliable partner to offer an alternative to what Russia wants to offer, and this effort to keep stealing money for the wall is really undermining the Department of Defense and something, regardless of how you feel about the wall, we should have a bipartisan consensus that that should not be done.

The last issue I want to raise is surrounding the JEDI [Joint Enterprise Defense Infrastructure] contract, which, as I understand it, the court has once again slowed down. Not once again. I think this is the first time the court has done it. Department of Defense had done it before.

Part of our modernization effort, part of a blank slate review to understand how new technology is important, what legacy systems we can get off of, technology is crucial to this and the cloud is crucial to this as well.

I don't care who gets the contract, to be perfectly honest with you. I just want to move forward with the process.

And this is an issue, actually, that the ranking member has done a great deal of work on is to try to speed up the procurement and acquisition process so that we can take advantage of new technology more quickly in an era of incredibly rapid change and the need to upgrade your technology.

The slow bureaucratic process in the Pentagon is a significant impediment. We have tried to find ways to clean that up. Where the JEDI contract is concerned, we have the President once again inserting himself into the debate and causing a problem.

Now, I don't know exactly what happened but, unquestionably, a judge decided that because the President specifically, apparently, said that he didn't want the contract to go to Amazon because he has some beef with Jeff Bezos, we are now slowed down in our ability to properly defend this country.

We cannot continually have petty differences, petty vengeance that the President wants to exercise on people he disagrees with, interfere with policy. We have seen it in the intel community. We have seen it in the Justice Department. We do not want to see it in the Department of Defense.

And I hope people understand. I am not making a partisan point. I am not choosing sides in the argument. We should not let the personal preferences of the President get in the way of good policy.

If he has something he wants to decide on a pure policy standpoint, that is fine. But if it is petty and personal it is not worth what it does to the Department of Defense and elsewhere.

Again, I want to thank the Secretary and the Chairman for being here. It is incredibly important that you are doing the review you are doing.

This is a complex situation. We cannot do everything we would like to do, which means you got to make tough choices. You got to make tough choices about how to properly balance the risk.

What is the best way to defend the country? How can we leverage alliances, whole-of-government approach, so that we don't have an excessively militaristic approach to meeting our national security needs.

Balancing all of that is difficult and it definitely takes a sort of start over approach, a thorough review of where we are at, where we should spend our money, and how best to meet our national security needs.

I look forward to the discussion with the members and, again, I thank our witnesses for being here.

With that, I yield to the ranking member for any opening statement he may have.

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

Mr. THORNBERRY. Thank you, Mr. Chairman, and let me begin by joining you in thanking our witnesses for being here, but even more importantly, thanking each of them for their service.

As you point out, this is a challenging security environment. It is also a challenging political environment, and to be charged with what I believe is the first function of the Federal Government—to defend the country—is a significant responsibility and I appreciate the service of both the Secretary and the Chairman.

I also appreciate the effort the Department has made to have a budget that reflects a strategy. We haven't had that in quite a while, and I think it is absolutely true that the strategy is imperfect and the budget is imperfect.

The old "you can't turn an aircraft carrier on a dime" analogy has some application. But there is at least a concept around which we can make spending decisions. And so I appreciate the effort that the Department has put into doing so.

There are tough choices, and especially with a fixed top line it will be a significant challenge for Congress to make these choices in a way that reflects the long-term security interests of the country.

I also want to say I appreciate the efforts the Secretary has made for the defensewide review. It is something we have talked about in this committee, trying to get more value out of the taxpayer dollars for the benefit of the warfighter.

And, again, we may agree or disagree with some of the specific choices. But the point is trying to not only make reductions in some areas but to make reforms also that can result in more for the—for the warfighter.

I have to also make some comments about the recent reprogramming. Article 1 section 8 says it is Congress' responsibility—not just our authority but our responsibility—to provide and maintain,

raise and support, make the rules and regulations for the military forces of the United States.

There have been decades—literally, decades—of practice where if there are changing needs money can be moved within the Department budget with the approval of Congress.

That has not taken place in this most recent reprogramming. Now, you can argue that last year there was the MILCON and the other thing, but there was excess funds in the Army personnel account because they didn't meet their recruiting goals and so that money could be used for other purposes.

This year is very different. This is not taking excess funds. This is substituting the judgment of the Department for—and actually the administration. I think, my opinion is, this is not totally at the discretion of the Secretary.

It is substituting the judgment of the administration for the judgment of Congress by reducing specific weapons systems that had been authorized and appropriated.

It is a—we made a different judgment call than the administration's budget request and, in effect, what the administration does is say we don't care what has been authorized and appropriated. We are going to do what we darn well want.

In this room, as long as I have been in here, I think a fair amount about the guy that is just to the right of the TV screen there, Carl Vinson, for whom this room is named. In his history of the Second World War, Victor Davis Hanson said that the American fleet that broke the back of the Japanese navy in 1943–44 was designed and approved before Pearl Harbor mostly through the efforts of one naval visionary, Congressman Carl Vinson, chairman of the House Naval Affairs Committee, who from 1934 to 1940 pushed through five successive bills to expand and reconfigure the Navy.

In other words, he had a different judgment call than the Roosevelt administration and because of what he did we were able to defeat—break the back of the Japanese navy in 1943–45.

Different judgment calls we have made, and the list is long. Predators, MRAPs [Mine-Resistant Ambush Protected vehicles], ISR [intelligence, surveillance, and reconnaissance] aircraft, A-10s. We have made different judgment calls for years, and while our history, again, is not perfect it looks pretty good.

But, to me, it is not just that sometimes we are right, sometimes we are wrong. It is the constitutional issue, and let me just quote, again, Carl Vinson, because he got into a tussle with the second Secretary of Defense, Louis Johnson, and he said, "Congress provides the forces, the President commands them. If we ever get this principle of our government distorted, our whole fabric of government will be in jeopardy."

"It is whether the Constitution—I mean, whether the Congress will say what kind of defense the Nation will have or whether the creature of the Congress—the Secretary of Defense, Mr. Louis Johnson—will tell us what kind of a defense he will let the Congress have."

This is a deeper issue than the wall. I support physical barriers on the border. I support walls. But I am deeply concerned about

where we are headed with the constitutional issue about Congress' role in national defense and whether that is being overridden.

We need to hit on all cylinders in national defense. There are too many challenges out there for us, and I am afraid that this—the result of this will be greater restrictions on the Department's ability to move money around, to meet changing needs, and the country will suffer as a result.

I hope I am proved wrong, but I am concerned about where this is headed. I yield back.

The CHAIRMAN. Thank you.

Mr. Secretary.

**STATEMENT OF HON. MARK T. ESPER, SECRETARY OF
DEFENSE, U.S. DEPARTMENT OF DEFENSE**

Secretary ESPER. Chairman Smith, Ranking Member Thornberry, distinguished members of the committee, I appreciate the opportunity to testify in support of the President's budget request for fiscal year 2021.

I am joined today by the Chairman of the Joint Chiefs of Staff, General Mark Milley. The 2018 National Defense Strategy [NDS] provides a clear roadmap for the Department of Defense to address the reemergence of long-term strategic competition from near-peer competitors China, then Russia.

Throughout the Pentagon and the joint force, the NDS guides our decisions and actions as we adapt the force to simultaneously contend with the threats of today while preparing for the challenges of tomorrow.

We do this by increasing the readiness and lethality of our warfighters, strengthening our alliances and partnerships, and reforming the way that the Department does business.

Additionally, we have placed renewed emphasis on taking care of our service members and their families. The Department is grateful for the strong support provided in the fiscal year 2020 NDAA [National Defense Authorization Act] and DOD [Department of Defense] appropriations, which allowed us to make vital investments in our military's modernization, enabled the creation of the United States Space Force, and provide our service members with the largest pay increase in a decade.

Our continued success is contingent upon predictable, adequate, sustained, and timely funding and I encourage Congress to pass a full year spending package for fiscal year 2021 on time to avoid the debilitating effects of another continuing resolution.

The Department's total fiscal year 2021 budget request is \$705.4 billion. This represents a minor increase from the fiscal year 2020 enacted amount of \$704.6 billion but does not keep pace with inflation.

Given this flattened funding level, we were required to make many tough decisions to ensure our highest priorities were adequately funded.

To enable our decision-making, we conducted a comprehensive defensewide review to reallocate resources from programs and activities that offer a low return on investment relative to the goals and objectives of the NDS.

Over a 4-month period, we conducted over 20 review sessions examining almost \$100 billion in programs, agencies, and activities that make up the Fourth Estate.

This review generated \$5.7 billion in fiscal year 2021 savings that were reinvested back into readiness and lethality efforts.

Each of the military services is also instituting a similar review process across their budgets to achieve the same outcome of realigning resources and finding savings that can be reinvested into higher priorities.

Additionally—this is the third review—I have initiated the process of conducting full reviews of all combatant commands—all combatant commands—to properly align our global military posture to the NDS.

This effort will enable the Department to shift greater emphasis to our higher priority region—the Indo-Pacific—or allow us to return troops home to build readiness.

Thus far, we have ongoing reviews of AFRICOM and SOUTHCOM [United States Southern Command], and will expand to other commands over the coming months. My recent decision to deploy elements of an Army Security Force Assistance Brigade to Africa to replace units from a brigade combat team is an example of how this process is enabling us to better match resources to the mission of each combatant command.

The Department's fiscal year 2021 budget reflects the same disciplined adherence to the NDS. To preserve our overmatch, we have made significant investments into several critical technologies that will alter the future battlefield.

Our RDT&E [research, development, test, and evaluation] budget is the largest in our history and prioritizes hypersonics, microelectronics, 5G communications, autonomous systems, and artificial intelligence.

We are moving forward with long overdue recapitalization of the Nation's nuclear triad with key investments in the ground-based strategic deterrent, the B-21 stealth bomber, the *Columbia*-class submarine, and improved nuclear command, control, and communication systems, to name a few.

We are also enhancing our missile defense capabilities to protect against the growing threat of advanced enemy missile defense systems.

This budget request expands our capacity to defend our interests in space as we consolidate much of our space enterprise into the Space Force.

It also advances the Department's cyber capabilities, allowing us to protect our digital infrastructure while disrupting covert foreign malign activity. This includes defending the integrity of our democracy by assisting in the security of our elections.

The Department appreciates this committee's advocacy of the National Defense Strategy and we value Congress's guidance on reform. I now ask for your support so we may fully implement our decisions and move forward with the investments needed to ensure America's military maintains our competitive advantage, continues to deter conflict, and preserves our Nation's security.

Thank you.

[The prepared statement of Secretary Esper can be found in the Appendix on page 83.]

The CHAIRMAN. Mr. Chairman.

**STATEMENT OF GEN MARK A. MILLEY, USA, CHAIRMAN,
JOINT CHIEFS OF STAFF**

General MILLEY. Chairman Smith, Ranking Member Thornberry, distinguished members of the committee, thank you for the opportunity to join Secretary Esper here today.

It is my distinct honor and privilege to represent the almost 3 million soldiers, sailors, airmen, Marines, coastguardsmen, and civilians of the United States Armed Forces, the best trained, best equipped, and best led military force in the world, and we cannot do it without your continued support.

This budget is a strategy-driven budget. It is driven by the NDS, which you are fully aware of and I fully support. We stand ready and capable today to deter war, defend our homeland from attack, support our allies, and fight and win our Nation's wars against any potential adversary anywhere on the Earth's surface or subsurface.

But our competitive advantage has eroded and no one should be—have any doubt about that. China and Russia are increasing their military capabilities to outmatch the United States and its allies in order to exert their global influence.

North Korea, Iran, and violent extremist organizations fuel regional instability and pose threats to partner nations and U.S. citizens. And while the nature of war is constant, advanced technologies have stressed our industrial-age capabilities, concepts, and processes, changing the very character of war in a fundamental way.

Additionally, we are recovering from readiness shortfalls and modernization deferments over about 20 years now of continuous warfare and a decade of budget instability.

This year's budget builds on previous readiness and modernization gains, and I believe the 2021 budget submission is the best allocation of resources. It is balanced in support of the National Defense Strategy.

It builds a more lethal force. It strengthens allies and partners, and it reforms the Department for greater performance and affordability. It also prioritizes, as the Secretary said, the Indo-Pacific region to deter Chinese aggression, maintain stability, and ensure access to the common domains in order to preserve a free and open international system.

Additionally, this budget accounts for continued efforts in Europe to counter Russian aggression and it will continue to allow the United States military in concert with our allies and partners to deter a provocative North Korea or Iran from aggressive actions in their regions while conducting counterterrorist operations in various parts of the world.

In short, PB21 [President's budget 2021] supports a ready, agile, and capable joint force that can compete, deter, and win across all domains today and in the future, and it targets specific investments in readiness, modernization, leader development, and support to our people, our soldiers, our sailors, our airmen, Marines, and coastguardsmen and our families.

It invests in our readiness recovery that was built over the last 3 years and with this committee's support all services are scheduled to meet their readiness recovery goals inside this FYDP [Future Years Defense Program].

It funds modernization for great power competition across all the warfighting domains and it improves the safety, security, reliability of our nuclear enterprise.

It invests and stands up the Space Force and increases the resiliency, deterrence capability, and warfighting options in both space and cyber. It funds joint all-domain command and control to improve our interoperability across all the services and with our allies.

It invests in advanced technologies that the Secretary listed to address more complex threats and a faster pace in this changing character of war.

This budget invests also, and finally, in our most valued asset, the United States Armed Forces—our people. It also funds facilities, infrastructure, family support, and quality of life programs, and it invests in the education and talent management processes to develop our junior leaders with the values and intellectual ability to fight and win future conflicts—the captains and ensigns of today who will be the admirals and generals of tomorrow.

Ultimately, our military needs sustained, predictable, adequate, and timely funding to retain its competitive advantage in this era of great power competition with the understanding that we must be good stewards of the resources entrusted to us by Congress and the American people.

I want to thank this committee for your continued support to our soldiers, sailors, airmen, Marines, and our families, and I look forward to asking—answering your questions.

[The prepared statement of General Milley can be found in the Appendix on page 96.]

The CHAIRMAN. Thank you very much.

We will now move on to question and answer. As we go through, we have got a lot of people. It is going to be very difficult to get through. The one thing is, every member has 5 minutes and, as I've said before, you can't ask the question for 4 minutes and 45 seconds and then get a 3-minute answer.

I will try to let you gentlemen finish. But as we hit 5 minutes if you could wrap up so we could move on to the next one. That would enable us to get to as many members as possible.

I just want to ask about the blank slate review and just start from that point. If you could give us a little insight into how that worked, and AFRICOM is where you started.

So if you could just—well, I mean, obviously, there were others there. AFRICOM was the first command that you looked at, and there has been a lot of press reporting on this, most of it inaccurate, I am aware.

But if you could tell us when you looked at it did you contemplate, well, let's just pull all the forces out of Africa? Was that contemplated?

If so, how far did that get? And then what was the analysis in terms of how you looked at our interests in Africa and the role that

our forces could play and the risks that you were balancing, wherever you were going to send them?

Just walk us through a little bit the specifics of how you did that because this is one piece of what you're going to be doing in a lot of other places as well.

Secretary ESPER. So, first of all, Mr. Chairman, there are three reviews ongoing right now. I mentioned them in my opening statement. One is review of the combatant commands. I will talk about that here in a minute.

The second is the defensewide review led by the CMO [Chief Management Officer] and the third are the service reviews of their budgets. With regard to the combatant command reviews, you hit the nail on the head in the beginning.

What I am trying to do is make sure we are aligned to the NDS but, secondly, that we can get in the better equilibrium demand, which is way up here, and supply, which is down here. This is what is driving our force in the ground in many instances and burning readiness.

And so the way we began this process concurrently with the Joint Staff, what the Joint Staff did was look at all the combatant commands and went through two or three decades worth and discovered that these respective commands all have hundreds of tasks and requirements placed on them that the combatant commanders are working hard to achieve and resource, and that review is ongoing. In the case of AFRICOM, it was easily over a thousand.

So as we looked at each command, what I wanted to make sure as I gave guidance to them is make sure that they came to me and presented a range of options that made sure that we prioritized what we needed to do.

First, do you have the resources you need to meet your wartime and your contingency plans; second, great power competition; and then third, starts becoming unique to the theater.

In the case of AFRICOM, do you—what are your missions with regard to counterterrorism and how are you resourcing it. With SOUTHCOM, it's the same first two but the third becomes counter drug—counter narcotics—and there are some other missions.

And then what they—what we have been engaging now on over a series of months are back and forth as we look at different questions and issues and considerations.

There are no plans to completely withdraw all forces from Africa. That has been misreported and repeated over and over again.

But what I am looking to do is to make sure that I can resource the missions that are actually required and to rightsize the force consistent with that and the need to build readiness across the force so I can deal with China, then Russia, as part of the NDS.

The CHAIRMAN. Can you give us just an example of something you have identified in any one of those reviews where it is, like, yes, that is something that we don't need to do anymore?

And I am not saying that it is unimportant or irrelevant. But you looked at it and said we need to move off of that because it is not the best use of our dollars in that case, whether in Africa or in the services or wherever.

Secretary ESPER. Well, no decisions have been made yet on SOUTHCOM. The only decision I have made so far in AFRICOM

was to replace a regular infantry unit from the 101st with a Security Force Assistance Brigade.

It makes great sense in terms of great power competition because the Security Force Assistance Brigade is trained, organized, equipped to do that mission, to provide training that is important to forces on the ground as we try and make sure we compete and improve their capabilities, whereas an infantry battalion doesn't have that. The infantry battalion in this case need to go back home so they can prepare for great power competition.

So that is an example where just swapping out the forces really gets your great power competition to a different level. So that's a case in point.

We have found in the theaters—and the Chairman may want to speak to this—over the years, we have stacked up crisis response forces and have held them pending in the cases we never—we never actually used them.

And so we are looking at how do we make sure we get those special operation forces and others back to where we can meet the needs if there is a crisis, but at the same token not—allow the others to go back and retain a better readiness posture.

That is one issue that has come up. I have not made any decisions on that yet. But that is something that I think we all recognize. The Chairman may want to comment on that one about these are the things that we are uncovering and we are uncovering a lot of things as we go through this process.

General MILLEY. Just very briefly. You know, pick the red pen up first. We have to do an intel analysis of not only the globe but in specific areas. So do a rigorous intelligence analysis of the actual threats that are in Africa relative to our national security vital interests.

Take terrorism as an example. There is a lot of terrorist organizations and groups in Africa. Not all are created equal. So we got to parse all of those out, determine which ones are actual threats to the United States and make sure we have the right size and we have the right type of force in the right place at the right time to meet that.

Same thing with China, Russia, and great power competition. For example, in Africa, are they at the right place, the right time, and so on.

We have multiple things that have been built up over 20, 30 years in EXORDs [execute orders] and OPORDs [operations orders] and we are going through that and editing it and making sure that it is rational in given—rational in accordance with the NDS.

The Secretary mentioned the crisis response forces. But there is other things out there. Take the Sinai, for example. You know, Camp David Accord, signed in 1981. I served in the Sinai. Is that still a valid mission for U.S. military forces? Yes, no. Arguments to be made on both sides.

We are going through all that kind of stuff, every single task and purpose out there for the United States military from space down to undersea. Does it still make sense in accordance with the NDS?

Is it warranted with the changing character of war, and so on, and if yes, check. Continue, pass go, collect \$200. If not, then we delete it.

The CHAIRMAN. Thank you.

Secretary ESPER. I was in—just a quick anecdote. I was in STRATCOM [United States Strategic Command] last week. Admiral Richard, who runs STRATCOM, has a tasking on his books that dates to the 1960s. He can't even find out where it came from, and in the present context it doesn't make any sense.

And so as I had my initial discussion with him about his review, those are the things we are trying to undo because if you can—if you look at the mission, if it doesn't make sense it frees up resources—time, money, and manpower—that can put back into higher priority things.

The CHAIRMAN. Thank you, gentlemen.

Mr. Thornberry.

Mr. THORNBERRY. Mr. Secretary, we are about to embark on trying to write a defense authorization bill for what would be the 59th straight year if it's signed into law, and I guess my basic question to you is is it going to matter.

Or will OMB [Office of Management and Budget] send down a directive saying, we don't—even though it is signed into law, authorized, and appropriated we are going to take away some money for some planes or satellites or something and move it to other things?

Secretary ESPER. Mr. Thornberry, what the Congress does matters. It matters very much, and we look to the Congress as partners as we try and develop our game plan to serve the country, defend the country, and help us implement the NDS.

Mr. THORNBERRY. Well, as I have already expressed some of the concerns I have, I hope we can be partners because I think the country is stronger as a result.

Mr. Chairman, let me just ask you briefly before we get into all of the should we spend more on this or less on that sort of questions.

Help us provide some context for the situation we find ourselves in. If you were to give a brief description to the Rotary Club in Amarillo, Texas, about how warfare has changed—in other words, the context for which tough choices have to be made, a strategy has—a different strategy has to be in place, how would you encapsulate that in a brief description?

General MILLEY. I am not sure it could be brief, Congressman Thornberry. But I guess as brief as I can there, technology has influenced warfare throughout the ages and today is no different, and we are probably in one of the greatest shifts in the character of war. Not the nature. The nature of war is all about politics, friction, uncertainty, et cetera—fear, violence. That is war—the nature of war.

But the character of war changes very frequently. It changes, largely, driven by technology but there is other reasons, societal reasons as well.

But in today's day and age it is changing very, very rapidly because of precision of munitions, the ability of our sensors that are available to many, many countries, our ability to see and determine where people are, where things are throughout the world, and that which you can see you can hit.

The range at which we can engage is much, much longer today than it's ever been in human history. There's a wide variety of emerging technologies that are converging in time and space that are going to have a significant military implication.

Artificial intelligence is huge. Hypersonic, robotics, and there is a laundry list of about 20 or 30 additional emerging technologies. All of that is going to change the fundamental character of war, that which—how we fight, the weapons we fight with, the methods, the doctrines, et cetera. We are living through that right now.

What is really the challenge for the United States and for other countries is who is going adapt to that changing character the most—with the most speed and who is going to have it about right.

You are never going to get it perfect but you got to get it right more than your adversary gets it right and that is going to determine in large respect whether or not we prevail in some sort of conflict against our next adversary.

There is a lot at stake here. This budget, what it does is it lays the foundations. It doesn't create that future force but it does lay the foundation with research, development, science, technology, and a few other lines of effort that lead us into the future.

The CHAIRMAN. Mrs. Davis.

Mrs. DAVIS. Thank you, Mr. Chairman. Thank you to both of you. Thank you for your service, for joining us today.

I want to follow up with both the chairman and the ranking member's comment regarding the transfer of funds that the Congress has not approved.

As we know, there have been a lot of comments about budget predictability from Congress and I appreciate that. I think that is the right way to go, of course.

But what—could you tell us what funds are you planning on transferring to the wall in 2021 so that we can find a better use for those dollars now?

Secretary ESPER. Thanks, Congresswoman.

The funds—the sourcing would be from fiscal year 2020 dollars that were either ahead of need or excess to need—in other words, not requested in the fiscal year 2020 budget by the Department.

Mrs. DAVIS. If they—if they were not requested and if they are not important, if they are not a high priority, why are they there? And aren't there many, many more uses that we have for those dollars?

Secretary ESPER. They are there because Congress put them there.

Mrs. DAVIS. If they are there because we put them there and you didn't believe that they were important or a high priority, was there a discussion about that that you felt you couldn't change?

And it seems to me that, you know, we have to be doing what's the most important and the message that you are sending is that these projects, and some of them are critically important.

Some of them involve major vehicles. Air Force—there are so many things that have been touched by that that it sends a message that the military doesn't need that money.

How do we respond then to constituents that see us cutting out areas where we have—we made a strong commitment not to re-fill—to pay back those dollars and yet, you know, we are sitting

here without having been involved in that decision, the transfer decision specifically?

Secretary ESPER. Sure. Look at—I understand what you are saying, Congresswoman. The President has determined that we have a national emergency on our southwest border—that to deal with that emergency that we need a barrier system, that that barrier system development, which is led by DHS [Department of Homeland Security], requires the support of DOD, and that is our role in this process, supporting DHS.

Mrs. DAVIS. Is the southern border security in the National Defense Strategy?

Secretary ESPER. Homeland security is in the National Defense Strategy and it is one of the things that administrations have supported in the past with regard to security of the southern border.

Mrs. DAVIS. Because I wanted to point out that the word border only appears once in the National Defense Strategy and it is about Russia violating sovereign borders.

Secretary ESPER. Right. Homeland security is in the—is in the National Defense Strategy. There is a lot of things we do that aren't in the National Defense Strategy. We help people during floods. We help people during hurricanes.

We help put out wildfires in the West. I mean, there is a lot of things that we do that aren't always captured. But it's the nature of what we do when the Nation calls upon us to support.

Mrs. DAVIS. Well, I think that if there are areas that you know that you are going to tap for part of your strategy on the border, which is not in the National Defense Strategy, then I think that is important for Congress to know, because you are telling us that that is not very important.

Secretary ESPER. Congresswoman, there is a lot of things that we do that are not in the National Defense Strategy. That is what we are trying to clean up as we do our review here with the COCOMs [combatant commands] and with the rest of the services.

Mrs. DAVIS. Okay. Thank you, Mr. Secretary.

General Milley, if I could just turn to you for a second. The National Nuclear Security Administration [NNSA] still has about \$8 billion left in unspent funds from last year and that is half their fiscal year 2020 budget.

So is it in your best military advice that cutting a *Virginia*-class submarine to increase the NNSA's budget by 20 percent is good prioritization?

General MILLEY. No, it is not, ma'am. In that particular case, I wasn't personally involved in the decision on that. However, that was a case where there was some internal deliberations at the last minute to make sure that the nuclear enterprise was fully funded.

Mrs. DAVIS. Do you believe—

General MILLEY. Well, let me just—so it is a question of—I wasn't personally in the meeting on that one. However, had I been, I would have supported the fully funding of the nuclear enterprise.

We have been—we have not had a great power war in seven and a half decades—75 years since World War II. A big reason for that is the United States nuclear enterprise.

That is not the only reason, and I believe and I said it in testimony previously, that the number one priority of the United

States—the budget—is to make sure that we have a safe, secure, guaranteed nuclear enterprise and that is where that money—

The CHAIRMAN. We are going to have to—I apologize, but we are going to have to leave it there because we are over time.

General MILLEY. Okay. I would have supported it.

The CHAIRMAN. Understood.

Mr. Wilson.

Mr. WILSON. Thank you, Mr. Chairman.

And, Secretary Esper and Chairman Milley, thank you for being with us here today to discuss the fiscal year 2021 defense authorization budget request.

The United States faces complex and dynamic security environments and, thankfully, President Donald Trump's budget for the national security matters promotes peace through strength.

And, Secretary Esper, I want to let you know how much I appreciated joining you touring and visiting the troops at Fort Jackson last year, and then you not only observed but then you joined the troops in rappelling from the tower and that was very impressive, your identification with our new trainees.

Secretary Esper, American strategic nuclear forces are critical, as has been so correctly cited by Chairman Milley, to deterring our adversaries. President Trump has made it clear his priority at the Department of Defense is to modernize our aging nuclear enterprises.

Can you provide the committee with an update where China and Russia are with our nuclear capabilities and why we need to modernize and expand our American nuclear programs?

General MILLEY. With respect to Russia, they are the only country on the Earth that represents an actually no kidding existential threat to the United States of America. Every man, woman, and child could be killed by the Russians, and we can do the same to them.

And they know that and we know that. Hence, mutually assured destruction. Hence, deterrence. So maintaining a guaranteed nuclear enterprise is critical relative to Russia.

With respect to China, their nuclear enterprise is growing and growing rapidly, and us having a modernized nuclear enterprise is fundamental to the security of the United States in the outyears and we are at a point now where we have to modernize and invest in the triad in order to assure ourselves security in the future.

It is very expensive and I know that. We all recognize that. But it is absolutely critical to the security of the United States.

Mr. WILSON. Thank you very much.

And then, Secretary Esper, we are grateful that the U.S. Army Cyber Command is our next-door neighbor at Fort Gordon. It is important to defend our cyber networks and infrastructure.

Acting Secretary of the Navy Thomas Modly said 5 days ago, "It's not so much the top tier suppliers but it's the second and third tier suppliers that have a lot of vulnerabilities that we have discussed and discovered," end of quote.

What is being done by the Department to address this threat and what industries are most vulnerable?

Secretary ESPER. Mr. Wilson, I think as you—across the entire industrial base as you move from the primes all the way down

through the supply chain the further you get out there, the more vulnerable they typically are to cyber influence, tampering, et cetera.

So I know our folks in research and engineering and acquisition sustainment are working on programs where we might be able to assist them with that surety.

I met recently, had dinner with a number of company CEOs [chief executive officers]. We discussed the same issue. But we have to do a whole lot better job and help these extended tier—second, third, fourth tier suppliers improve their cybersecurity so that we have confidence in the systems once they come together and provide us that capability.

Mr. WILSON. Thank you very much.

And then, Chairman Milley, I believe that the F-35 and fifth-generation aircraft are essential to securing and maintaining U.S. air superiority. However, as a multi-role fighter, can you tell us from your perspective what the F-35 brings to the fight in support of ground troops? How is the F-35 a game changer for the troops on the ground?

General MILLEY. Well, as someone who has been in a fair share of ground contact, the very first call you ever make—frankly, when the bullets are flying you call for attack helicopters or you call for close air support, and an F-35 is the premier fighter bomber in the world.

It is an incredible aircraft. It is, obviously, very, very expensive but it's an incredible aircraft, and it will be a significant weapon system in support of ground forces in the future.

And it also—one thing on the air-to-air piece is that the United States Army and Marine Corps have not come under sustained enemy air attack, really, since Normandy and I think there was one attack during Vietnam or maybe the Korean War or something like that. But nothing sustained.

Why is that? It is because we have the most unbelievable Air Force the world has ever seen and we not only maintain air superiority we get air supremacy across the board.

And that is what that F-35 is all about—making sure that we don't lose soldiers and Marines on the ground from enemy air. So that will clear the skies, maintain supremacy, and also perform a close air support role.

Mr. WILSON. Well, we are grateful that F-35s are located in Marine Corps Air Station Beaufort.

Thank you very much.

General MILLEY. Thank you.

The CHAIRMAN. Thank you.

Mr. Langevin.

Mr. LANGEVIN. Thank you, Mr. Chairman. Mr. Secretary, Mr. Chairman, I want to thank you for your testimony here today and for all you do on behalf of our Nation and keeping us safe.

I want to follow up just on—in commenting on the issue that my colleague, Mrs. Davis, raised on the *Virginia*-class submarine. I want to express my very strong concern that the budget only includes one *Virginia*-class sub rather than two, and this is against the recommendation of combatant commanders.

While nuclear modernization, of course, is certainly important—very important—we shouldn't be financing it with funding for an attack submarine.

So this is something that we are going to be following closely through the NDAA reauthorization process, the appropriation process. Given the demands for the *Virginia*-class submarines by our combatant commanders and a very small percentage of requests that they make are only fulfilled and our enemies and adversaries have a high build rate on submarines right now and they have grown capabilities, it is something that we need to be concerned about. I don't think that is an area that we can afford to be cutting.

But that being said, I want to go to another issue on—you know, the issue of climate change. In fiscal year 2018 in the NDAA I authored—I authored legislation that instructed each service to assess the risks of climate change on the military facilities.

Secretary, I appreciate the—you, Secretary of the Army—the list that you sent back to the committee identifying those bases. But the implications of climate change are indisputable. The Department manages more than 1,700 military installations in worldwide coastal areas that may be affected by sea level rise. Hurricane Michael and Florence, just by way of example, caused an estimated \$8.3 billion in damage.

Secretary Esper, do you agree that the change in climate poses a threat to our readiness and ability to achieve military objectives?

Secretary ESPER. Thank you, Mr. Langevin.

I agree, as I think we reported as the Chairman and I when we were at the Army is that climate change posed a challenge for our installations in making sure that we can maintain installation readiness to support our forces.

We discovered this in the Army that the biggest challenge we face was, for example, I think as you and I spoke, was desertification out west at many of our bases.

So it is something I am aware of. I know we face a challenge at Norfolk with rising tides. It is something we have to plan on to make sure we can address it so we maintain a strong installational base.

Mr. LANGEVIN. Is it affecting our readiness?

Secretary ESPER. I don't think it is affecting our readiness right now. I would have to dig into that and get back to you to give you a more sound answer. But I have not—it has not been reported to me that it is affecting our readiness presently.

[The information referred to can be found in the Appendix on page 117.]

Mr. LANGEVIN. Do you agree that we need to make investments today in order to mitigate the risks that we do face and that we will face in the short, medium, and the long terms and what would some of those investments be?

Secretary ESPER. Sure. I think we do where it is appropriate and where we can make a difference. And so I mentioned Norfolk. I believe, you know, there is concern about, again, a rising tide, what it may do to the dry docks, and I think the Navy is investing in that.

But, again, that is something I would like to come back to you on. But we are looking at those issues and tracking them and making appropriate investments.

Mr. LANGEVIN. Well, will you commit to working with me and my colleagues at the Department to determine the appropriate investments necessary to protect our national security from climate change?

Secretary ESPER. Sure.

Mr. LANGEVIN. Thank you.

On another topic, on cybersecurity, Secretary Esper, over the last year I have had the privilege to serve on the Cyberspace Solarium Commission and worked with your colleagues, Deputy Secretary of Defense David Norquist and Assistant Secretary Ken Rapuano.

I appreciate their contributions to the discussion and their work product in the coming weeks. The Commission is going to outline a strategy of layered deterrence to protect the Nation from the many threats that we face in cyberspace.

Secretary, will you commit to working with me and Congressman Gallagher, who is one of the co-chairs of the Commission, and also Senator King and the members of the Commission and also the members of this committee to implement the many legislative recommendations outlined in the forthcoming Commission report where we can find agreement and where practical?

Secretary ESPER. Yes, Congressman. I do. I look forward to working with you on that. I have gotten positive feedback from—well with regard to that effort. So thank you for your contributions.

Mr. LANGEVIN. Thank you.

In our discussion the other day when we had an opportunity to talk by phone I expressed my concern also about the rebalance potential in forces in AFRICOM and I want to just express my concern there that leaving power vacuums will not go, obviously, unfilled.

Our enemies and adversaries, China and Russia, are going to look to fill those areas and I would ask you to work with the committee before any decisions are made so that we understand the costs and benefits of that rebalancing in Africa, should it occur.

The CHAIRMAN. Thank you. The gentleman's time has expired.

Mr. Turner.

Mr. TURNER. Thank you, Mr. Chairman.

Mr. Secretary, I want to begin by acknowledging that there is probably nobody in this room who is more disappointed than you that there are funds being taken from the Department of Defense to secure our border.

Securing our border, obviously, is an issue of our national defense. But it is Congress's failure to act, not your actions, that are resulting in dollars being taken from the Department of Defense budget.

It is our congressional law that allows the President to take these funds to secure our border, which has already been upheld by the Supreme Court. Congress's failure to act is the failure to actually provide the funds necessary to secure our border. We all know you don't have too much money. You have other resources and other responsibilities you would like to apply those funds to.

But, certainly, hope people that were fond to criticize you for this realize this is a criticism that should be directed toward Congress and that we should take an action to backfill those funds and give the President the funds necessary to secure our border.

Mr. Secretary, I want to congratulate you on your comments at Munich and your focus with respect to China. I participated. I spoke at events with the Atlantic Council, the Potsdam Foundation, Hudson Institute, and the German Marshall Fund.

I want you to know your comments resonated both with our German counterparts, our U.S. counterparts, and also with our NATO allies, and specifically with respect to Huawei I think your comments made a tremendous difference and I appreciate both of you participating and speaking out.

I also want to thank you for having attended Wright-Patterson Air Force Base and going and touring NASIC [National Air and Space Intelligence Center]. It made a tremendous difference to the more than 3,000 people that you know contribute directly to our intelligence every day.

And I want to raise an issue with respect to NASIC. Two questions for you, one with respect to Space Force and NASIC and the second with respect to our nuclear enterprise.

In standing up Space Force, you have said that it is our intention to advance our space capabilities and our defense of our assets and looking at that as a warfighting domain.

You've indicated that you do not want duplication of services. But, obviously, as you know, there are a number of people who are concerned as Space Force is stepped up not that it would—that they might go to Space Force but their job might and that they might not instead.

So anything that you could say to protection of our Centers of Excellence that they are not at risk as you are looking at standing up Space Force and you want to actually augment and support those would be helpful.

And then with respect to nuclear modernization I want to thank you for David Norquist's work and your support for the NNSA, and if you could speak for a moment—because we are going to have to debate those funds—about what Russia is doing and how is it a threat to us. Because they are not just modernizing their nuclear weapons; they are creating new ones, and what does that mean as we debate our budget, Mr. Secretary?

Secretary ESPER. Sure, just quickly I just want to say thank you for hosting me at Wright-Pat and I did have a great visit to NASIC. They do exceptional work, and as we look forward to how we organize Space Force, obviously, you are not looking for duplication, and I don't want to break something that is working.

So you and I talked about that before. I will take it back and make sure that works into all the calculations and make sure we consult with you as things evolve. But they do great work there and thank you for showing that to me.

With regard to Russia, you are absolutely correct, Congressman. What they are doing is not just growing their strategic forces but they are creating new capabilities and they are improving the quality of their force as well.

We talk a lot about their strategic systems. What often goes—is ignored are their tactical and nuclear weapons. I call them the unaccountable nuclear weapons. They number nearly 2,000 and then they are—they are battlefield weapons. They are—we see them used in naval warfare and that is one thing we have to pay close attention to as well with regard to their strategic forces.

Mr. TURNER. So as we take a look at this budget, I mean, we are, obviously, going to have to look at what NNSA needs so we can modernize our forces. Now, we are only modernizing, meaning we are trying to keep the capabilities that we have, not even reach their hypersonic capabilities, their violations of the INF [Intermediate-Range Nuclear Forces Treaty].

Could you give us your concerns about our current nuclear enterprise and the need for those funds that are in the President's budget?

Secretary ESPER. Well, the current nuclear enterprise is very old, both in terms of the platforms, which is why we are modernizing all legs of the triad, but also the packages, if you will—the devices themselves.

So it is important that we get to that 80 pit per year by 2030 goal so that we have what is essential: a safe, reliable, effective credible secure nuclear force that can keep us safe and secure in the 2030s and well beyond.

And that is going to be critical. We are not trying to—we are not trying to get into an arms race with Russia because that is—we are not trying to match them weapon for weapon. But what we do need to have is the essentials to keep America safe and secure, to have that—the different capabilities that each leg in the triad brings us with either complementary or other purposes.

Mr. TURNER. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Mr. Larsen.

Mr. LARSEN. Thank you, Mr. Chairman. Thank you, Mr. Chairman.

I want to yield my time to Representative Horn of Oklahoma.

Ms. HORN. Thank you, Mr. Larsen. Thank you, Mr. Chairman.

Thank you, Secretary Esper and General Milley, for being here today.

I would like to turn our attention to a different issue. It is a component of our readiness that we have been doing a lot of work on over the last year that is critical and that is our military housing.

As you are both undoubtedly aware, we have had some significant issues with our privatized military housing programs and we undertook in last year's defense authorization bill the Tenants Bill of Rights and a number of other things to help address that.

In the fiscal year 2021 budget request, it contains \$54.6 million for the military housing privatization initiative [MHPI], which is an 82 percent increase from fiscal year 2020.

We know that caring for service members and their families and ensuring that they have safe liveable housing is a critical component of our readiness, and as I understand it, this Department request for these funds are to help augment staff, improve quality control measures, develop and manage a database, and much more. We are, I think, just at the beginning.

And yesterday you signed a document that would guarantee the implementation of most of the provisions in the Tenants Bill of Rights by May 1st. But there are a few outstanding issues that I would like to get some insight on.

There are three I think of the most critical that will not be implemented by the 1st and that they are the maintenance history of the housing unit, dispute resolution process, and a withholding of rent.

Because at Tinker Air Force Base, right in the heart of Oklahoma, we have not seen tangible improvements in many areas that we would like to due to contractors and responsiveness.

So I would like to hear from you since we have implemented the Tenants Bill of Rights in the beginning, the timeline for implementing those and making sure that the funds are going directly to address these critical issues.

Secretary ESPER. Sure. Thank you, Congresswoman.

I understand the issues at Tinker are fairly acute. You know, I was at Fort Sill last year and walked through a number of homes. It has its own separate set of issues that the Chairman and I worked on previously.

You are right. Last night the service secretaries and I yesterday signed out the Tenant Bill of Rights, addressing 15 of the 18 rights that were set forth in law. Those 15 were ones we were working on contemporaneously. The three that we are going to require more assistance on are dispute resolution, maintenance history, and withholding of rent provisions.

In these cases they are—they are—the reason why we can't unilaterally is because there are legal contracts between DOD and the MHPI companies with regard to that.

We have a pathway on some of these to move forward to find a mutually agreeable way to meet the intent and the spirit if not the letter of the law. But I think we are going to have to come back and work with you all as well to assist us because these are—again, we have legal contracts between them and we want to make sure we—what I don't want to do is promise a right that I can't deliver on. The important thing is we have a deliverable right that service members can act on because they should live in quality safe housing. What we have seen in the past is completely unsatisfactory.

Ms. HORN. And, Secretary, what I would ask of you and General Milley that we need—we have continued work to do on this issue. I think there is more that we need to do.

So wherever you are running into roadblocks we have got to—we have got to fix this problem that is affecting the health and well-being of our service members and their families.

General Milley, I want to turn to you for just a moment. The Army initiated a policy of having someone in uniform visiting every soldier's on-base housing unit so they could actually put eyes on the problem.

We discovered that part of the challenge was a lack of oversight from our chain of command, and I am wondering about when we can expect the other service branches to begin to implement this sort of policy.

General MILLEY. I will come back to you with an actual date but we have discussed that amongst the Joint Chiefs and each of the respective chiefs of not only just the Army but the CNO [Chief of Naval Operations], Chief Staff of the Air Force, Commandant, Marine Corps, they have all committed to doing that. I trust they are doing that. But I can get back to you with specific dates on when it will be complete.

[The information referred to can be found in the Appendix on page 119.]

Ms. HORN. Thank you very much. I yield back the balance of my time.

The CHAIRMAN. Thank you.

Mr. Rogers.

Mr. ROGERS. Thank you, Mr. Chairman, and thank both of you for your attendance and for your service to our country.

Mr. Secretary, in last year's NDAA we passed language that was explicit in directing you to, quote, "assign the director of the Missile Defense Agency with the principal responsibility for the development and deployment of hypersonic and ballistic tracking space sensors." Money was put in to fund that. But, yet, the money was redirected to the Space Development Agency.

This year's funding request you say, quote, "Funding responsibility has transferred from MDA [Missile Defense Agency] to SDA [Space Development Agency] for the continued hypersonic ballistic tracking space sensor development efforts."

Why? Why is it not being left in MDA where we directed it to be conducted?

Secretary ESPER. Mr. Rogers, my understanding is it is at MDA. If there is something misstated in our budget documents I need to get back to you. But my understanding is it resides with MDA. It is the hypersonic and ballistic missile tracking space sensor payload, as you discussed. They both are, obviously, closely coordinating on that. But MDA did receive the funding for both those things and it is 2-year funds. So—

Mr. ROGERS. I would ask you to revisit that because that funding was redirected to SDA and nothing has been done in the last year on that—on that issue, which you know is a very important threat for us.

Secretary ESPER. Right. You know, I have been down to the arsenal and I have walked through those programs in the past. But let me get back to you because I am getting a different readout from my folks and let us—we can reconcile that.

[The information referred to can be found in the Appendix on page 117.]

Mr. ROGERS. Thank you.

You have made it clear that you are fully committed to a 355-ship Navy and in order to get that we are going to have to buy smaller ships that can be deployed faster.

You have also said you see those being lightly manned ships. Do you think those are going to be medium or large unmanned vessels? Or do you think you are going to have to get some smaller ships into the fleet mix?

Secretary ESPER. First thing, I am committed to a 355-ship Navy but I got to say I actually think we need more than 355 ships and

to get there I think the composition needs to change. Fewer large platforms, more smaller platforms.

We need to have lightly manned, moving to, eventually, optionally manned. And I think we need more attack submarines, frankly. They have to have certain compositional characteristics. They have got to have distributed awareness and lethality, survivability. They have to be sustainable in the long run and they have the ability to deliver lethal fire.

So I think what we need to do is be much more aggressive in terms of experimenting and prototyping, and then quickly move to production once we feel confident. But we need to have—we need to maintain the U.S. Navy as the greatest force in the world and we need to adapt to the threats we see.

The two challenges that we have right now is we need to base it off of a current op plan [operations plan], which we don't have, and secondly, we need to update it based on a new joint warfighting doctrine, something that the Chairman of the Joint Chiefs of Staff is working on.

I think that will really help inform so that we are prepared to deal with the challenges we see in the 2030s, 2040s, and 2050s.

Mr. ROGERS. Great. You have also emphasized the need for a healthy industrial base including shipyards. How do you plan to incorporate these shipyards into our industrial base?

Secretary ESPER. They are absolutely critical, not just the yards but I assume when you say yards it's the workers as well. I have talked to several members about how do we certify, how do we give predictability in funding, how do we do those things. I think we need—probably need more yards to do the work to build a much, much larger Navy and I think it is something we really have to focus on.

GAO [Government Accountability Office] did an extensive report in December which outlined all the challenges the Navy is facing with regard to maintenance, and so much of it is based on both capacity at the yards the training of the workforce.

Mr. ROGERS. Great.

General Milley, the Indo-Pacific region is getting a lot of attention for good reason, given what China, Russia, and North Korea are up to.

There has been some discussions about increasing the duration of rotations of the Army's Pacific Pathways program. Is that something you are planning to do across the services or just the Army?

General MILLEY. No, that is across the services in terms of increasing rotations throughout Indo-Pacific. Again, in the NDS, a strategy-driven budget here—in the NDS, the Indo-Pacific was designated as the, quote, in military terms, "the main effort." That doesn't mean it's the only effort but it's the main effort.

So the preponderance of the U.S. military capability in various forms, either forward based and stationed and/or cyclically rotating through for exercises and our deployments is what we are trying to do. So it applies to all the services, not just the Army.

Mr. ROGERS. Okay. I yield the balance of my time to Ms. Cheney if she has a question.

Ms. CHENEY. I just want to echo the concerns and the comments that you have heard about the reprogramming. I also want to know

whether or not the Department has decided that, contrary to what we heard repeatedly from your predecessors, an increase of 3 to 5 percent real growth annually is necessary in order to maintain and continue the kind of growth that we have seen in rebuilding the budget. That is not what we have seen, and if we are being forced to choose between modernizing our nuclear forces and building *Virginia*-class submarines, then you are not asking for enough money and we are not providing you with the kind of regularity that you need.

Secretary ESPER. The Department needs——

The CHAIRMAN. That is—go ahead. You have got 2 seconds.

Secretary ESPER. The Department needs 3 to 5 percent real growth annually if we are going to fully implement the National Defense Strategy.

The CHAIRMAN. Okay. Thank you.

Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman.

In the spirit of Carl Vinson, I want to just talk to the two witnesses today about the 19 percent cut to shipbuilding in this year's budget.

A couple days ago, the Congressional Research Service looked at the Department's submission of the budget. Mr. O'Rourke, who knows more about shipbuilding than anybody in this town combined, actually, in his understated way, eviscerated this request.

In the Department's submission this morning it states that there are eight ships—new ships—that are in their budget plan.

Mr. O'Rourke actually determined that the LPD [landing platform, dock] 31, which was listed, actually we funded and authorized last year. So there's actually only seven. Two of those seven are tugboats. They are salvage ships. We are not getting briefings in this committee about Russian tugboats or Chinese tugboats.

We, in fact, then are left with, really, five combatant ships.

Mr. Secretary, I have been on the Seapower Committee for 14 years. You have to go back to the height of the surge when the Navy shipbuilding was a bill payer because we had 200,000 troops in a land war over in the Middle East to see such an anemic shipbuilding request from the administration here today.

And I would just say this is a punch in the gut to shipyard workers, the metal trades who are making life commitments to learn how to be welders and electricians and carpenters, to see this radical rudder turn in this year's budget in terms of shipbuilding.

It is also a punch in the gut to the supply chain who, again, we have been coaxing back into shipbuilding, again, after the lean years during the Iraq and Afghanistan war to make investments in terms of capital and hiring. Again, they are going to be on the Hill next Monday making the rounds here. BWXT from Ohio issued an earnings warning yesterday. They are the sole supplier of nuclear reactors for Navy ships because of that cut to the *Virginia*-class program.

But, lastly, it is a punch in the gut to the combatant commanders. Again, just in the last few days we have had General Wolters at European Command talk about a 50 percent increase in Russian submarine patrol operations.

We have had Woody Lewis from the U.S. 2nd Fleet talking about the ever-increasing number of submarines, Admiral Davidson over in Indo-Pacific saying that his day-to-day submarine requirement is met by slightly only 50 percent of what I've have asked for.

So, again, this budget fails the test in terms of the National Defense Strategy which is focused on our near-peer competitors because it is primarily an air and sea challenge when you are talking about Russia and China and, again, you don't recover from a cut like this anytime soon.

Again, just for the record, we are 52 attack submarines today. With the retirement of *Los Angeles*-class submarines, which are going to accelerate over the next 4 or 5 years, that fleet is going to shrink to 44 subs.

Your budget keeps us in that trough into the 2030s and, again, it just defies any analysis in terms of something that comports with the National Defense Strategy, again, based on the activities that we are seeing from China and Russia.

Thank goodness that Admiral Gilday, in his unfunded budget priorities, number one on his list, which he submitted a couple days ago, is to restore that *Virginia*-class submarine so that we at least get out of this trough which we are going to still be contending with throughout the 2020s and we can get closer to the goal of a 355-ship Navy.

And, again, Mr. O'Rourke's report, which I would ask to be admitted to the record—

The CHAIRMAN. With no—hearing no objection, so ordered.

[The information referred to is retained in the committee files and can be viewed upon request.]

Mr. COURTNEY [continuing]. Makes it crystal clear that you—projecting out over the next 5 years it is a cut from the Obama projection in terms of fleet size and also keeps us further away from trying to get to the goal of the 355-ship Navy.

Mr. Secretary—

General MILLEY. Can I respond, Mr.—

Mr. COURTNEY. Just let me just ask a question now.

Okay. Article 10 section 231 of the U.S. Code says that when a budget comes over from the Department of Defense it shall—shall—be accompanied by a 30-year shipbuilding plan.

This is not sort of a feel-good law. It is because Congress needs headlights to see where you are going because of the fact that shipbuilding is such a long game and, again, you don't—it's not like helicopters or planes. When you cut you don't get it back. Time is of the essence.

Mr. Wittman and I sent a letter to your Department on February 12th asking for the 30-year shipbuilding plan which, again, did not accompany the budget and we have still not seen that 30-year shipbuilding plan today. When are we going to get that 30-year shipbuilding plan which, again, is mandated by law?

Secretary ESPER. I think I am going to need more time, Mr. Chairman.

The CHAIRMAN. Yes, I am sorry. You may have to take that for the record.

Secretary ESPER. No, I—

The CHAIRMAN. Go ahead. Take a shot. Go ahead.

Secretary ESPER [continuing]. It is a very good discussion. It is a very important discussion.

So, Mr. Courtney, I haven't seen the 30-year shipbuilding plan. I am awaiting its presentation to me. It is my report. Once I have had a chance to review it and digest it and follow up on it, at the appropriate point in time I will share with you what I believe our future force structure should look like.

[The information referred to can be found in the Appendix on page 113.]

Secretary ESPER With regard to the first points you made, I will say this much. I think it is a very important issue. I am a big believer in attack submarines. I actually believe—my gut tells me we need more than what we planned for, number one.

But there are two competing pressures we have right now—a top line budget, which actually gives us 2 percent less buying power. But the second thing and, importantly, is I support what the Navy did in terms of moving \$4 billion—nearly \$4 billion—from shipbuilding to maintenance. The concern that the CNO has, that the acting secretary has, that I have is that we have a hollow Navy.

Why do I know that? A GAO report dated December of last year said this much. Over the last 5 years, 75 percent of our surface ships never left maintenance on time. Of that 75 percent, half of those ships took over 3 months to get to sea. And what does that account for? That means—

The CHAIRMAN. And I know this is very important, but the other members are going to kill me. So—

Secretary ESPER. Okay. One—just a last point. What that equates to is 19 ships in 2019 unavailable to go to sea. We cannot have a hollow Navy. I agree we need to build a 355-plus ship Navy. But we can't have a hollow Navy at the same time.

The CHAIRMAN. Thank you.

Mr. Lamborn.

Mr. LAMBORN. Thank you, Mr. Chairman.

And, Secretary Esper and General Milley, thank you both for your service. I realize we are in open session and much of the information on military space is classified.

But I think it is necessary for us to talk in general terms about the threats to our space systems. We have enjoyed a distinct advantage for decades but now that is being severely tested and challenged.

So what actions have you taken to address this threat to our military space, our national security space assets in this budget?

Secretary ESPER. It is a great issue. There is so much we cannot talk about in open session. But needless to say, we are advancing our capabilities in a number of different areas to make sure that we can fight in space, which has now become a warfighting domain.

Obviously, we have stood up Space Force. We have stood up Space Command. That will give us enhanced authorities to control. We have requested additional authorities which the President has granted.

And so we are doing our very best and putting a lot of resources into this to make sure that we can continue to guarantee our space capabilities and what we need from space.

Mr. LAMBORN. Are you confident that the assets we are investing in in this budget will stay ahead of and will meet the threat?

Secretary ESPER. Yes, I am.

Mr. LAMBORN. Okay, good. That is good to hear.

Then let me shift attention to missile defense funding. Secretary Rood and General O'Shaughnessy have both said that while our current GMD—ground-based midcourse defense—posture can be relied upon to counter a North Korean threat for the next 5 or 6 years, beyond that, we have to begin assuming increased risk due to their desire to develop their ICBM [intercontinental ballistic missile] capabilities.

Earlier this month General O'Shaughnessy said before SASC [Senate Armed Services Committee], "Given the nature of the ballistic missile threat, I am a strong advocate for bringing a layered capability onboard for the warfighter well before NGI—Next Generation Interceptor—is fielded," and Secretary Rood agreed.

So are you in support of an SM-32A underlay or some kind of interim GMD solution to bridge this gap until NGI comes online in a decade or so?

Secretary ESPER. Well, I think it's a matter of principle we should have—always have a layered defense. I know the Department is looking at those systems to include enhanced THAAD [Terminal High Altitude Area Defense] as a way to provide a layered defense.

But in all circumstances you typically want a layered defense.

Mr. LAMBORN. So testing the SM-32A would be one way to begin establishing that under layer?

Secretary ESPER. SM-32A is a system that you would have to continue testing to make sure we can do that. I have a recusal with regard to the company that makes that system—

Mr. LAMBORN. Sure.

Secretary ESPER [continuing]. Or parts of it. So I don't want to say too much. It is an established program nonetheless.

Mr. LAMBORN. Okay. Sure.

Now, on the budget itself the dollars you are asking for for missile defense, when you subtract things out that historically have not been in the missile defense budget like Air Force OPIR [Overhead Persistent Infrared], you come up with a number that's about \$14 billion and the way I look at it that is half a billion less than last year's budget.

How can we keep pace with emerging threats if we are cutting that budget?

Secretary ESPER. Well, Congressman, when I look at missile defense, our numbers, we see actually a 5 percent increase. Important to that is a OPIR layer in LEO [Low Earth Orbit]. That will give us critical tracking capabilities, sustainability with regard to enemy hypersonic weapons. It is a growth area where we really need to invest more with regard to that LEO OPIR.

Mr. LAMBORN. Okay. Thank you for that.

That is all I have, Mr. Chairman. I yield back the balance of my time.

The CHAIRMAN. Thank you.

Mr. Garamendi.

Mr. GARAMENDI. Mr. Secretary, thank you for your service. But, apparently, you are not listening. You apparently were not listening to what the chairman and the ranking member said about the authority of this committee with regard to appropriations.

I urge you to very carefully consider what has been said thus far with regard to the ripoff and with regard to the disregard that this administration has for the Constitution and the appropriation power of Congress.

Secondly, in your response to Mr. Courtney, you were out of line, sir. The law is quite clear. When you submit your budget you are to submit the shipbuilding plan, and for you to say you are going to give it to us on your own good time and when you are ready, you are not in line with the law.

I will let it go with that. You should listen very carefully. You are heading for a major brawl with this committee.

Now, my question goes to you, Chairman Milley. The U.S. Government's current approach to strategic sealift has yielded an aging and inactive government fleet that depends on a shrinking pool of merchant mariners and ships that have trouble getting underway.

I am concerned that a resilient maritime logistics strategy doesn't exist and that in your job as Chairman it seems to me that you are responsible for coordinating all of the necessary elements to achieve a resilient maritime logistics program.

How are you going to achieve that?

General MILLEY. Thanks, Congressman.

I would even expand it beyond just the maritime. So the issue is for the United States to project power overseas at points of crisis—time and need sort of thing—and do it in a timely way. Get there firstest with the mostest sort of thing. And we do that through—fundamentally, through sealift and airlift, and in both those areas our strategic ability to do that has been under stress. It has deteriorated over not just last year or the year before but many, many years.

And you are right to point out the vulnerability of the maritime fleet and our reliance on other means of trying to do this. We can handle the smaller contingencies no problem. But if you start seriously considering great power competition, great power war—when you start seriously considering the NDS, well, those requirements then, and I think you heard the TRANSCOM [United States Transportation Command] commander talk the other day or testify perhaps recently, then it becomes very much a stress.

So what are we doing about it? There's lots of studies and analysis and so on and so forth. That is important and we have to try to figure out exactly what the facts are.

But it is all about investment, it's all about these budgets, and it is all about looking at TPFDDs [Time Phased Force Deployment Data] and also concepts of the operation and OPLANs [operation plans] as to how we are going to have to modify with the deck of cards we are dealt. We are not going to magically create a new maritime fleet this year or next year and, yet, something could happen.

So how are we going to have to deal with that, and we have a review ongoing right now amongst the Joint Chiefs of all the global combatant commanders' plans—war plans—and I am the global in-

tegrator, as you rightly point out, and we are working through all that. It is a very, very difficult situation and it is a vulnerability that we have, we recognize that we have it, and we are going to try to get it fixed.

Mr. GARAMENDI. Thank you, sir. That does take us back to what I just brought up with Mr.—with Secretary Esper and that his shipbuilding plan doesn't speak to this issue at all.

There are ways of doing it. There is an interesting report out there called "Sustaining the Fight." It talks about the development of a national fleet, which is really the rebuilding of our maritime sector—the private commercial sector—in such a way that it is useful to the Navy for sealift capacity. Draw your attention to that. I look forward to working with you on this set of issues.

And finally, Mr. Secretary, obey the law and recognize you are in for a major brawl with at least a good section of this committee as the President continues to rip off what were apparently necessary funds.

You also indicated in your response on climate change that it is not affecting the Navy or not affecting the military. Perhaps I heard you wrong. You might look at Tyndall. You might look at Moffett. You might look at Norfolk.

You might look across the entire spectrum of the military and recognize that there is a severe impact already as a result of climate change that is going to get worse, and I urge you to pay attention to the current NDAA that requires you, as Secretary, to pay attention to this issue in every single part of the military.

With that, I yield back.

Secretary ESPER. Mr. Garamendi, I am paying attention. As I said very clearly to Mr. Langevin, I do recognize the impact on the military. In fact, I mentioned Norfolk in particular and I mentioned the impact of desertification on Army bases.

Mr. GARAMENDI. Yes, and where is it in the budget?

The CHAIRMAN. I am sorry. The gentleman's time has expired. I get the feeling this could go on for a while.

So I will go to Mr. Wittman.

Mr. Wittman.

Mr. WITTMAN. Thank you, Mr. Chairman.

Secretary Esper, General Milley, thank you so much for joining us.

Secretary Esper, I wanted to ask you specifically about sealift. You heard a little bit of the question but I want to go to September 17th when there was a turbo activation of our surge sealift capacity—essentially, trying to exercise what would be a full-scale operational exercise if the call went out that day.

Our readiness goal there is 85 percent availability is what we are supposed to have. Unfortunately, over that exercise we saw that our availability was at about 40 percent. We know we have an aging Ready Reserve Fleet, on average, 45 years old. Those ships are older than a number of members on this committee.

So we are really pushing the envelope with that. The question not only becomes what do we need to do to reestablish that. I think that some of that is laid out, although I think more needs to be done.

But one of the important elements is, you know, how do we pay for that. You stated that of the—of the strategic necessities for our Nation the B-21 was the responsibility of the Air Force, the *Columbia* class was the responsibility of the Navy.

Since surge sealift capacity is the ability for the Army to get to the fight, should it not be the Army's responsibility to fund surge sealift capacity?

Secretary ESPER. Well, first of all, I completely agree with you on the sealift issue. I have been concerned about it for a few years now. General Lyons and I have had multiple conversations. As you know, 90 percent of the Army goes by sea, which is why once I get the 30-year shipbuilding report and I have a chance to go through it I want to make sure sealift is in there because we have to have that capacity and, you know, it is a combination of new ships, old ships, and other means to do that. So it is vitally important.

I have—with regard to your specific question, I have not looked at that with regard to who should pay that. It has traditionally been a Navy bill. Each of the services pays bills that they argue should not be theirs. The Air Force, for example, doesn't like the pass-through with regard to a lot of black programs. Army has concerns on its front. So I think at the end of the day what we have to do is find a solution, going forward, so that we can fund the Navy we need and that includes not just surface combatants but that includes the strategic sealift.

Mr. WITTMAN. Yes. I think the logistical element of supporting forces, sustaining forces, is going to be key, especially in that strategic environment where all our adversaries have to do is to look at it and go, listen, they can't sustain operations. They can't protect tankers. All those things incredibly important to those OPLANs that General Milley spoke about.

Let me take another step further, too. You have heard some conversation about the 355-ship Navy. I think it's got to be there and, as you spoke of, maybe even higher as we look at all the different platforms.

The key is, though, this year's budget—I mean, this year's budget request, as Mr. Courtney pointed out, you know, eight ships, two of those tugboats, and then we are decommissioning four LCSes [littoral combat ships], four cruisers, and three amphibious ships. So, I mean, I am not very good at math but that math doesn't add up, to me, to get to 355. In fact, we are heading south on that.

So tell me, as we see our near-peer adversary, China, bring on board a brand new destroyer, a very capable ship—the *Shandong* class of aircraft carriers—is that really the direction that we need to be going and is the budget reflective of what this Nation needs to project power and to deter conflict?

Secretary ESPER. We need to get on a better trajectory for 355-plus for sure. That is why, as I said earlier, we need that 3 to 5 percent annual real growth to help do that.

I do support, though, the Navy's decision to reallocate dollars, if you will, to readiness because of the challenge they have with getting ships to sea and operationally available.

I also understand the reason. In many cases, they are putting more money in the maintenance for ships than what it would cost

to fund them, going forward. So they are in a tough situation. I want to help the Navy as much as possible.

Acting Secretary Modly has made, I think, a good call to dig deep within his own budget. I mean, you know, about 10 or 11 percent of the Navy—the entire Navy budget—is only dedicated to shipbuilding and I think he is going to dig to try and find additional funding to do what he needs to do. And then what we would like to do also—I think I mentioned to you—is have a legislative provision come forward where DOD would seek authority to transfer any expired Navy funds which otherwise would go to the Treasury and have them plowed back into SCN [Shipbuilding and Conversion, Navy].

We think that could generate at least a billion a year or so that we could plunge back into shipbuilding and that is something that other departments of the Federal Government already have available to them.

Mr. WITTMAN. I agree. I think it is incredibly important to have flexibility in the SCN account, especially since the demand is going up. Dollars are either level or going down. Things like the National Seabased Deterrence Fund—I understand the whole debate back and forth about the strategic assets in this Nation's arsenal. But I think that discussion needs to be had because we did do *Ohio* class that way and when you put a \$6 billion ship into that shipbuilding budget it makes the seas pretty tough.

The CHAIRMAN. The gentleman's time has expired.

Mr. Norcross.

Mr. NORCROSS. Thank you.

General Milley, Secretary Esper, thank you for coming in today.

I want to shift my first question away from some of the things we've been talking about but very much involved: making sure our warfighters get the best available to them. Comes from a number of areas—our industrial base who supports them, and then our human capital, the employees at Department of Defense.

Secretary Esper, on January 29th, President Trump authorized you to eliminate collective bargaining in the DOD and to delegate that authority to any Senate-confirmed official in the Department.

The President cited perceived threats to national security and the Department's flexibility to adapt to new technologies as justification for this.

DOD civilian workforce are some of the greatest employees in the world. We know what they do day in and day out. Ultimately, our national security is bolstered by those employees. We talked about that.

Do you plan on exercising this authority to provide the President to exclude the defense civilians?

Secretary ESPER. Well, first of all, Congressman, we do have a great DOD civilian workforce. In my multiple iterations at the Pentagon, I have had the chance to work with them. I am one of them, and it is a great workforce. We rely on them for the continuity and expertise that are critical to sustaining our military.

You are right. That Executive order was issued late January. It is working its way through the system right now. It has not come to me with any recommendations or analysis, and I know that is in the process and that is all I have for you right now on it.

Mr. NORCROSS. Did you request that or somebody on your behalf from the—

Secretary ESPER. No, I did not request that.

Mr. NORCROSS. Do you have any idea why that came up?

Secretary ESPER. I don't.

Mr. NORCROSS. Can you point to a time in our recent history where that might be employed? Because I was going back through labor history. I didn't see any issues. I have never heard of it from anybody. But the folks that you want to be part of your team could be, potentially, eliminated because of this order that, apparently, came out of nowhere.

And if you can't think of a reason why it might have been done in the past and I don't know of any, how is it showing up?

Secretary ESPER. Well, just because I can't recall an issue right now doesn't mean one doesn't exist. That is why I think the prudent thing for me is to wait to see what the analysis is—comes up from my staff and what they are looking at and make an assessment from there, based on what recommendations are made.

Mr. NORCROSS. So when you get that report we would love to have that shared with us. The idea of creating potential havoc when we work well together just seems rather crazy.

I only have a few minutes but I just want to bring up something that has been alluded to. We have early retirements for the 13 KC-135s and 16 of the KC-10s. It was about 4 years ago that General McDew said in this very room what keeps him up at night are the refuellers.

We know the issues with the KC-46. There appears to be a gap that is growing here. Boeing—I believe you are very close to having a fix on both the boom and the visual system. But regardless of what the fix is, it is going to be a period of 3 years possibly. Why would we be retiring more refuellers when we are building up the capacity to need those?

Secretary ESPER. You know, it is a great issue. It is one of these issues that is not sexy, right. It's like strategic sealift. But it is utterly important. I was on a 46 last week. I actually sat in the front of the airplane where the—the issues with the remote vision system and talked through all the issues, and head of Air Force acquisition thinks that a solution is in sight. But it will take some time.

At the same time I had this exact discussion about, well, what does that—what does that do to a growing gap, right, and I think General Lyons is going to come to me, probably the Chairman, and make some recommendations as to maybe we should not retire some 10s or some 135s until we get a better assessment of what—how long it will take to get that fix in place.

And I look forward to hearing from him on it because it is critical that we maintain that capability. This kind of also gets back into the reason why I am doing COCOMs reviews. We have COCOMs all the time that are using tankers for various missions and if they are missions that are not important or not on a high priority I can close—in addition to increasing supply I can reduce the demand.

Mr. NORCROSS. Are you considering contracting tanker support from private industry?

Secretary ESPER. I think all the ops—I would like to rely on General Lyons to bring me a range of options that we can—we can en-

ertain and figure out what is the best way so that we don't have a gap that seriously impedes and impacts our national security.

The CHAIRMAN. Thank you, Mr. Norcross.

Mrs. Hartzler.

Mrs. HARTZLER. Thank you, gentlemen. I appreciate your service.

Clearly, we are in a great power competition with China and we are assessing the threats. The National Defense Strategy lays out a lot of the concerns and strategies.

But a vulnerability that we have is in our pharmaceutical industry. As we know, our national supply of antibiotics and vaccines and many other drugs depends on Chinese manufacturers. In fact, Chinese pharmaceutical producers provide 97 percent of our U.S. antibiotic market.

So, General Milley, could you expound a little bit more on the vulnerability to our military as it relates to our dependence on the Chinese for our pharmaceuticals?

General MILLEY. Well, as you well know, we have got a military medical system and we have access to all the same drugs that are available in the commercial system, et cetera. And you rightly point out that it is a vulnerability to have a country such as China manufacturing high percentages. I don't know if it is 97 percent or 98 percent or 80 percent or whatever it is but I do know it is high percentages of the ingredients to the American pharmaceutical industry across the country, both military and civilian.

So it is a vulnerability. If in time of armed conflict if that were to ever happen—hopefully, that would never happen—that would, obviously, be a significant vulnerability to the U.S.

So it is something we need to address. We need to address that as a nation. There is vulnerabilities imposed on us as a military but also as a society.

Mrs. HARTZLER. That is great. I appreciate that. Representative Garamendi and I have a bill that would ask the DOD to look further into this threat and to pursue standing up American pharmaceuticals in order to make that supply available for our military. So look forward to working with you on that.

Secretary Esper, I wanted to talk about in 2019 Congress authorized the Defense Community Infrastructure Program, which—to address deficiencies in community infrastructure that will enhance military value and resilience, quality of life for a military installation.

And in the fiscal year 2020 Congress appropriated \$50 million for this program that is to be managed and executed by the Office of Economic Adjustment.

Yet, to date, the Department has yet to release guidelines or details about the process by which communities will be able to propose projects and compete for funding under this program and I have communities in my district that are very excited about this program and they are ready to apply. They just need that information, that guidance.

So can you share a little update on when they could expect that guidance and are you committed to this program?

Secretary ESPER. Sure. Well, thank you for raising it, Congresswoman. I actually received several letters that I have reviewed re-

cently and I asked the team what is this—what is going on. So I got a quick briefing on it.

My understanding is they are going to be delivering, you know, recommendations with regard to implementation here in the coming weeks—a month or so—and then from there we can move forward in terms of implementing the law and expending the appropriations as—

Mrs. HARTZLER. Good. That is great.

We also have challenges in our country right now with respect to the munition capability and capacity. As you know, our stockpiles of our high-demand preferred and precision-guided munitions have been significantly reduced over the last 15 years. We have been trying to address this. But I was wondering, Secretary Esper, as well as General Milley, if you could talk a little bit about your assessment of where we stand right now with our precision-guided and preferred munitions as far as the risk that we are facing right now and what steps are you taking to adjust and counter this risk?

Secretary ESPER. Another issue that doesn't get much attention. It is something I get updated on regularly with regard to a status of munitions, particularly key munitions. There are some areas we need to continue to put a lot of money into. We did in this budget cycle.

I have also messaged to many of our allies and partners that they need to procure their own key munitions. In many cases they are depending on us and I just told them that is not going to be available for them.

So I think it is something we got to focus on and continue to put money against. Again, it is not sexy but it is critically important we have availability of these assets and for an extended period of time because in some cases if you get in a shooting match you just can't produce the munitions quick enough.

Mrs. HARTZLER. Exactly, and there are supply chain issues as well.

Secretary ESPER. Absolutely.

Mrs. HARTZLER. What has been the reaction of your allies as you have said, you need to step up?

Secretary ESPER. I think this is one of these cases that for too long we haven't told them the truth with regard to what their expectation should be and it—by the way, for them to do that it would not only make them more whole and take the burden off of us.

It would also help our own industries remain healthy and be able to reinvest and recapitalize. So I think this is a message I am trying—I have discussed with many of our allies about the need to procure their own precision munitions and other items.

Mrs. HARTZLER. Great. Thank you very much.

I yield back.

The CHAIRMAN. Mr. Gallego.

Mr. GALLEGO. Thank you, Mr. Chairman.

Mr. Secretary, if the President were to declare a national emergency over climate change, would he be able to reprogram money from DOD to respond to that emergency using existing transfer authority?

Secretary ESPER. I don't know, Congressman.

Mr. GALLEGO. You don't know? Okay.

Would there be a limit how much money the President could reprogram to have the Pentagon pay for that declared national emergency?

Secretary ESPER. I just don't know. It is speculative and I am not a lawyer so——

Mr. GALLEGO. Well, you are the Secretary of Defense and they just reprogrammed a lot of money away from us. Do you have an opinion on that?

Secretary ESPER. I know that is legally available to us because the DOD lawyers and the White House lawyers and the Department of Homeland Security lawyers have advised me that it is legally available.

Mr. GALLEGO. It is legally available because the President has declared that the border is an emergency. So, therefore, if we have any other President declaring something random and emergency don't you think that same authorization would be legal at that point?

Secretary ESPER. Well, again, I am not going to speculate.

Mr. GALLEGO. All right. So there—in that case then also you wouldn't be able to speculate what accounts would be available to be reprogrammed. So is it ships, troop pay, military construction, all of that should be fair game, according to the ideology this President is using in terms of reprogramming?

Secretary ESPER. Again, I am not going to speculate.

Mr. GALLEGO. General Milley, let me get your advice then. Does the recent reprogramming notification that we receive taking money away from what you have previously briefed us as critical Department needs, does that constitute a threat to the defense of the Nation now that we have reprogrammed that money?

General MILLEY. I was—in this particular case I was asked to conduct a formal assessment. I did that and submitted it to the Secretary of Defense in writing. And, in short, what I said was that this reprogramming of \$3.8 billion was not a significant immediate strategic negative impact to the overall defense of the United States of America.

Those were precisely selected words. So strategic and overall. It's a half of 1 percent of the overall budget. So I can't in conscience say that it is, you know, significant, it is immediate, it is going to—the sky is falling, it is going to be a dramatic decrement in the preparedness of the U.S. military to defend ourselves. We can defend the United States of America.

So I had to do a risk assessment. I did that and that is what I said.

Mr. GALLEGO. Thank you. Thank you, General.

Let us move on to the Army V Corps headquarters in Europe and I will start with Secretary Esper. I was really pleased actually to see that we reactivated the V Corps and I understand that it is focused on our interests and national security in Europe, and I think we all here applaud that, without a doubt.

But my question is if V Corps is European focused, why was the decision made for it to be based in Fort Knox?

Secretary ESPER. I would have to refer you to the Army for that answer, Mr. Gallego. I don't why they chose Fort Knox as the basing location.

Mr. GALLEGO. General, I don't know if you have any insight into this.

General MILLEY. Yes. I mean, it is an Army—in the rule sets that we operate by, basing decisions is a service secretary decision. But having said that just, you know, a short while ago, then-Chief of Staff of the Army it was discussed that—it has been out there for quite a while—the entire decision-making process.

The bottom line is do you want a forward based permanent force or do you want to rotate it through and what is the needs of the combatant commander, and the consensus—the decisions were made with then Scaparrotti, now Wolters, fully involved in the decision-making that it is best to have it CONUS based—continental U.S. based—and rotate forward a small forward command post that can then move around to various countries within Europe rather than be tied to a given base and have a big structure put in Europe.

So that was the logic behind it and that is why we decided to base it in the United States and the Army decided Fort Knox.

Mr. GALLEGO. Was there—General, thank you for that answer. Was there a cost—

General MILLEY. Cost-benefit analysis?

Mr. GALLEGO [continuing]. Cost-benefit analysis between having it in Europe or other places in Europe and here at CONUS?

General MILLEY. Cost-benefit analysis—I would say yes. I would have to check with Secretary McCarthy for a final analysis on that. But I would say yes because cost-benefit analysis is part of the process of basing decisions along with environment impact statements and all kinds of other things. There's an entire checklist of requirements you have to do to do a basing decision and cost-benefit analysis is part of that.

Mr. GALLEGO. And just to drill down a little deeper, when doing a cost-benefit analysis between Europe or European headquarters and CONUS there was an actual analysis of European potential sites? They weren't just automatically excluded from that cost-benefit analysis?

General MILLEY. I can't answer that specifically. But I would tell you, at a broader level and for several years I have been an advocate within the Department of Defense on rotating forces forward and minimizing forward presence and permanent basing in foreign countries.

There is reasons for that. Force protection is a key part of that, but also expense. It is very expensive to have us, the U.S. military with our families, et cetera, and DOD schools and commissaries and PXes [Post Exchange] and all that, and it is—operationally it is much more useful if the combatant commander can move forces around quickly without thinking about having to—well, I am taking them away from their family for 2 or 3 weeks or whatever.

If you deploy on a rotational basis as a soldier, sailor, airman, or Marine you are much more flexible if you are operating on a rotational basis. That is why the Army went to brigades, for example,

to rotate into Korea. So I am an advocate for minimizing a forward presence.

The CHAIRMAN. The gentleman's time has expired.

General MILLEY. Sorry.

The CHAIRMAN. If you could just sum that up. Sorry, I don't want to—

General MILLEY. Yes. Advocate for minimizing a forward presence and I am an advocate for rotating forces forward.

Mr. GALLEG0. Thank you, General. Thank you, Mr. Chair.

The CHAIRMAN. Mr. Scott.

Mr. SCOTT. Thank you, Mr. Chairman.

Secretary ESPER, I don't necessarily blame this on you but I would appreciate your assistance with it.

We received your testimony sometime around 5:00 p.m. yesterday afternoon, just shortly before that. I know that you have to submit your testimony, I believe, to OPM [Office of Personnel Management] and then OPM has to approve it before it actually comes to committee staff.

Obviously, you, with your history, understand when we received it at 5:00 p.m. or thereabout and the hearing is the next morning at 10:00 a.m., that has become more commonplace than not and would appreciate your help in having those reports submitted in a more timely manner. Some of us do—I think most of us personally read them and if not get the opportunity to personally read them have somebody in our office point out the highlights.

Secretary ESPER. Absolutely. I wasn't aware of that. So that is—we do want to get it to you on time for sure.

Mr. SCOTT. General Milley, you mentioned the F-35 versus the A-10. My understanding is that the—a report was due at the end of 2019 from the Operational Test [and] Evaluation office, a comparison between the F-35 and the A-10 on the close air support mission.

Has that report been completed?

General MILLEY. I honestly don't know. I can give you a comparison from my own personal experience having not called in close air support from a F-35 but on an A-10. A-10 is a great weapon system, too.

So when it comes to close air support, we, on the ground, we really don't care where that bump comes from as long as it shows up, and all of these weapon systems are very, very effective. The A-10 has proven extraordinarily effective in Afghanistan and Iraq. But the F-35 is your next generation. As you start looking at great power competition it is the F-35.

Mr. SCOTT. Absolutely. But from a close air support mission, the F-35, depending on which variant, has between 182 and 220 rounds of ammunition.

General MILLEY. Roger that.

Mr. SCOTT. And that is—in prior National Defense Authorization Acts and appropriation measures, we have prohibited the drawing down of the A-10 until the DOD could convince this body, the legislative branch of the government, that the F-35 was capable of handling the close air support mission.

And yet, the one thing that is not mentioned in either of your testimonies is the fact that you have proposed to draw down 44 of the current A-10s that are in the inventory. And so that is——

General MILLEY. I mean, I don't want to—a decision like that are the secretaries. I am not going to get into the secretaries. But from an advice standpoint, there is a fundamental issue at stake here, which is—and it is coming up in a lot of areas. Whether it is tankers and maritime and ships and, you know, whatever it is, it is a question of divest to invest.

We are at a pivot point, in my opinion—my military assessment is we are at a pivot point relative to the changing character of war and the geopolitical landscape that is occurring in the world today, and we have got to make some fundamental choices and to lay down the markers for what the future military is going to look like in 5, 10 years. And if we don't make those hard choices, then we are going to be at the short end of the stick here 10 years from now. So——

Mr. SCOTT. So if I could, General Milley, war is the decision between the bad and the worse——

General MILLEY. That is right.

Mr. SCOTT [continuing]. And budgets are decisions between the needs and the needs more.

General MILLEY. Yes, that is right.

Mr. SCOTT. My concern with what I see from the Department is sometimes we give up a weapon system that is extremely efficient to operate and extremely effective——

General MILLEY. Yes.

Mr. SCOTT [continuing]. In the hopes that we are going to have one that is better at some point in the future.

General MILLEY. Right.

Mr. SCOTT. And in the private sector nobody would give up the system that works until the replacement system had proven itself——

General MILLEY. Right.

Mr. SCOTT [continuing]. Both capable and efficient.

And I know, Secretary Esper, you were about to make a statement.

Secretary ESPER. Just I know you—because you are short on time, just like the Navy did with older ships, what the Air Force is trying to do is retire a number of aircraft. It is not just some A-10s but it is tankers and B-1s and F-15s. I don't think they are—what they are trying to do is retire older aircraft that are—that cost more to maintain and operate than they do.

So I don't think what the Air Force is doing—it was not a statement about the A-10. It was a statement about just retiring a legacy aircraft.

Mr. SCOTT. I am down to about 30 seconds and I want to say this. ABMS [Advanced Battle Management System] and the JSTARS [Joint Surveillance Target Attack Radar System] are at Robbins Air Force Base. I think it was a premature decision to cancel the recap of the JSTARS fleet.

I think you could have bought a new platform that was a better platform that would have served its purpose long into the future

cheaper than you can maintain the existing fleet of JSTARS as time goes on. I am concerned about an article that I read.

This is the article, "ABMS Can't Be the 'Sole Solution' for Joint C2, Army Tells Air Force." There are three generals quoted in that article: General Wesley, General Gallagher, and General Bassett, I believe, quoted in that article expressing their concerns about the ABMS platform not being able to deliver for the ground troops.

General MILLEY. Yes, the—

The CHAIRMAN. The gentleman's time has expired.

Mr. SCOTT. My time has expired. General, thank you.

The CHAIRMAN. I apologize. And I think—I think the point has been made.

General MILLEY. I will give you a short answer for the record, if that is okay.

The CHAIRMAN. That would be great. Yes.

General MILLEY. I am heading out to take a hard look at exactly what you are talking about.

The CHAIRMAN. That is an ongoing discussion.

General MILLEY. Yes, it is.

The CHAIRMAN. You don't have to give an answer.

Mr. Moulton.

Mr. MOULTON. Thank you, Mr. Chairman.

Mr. Chairman, I could not agree more with your statement that we are at a pivot point where we have to modernize our approach to national security.

Do you believe in a whole-of-government approach to national security?

General MILLEY. A hundred and ten percent yes.

Mr. MOULTON. Secretary Mattis has said before Congress that, quote, "If you don't fund the State Department fully then I need to buy more ammunition."

General MILLEY. That is right.

Mr. MOULTON. Do you agree with that? Secretary Esper, do you agree with that statement?

Secretary ESPER. I do. I think we need to fund the interagency, particularly in places like Africa where the interagency brings a lot to the—a lot to the game.

Mr. MOULTON. Great, because that is actually where I am going. To quote again from Secretary Mattis, "What you have to do is you have to make certain that your foreign policy is led by the diplomat, not by the military," end quote.

Do you agree with that statement?

Secretary ESPER. I agree.

Mr. MOULTON. So, Mr. Secretary, what is the State Department's opinion on the blank slate review in Africa?

Secretary ESPER. I have—they support it. I have had a number of conversations with Secretary Pompeo with regard to the process I am going through. You know, my aim is to—

Mr. MOULTON. That is illuminating because I was just in East Africa and literally every single military officer and State Department official I spoke to on the ground said that we should both increase State Department and DOD funding and effort for AFRI-COM.

But your blank slate review is not really a blank slate because the only options on the table are reducing our commitment to AFRICOM. Isn't that correct?

Secretary ESPER. That is not correct. In fact, I actually approved an increase recently for security forces at Manda Bay. So we are looking at a variety of options. The predominant ones are to make reductions right now.

Mr. MOULTON. Okay. Well, there is a fundamental disagreement between you and AFRICOM commander then because he briefed me that the only options were reducing the presence.

Secretary ESPER. They are predominantly to reduce presence but I am—if they have a proposal to increase, I would look at anything. But it is a blank slate review, and I can't speak to what State Department is doing with regard to, you know, how they look at the situation.

Mr. MOULTON. Well, the State Department people on the ground said they haven't even been asked. So you might suggest that Secretary Pompeo actually ask his people on the ground what they think.

I mean, I do know that in 2018 President Xi announced that China will be providing \$60 billion financial support to Africa. China now has surpassed the U.S. as Africa's largest trading partner. They have troops on the ground in Africa for the first time ever.

So we have got a rising threat from China to meet right on the ground in Africa.

Secretary ESPER. Well, this is why what I am trying to look at is to make sure we are properly positioned and rightsized to deal with great power competition. My sense is right now we are focused maybe too much on counterterrorism. So I want to get the balance right with regard to forces.

On the other hand, it is not a purely military mission. It requires a whole-of-government approach.

The third thing I would say is, look, we can't play man-to-man defense with the Chinese and Russians in Africa. We have to be very thoughtful with regard to how we allocate our resources, whether it is the military, diplomats, whatever the case may be. Otherwise—

Mr. MOULTON. I couldn't agree more.

Secretary ESPER [continuing]. We will face our—I will never be able to meet the demands imposed.

Mr. MOULTON. Couldn't agree more.

Mr. Secretary, Republican Mac Thornberry of Texas courageously asked if Congress's military budget next year would matter or whether you and OMB would simply reprogram money for things like the border wall that the President wants and Congress has not, in our constitutional authority, authorized. You failed to answer the question. You simply said that you hope Congress and the administration will be partners.

Mr. Secretary, does the word partners occur in the Constitution describing Congress and the committee's budgetary authority?

Secretary ESPER. Not that I am aware of, Congressman.

Mr. MOULTON. Mr. Secretary, after you were nominated to be Secretary of Defense of the greatest military in the world I was

pleased to see a smart and accomplished professional in national security, a fellow infantry officer and someone who I have worked with personally on a number of issues, selected to succeed Secretary Mattis.

And if you remember I addressed one pointed question to you, which is this. I said Secretary Mattis left big shoes to fill and the single most important thing that he did in your position was he was willing to stand up to the President, to disagree with Donald Trump when he proposed doing things against the national security interests of the United States and our troops.

Now, look, we all know that Trump, a draft dodger, in great contrast to yourself and the Chairman, who have served our country for decades, has often done things that are in his own personal or political interests against the national security interests of the United States or the well-being of our troops.

Mr. Secretary, have you been willing to not just disagree but stand up to the President?

Secretary ESPER. I am not going to speak to my personal conversations with the President. But I can assure you that the President welcomes dissenting views, opposing views, because what he seeks from his advisors is a wide range of opinions that can help him make the best choices.

Mr. MOULTON. Mr. Secretary, when you took this job did you take an oath to the President or to the Constitution?

Secretary ESPER. Constitution of the United States. I have taken that oath multiple times over my 40 years of professional life.

Mr. MOULTON. It must be very difficult to reconcile having lived with the West Point Honor Code, that quote, "No cadet shall lie, cheat, or steal or tolerate those that do," when working for this President.

Mr. Chairman, I yield back.

The CHAIRMAN. Thank you.

Ms. Stefanik.

Ms. STEFANIK. Mr. Chairman, I just want to take a moment to remind members of the rules of the committee and the rules of the House, given the questions asked by Mr. Moulton denigrating the President.

But moving on, I want to focus my questions on missile defense. As both you, Secretary Esper, and you, Chairman Milley, are aware, according to the 2019 Missile Defense Review it states that building a new GBI [Ground-Based Interceptor] interceptor site in the continental United States would add interceptor capability against the potential expansion of missile threats to the homeland including a future Iranian ICBM capability. The decision to do so and site selection will be informed by pertinent factors at the time, particularly emerging threat conditions.

So my question is, knowing that we are facing emerging threats, whether it is Iran not abiding by the Iranian restrictions in the JCPOA [Joint Comprehensive Plan of Action], the ongoing status of North Korea, the cancellation of the Redesigned Kill Vehicle, the 10-year delay with NGI, these are all pertinent factors when it comes to our assessment of emerging threats and the conditions that we are facing.

Would this prompt an operational requirement, from your perspective, for a third CONUS interceptor site?

Secretary ESPER. Congresswoman, what I would like to do is take that back to actually my staff, both military uniform, to get their assessment. Obviously, it has to be threat driven. Many of the studies have been conducted so far on some of the sites.

But it is threat driven. It probably warrants an update to find out as events—as things and circumstances have changed on the ground with regard to Iran in particular, does it warrant a relook or an updated assessment.

Ms. STEFANIK. And, Chairman Milley, I would like your assessment of the threats as you look to the future for missile defense.

General MILLEY. Yes. Basically, the same thing. Right now, it is a little bit too early to tell with respect to Iran as to whether the need is there yet or not because we do know that as of today an intercontinental ballistic missile capable of carrying a nuclear weapon has not been fully developed and tested by Iran.

But we don't know what the future is going to hold. So it is something that we are under constant evaluation on. Specifically what you are talking about is a missile defense—an array of layered defenses like we have in the Pacific, also on the east coast.

But we are taking a hard look at it and the decisions are not yet made but we owe the studies back to the Secretary of Defense for a decision.

Ms. STEFANIK. So as you know, Mr. Secretary, Fort Drum was selected as the preferred location for an east coast missile defense capability. In the 2019 MDR [Missile Defense Review] it directs 12 follow-on studies that should be conducted for missile defense to include the necessity of an east coast site.

Is that study complete? Are you able to share the results of that study? If not, when can we expect those results?

Secretary ESPER. Yes. Those are great questions. I don't have the answer. Let me take that back and get back to you, Congresswoman.

[The information referred to can be found in the Appendix on page 118.]

Ms. STEFANIK. Great. Really important for my district, very important for our broader missile defense discussions.

Shifting gears, I wanted to ask about coronavirus. Last night, U.S. Forces Korea confirmed the first case of a soldier with coronavirus, and given the metastization that we are seeing within CENTCOM and EUCOM [U.S. European Command] and around the world, whether it is in Italy, whether it is in the Middle East, how is DOD addressing this and, particularly, what is your perspective on the potential impact for our joint training exercises and our overall readiness?

Secretary ESPER. Sure. So, first of all, we have—the commands have—many of the commands have established plans for dealing with things like this. I am sure the Chairman can speak to that.

On the 1st of February as this emerged coming out of China I signed a campaign plan that directed NORTHCOM to integrate all of our operations with regard to coronavirus. The commander, General O'Shaughnessy, has been implementing that. We meet daily, my team, on a basis. There is also an interagency team working

this. Between him and OSD [Office of the Secretary of Defense] staff of personnel readiness we have issued a variety of memorandums advising the force on how to deal with coronavirus, the tools in their toolkit.

We continue to respond to requests for information. I have empowered the commanders in this case. INDOPACOM [U.S. Indo-Pacific Command]—I met with Admiral Davidson yesterday but I get frequent updates from General Abrams on the peninsula with regard to what is happening in Korea.

But we are taking a look at all of this. My first priority is protection of our people, both service members and families, and then make sure we protect our ability to accomplish our mission. So those are the two priorities for me.

And then third, I want to make sure we can support the inter-agency as they need support from DOD and what we bring to the table.

General MILLEY. And with respect to exercises, we are taking a look at specifically, as you know, the center of gravity of the thing is in China. But South Korea, Japan, some other countries—Italy, in fact, in Europe—are the next countries that have the highest number of infected cases. So we are taking a hard look at that with the joint exercises with the Republic of Korea army on—that are coming up and whether or not they continue, postpone, or modify, we are waiting for the final recommendations of General Abrams and the Chairman of the Joint Chiefs of Staff of the ROK [Republic of Korea] army, General Park, to see what those are.

More broadly, though, I want to put some of this in context. Coronavirus is a very serious thing. We, the U.S. military, and we, the Department of Defense, are taking all kinds of appropriate precautions. We have enacted one of our global pandemic OPLANs to work this and that is what he was talking about with O'Shaughnessy, et cetera.

We also need to keep it in context as well. There is, roughly—

The CHAIRMAN. And I do apologize, Mr. Chairman. The gentleman's time has expired. I think that is a good answer.

General MILLEY. Sure. Oh, yes. The rest of it will be for the record, ma'am.

[The information referred to can be found in the Appendix on page 118.]

Ms. STEFANIK. Thanks.

The CHAIRMAN. Thank you.

Mr. Carbajal.

Mr. CARBAJAL. Thank you, Mr. Chairman.

Secretary Esper, the President's budget requests funding to begin phase one for the W93 nuclear warhead. However, as late as August 2019, NNSA referred to a, quote, "next Navy warhead," unquote, but estimated that the weapon would not need funding until 2023.

I have a three-part question. Why has the timeline shifted forward by 2 years? Two, does the Department plan to maintain the three other warheads in the submarine leg—the W76-1, the 76-2, and the W88—if this warhead is developed.

And three, the 76–1 life was extended only a few years ago and the W88 is about to enter production. Both will last a decade. Why the rush?

Secretary ESPER. Congressman, I would have to refer you to NNSA on those questions. Maybe number two I can help on and get back to you. But, certainly, one and three are NNSA questions. I don't have the answer for you at this point in time.

[The information referred to can be found in the Appendix on page 117.]

Mr. CARBAJAL. I would appreciate your follow-up.

Well, too, let me continue with you Secretary Esper. As we all know, New START [New Strategic Arms Reduction Treaty] is expected to expire in February 2021, in just 1 year.

What are the risks for allowing New START to expire without a replacement? Is negotiating an extension a priority for the administration this year?

Secretary ESPER. The administration is—we have not—I have not yet at my—met at my level yet with my counterparts to discuss the way forward. We hope to engage on that soon. Beyond that, there is nothing I can add to the question you have asked.

Mr. CARBAJAL. That is disconcerting. Well, let me continue with General Milley.

The Philippines is a treaty ally of the United States and is a partner in our efforts to fight against terrorism. The U.S. signed a Visiting Forces Agreement, VFA, and an Enhanced Defense Cooperation Agreement as a sign of our close defense partnership.

With the government of the Philippines submitting a notice of termination of the VFA, have you been in contact with your counterparts to decide next steps in the U.S.-Philippine defense relationship, and two, will this decision impact our freedom of navigation operations in the South China Sea? And three, how will the termination affect the Philippine government's ability to combat terrorist organizations?

General MILLEY. We have concerns about the notification of termination and it is a 6-month notification. So we have got 6 months to work it out. I have not yet personally called my counterpart on that notification. I do intend to do that.

But I am still working through the staff exactly what our position is going to be. If it is implemented—and, again, this is a 6-month notification—if that is implemented, then yes, it would have an impact on U.S. military force posture and our exercises and a wide variety of other things.

We want access basing, all fly rights, those sorts of things in—relative to the South China Sea. Philippines is key. We have had a longstanding relationship with the Philippines.

We want to keep our Visiting Forces Agreement in place if possible. That will be a decision for the Philippine government. But we think it is an important thing for the mutual defense of both the Philippines and the United States.

Mr. CARBAJAL. Thank you.

Mr. Chair, I yield back.

The CHAIRMAN. Thank you.

Mr. Kelly.

Mr. KELLY. Thank you, Mr. Chairman.

Secretary and Chairman, I am, number one, just—I am very concerned about security at our southern border. Always have been. Not just at our southern border but all our borders, all our ports of entry, and our entire immigration policy to make sure that we are only letting folks who are friendly to the United States in.

That being said, I think we risk a whole lot with the \$3.8 billion reprogramming to fund a border wall without consulting with Congress, and at a minimum I think it would be much easier and that we would for short-term progress if you at least discuss with the chair and ranking member what we are going to reprogram and how we are going to reprogram, I think at a minimum if you discuss it with those two that would make that a whole lot more palatable to all of us.

That being said, I am supportive of the President's policy on the border. But we have to be careful about how we reprogram.

Now, I want to talk about the \$3.8 billion. The National Guard is 40 percent of our combat forces. Yet, the cuts in the reprogramming, or the \$3.8 billion, is \$1 billion or 30 percent of the total budget comes out of the Guard. I think that is alarming to me because if we are relying on 40 percent of our force to be able to fight tomorrow, as General Milley has said over and over again—we got to be able to fight tonight—we have got to get those guys in the fight—and what we are doing is taking away the ability for them to keep pace with our Active Component counterparts with equipment.

So Secretary Esper and Chairman Milley, just please tell me that you are planning on making sure that our Guard and Reserve will continue to be an operational force with these cuts and future cuts.

Secretary ESPER. Mr. Kelly, the Guard and Reserve are actually very important critical components of the total force, whether it is Army or Air Force. Everywhere I travel around the world I see guardsmen and reservists standing shoulder to shoulder with Active Duty. The integration is seamless. Their professionalism is exceptional.

And so I think there is—there is the commitment between—by me, I am sure by the Chairman—he will speak to it—and services to make sure that we—that the Guard and Reserve has the tools and equipment, everything they need, to perform those important missions.

Mr. KELLY. And, Secretary, I just—

General MILLEY. You have my commitment as well.

Mr. KELLY. Thank you, and I knew that, Chairman Milley. I knew that answer from both of you. I was hoping.

The second part of that is, is we have the Futures Command, which I think is the absolute way that we need to start acquisition and it is a great program, and the development is—have been—we are doing great things in the Futures Command.

What concerns me is, though, is when I see the patch chart for the fielding there are no Guard and Reserve units in that fielding. I think we need to make sure that we don't field next-generation stuff to the Active Component and then give the left behinds to the Guard and Reserve and I hope that when we look at the fielding of those systems that—and I don't think there is a proportionality thing there.

I think it is the units that are going down range to do the mission ought to be on the newest and best equipment the United States has to offer. Do you guys agree with that?

Secretary ESPER. I do. I am a little surprised. I know the last time we discussed this in our previous roles and, certainly, General McConville and Secretary McCarthy agreed, I recall National Guard units being some of the early fielders of some of the equipment we were considering.

So I will certainly take that back and have them follow up with you.

[The information referred to can be found in the Appendix on page 118.]

Mr. KELLY. Thank you. And I may just have missed it. I just want to make sure that they are on that.

The second thing I want to talk about is I just got back from Africa with Senator Inhofe, and I can tell you every African president and prime minister that we met with while we were there, all the military and State Department folks that we met when we were there, we do not need to reduce the number of troops that we have.

It is a great economy of force mission. I think we get great return for investment. I think we have some real threats, both terrorist and great power competition in that region, and I just think that we need to be judicious in making sure that we don't reduce the amount of troops there. We at least keep them the same or either invest a little more to make sure because I think the return on investment is great.

And the final thing that I will say in my final 40-something seconds is I hope that we will continue to stay committed and work with the State Department on the IMET [International Military Education and Training] programs.

We are losing opportunities that we cannot regain for the next 30 years, when all of us will be long gone out of government. We need to make those relationships, and I will use a point in case.

When I was in Iraq a week ago, the CHOD [chief of defense]—I actually served with him in V in Iraq. That relationship matters. That familiarity matters. And so I think we need to make sure we continue to invest in IMET and not be so quick to take them off the list, Secretary.

Secretary ESPER. I completely agree. In the 6 seconds, I will tell you, during my time in uniform I participated in these programs, sponsored foreign students. You are absolutely correct. I think it is the best investment our country can make. I put 10 percent growth in the budget this year. I want to get 50 percent growth by the end of FYDP. I would ask—we are going to ask for legislative authority to expand it under DOD terms and not just State so that we can actually then prioritize it and allocate it where we need it as well.

But I think it is a great investment for our country and the more we can do, the better.

The CHAIRMAN. Thank you.

Mr. BROWN.

Mr. BROWN. Thank you, Mr. Chairman.

I want to focus my questions and comments on Africa. I am actually excited that not only did the chairman raise Africa as an issue but you see that there is bipartisan interest in Africa.

It is probably the most we have talked about Africa outside of an AFRICOM posture hearing of all the hearings that I have participated in in this committee. And before I say anything or ask a question, I do want to, you know, highlight that Africa is not a monolithic continent and there is a diversity and variety of challenges and opportunities.

So I visited Africa, started in Stuttgart AFRICOM when General Townsend—soon after he took command. It was a bipartisan delegation. And I was very much interested in the comment that General Townsend made at the end of January I think before the Senate, and he said that, “At AFRICOM we recognize the strategic environment is changing and the joint force must orient the bulk of our efforts against China and Russia even as we counter VEOs [violent extremist organizations] that threaten America. In Africa, the C-VEO [counter-violent extremist organizations] fight is a key component of global power competition as these efforts are not mutually exclusive.”

So my question—I mean, we often—you know, great power competition, China, we think Indo-Pacific. Great power competition, Russia, we think Europe.

And I would like for you to kind of describe for the committee in as much detail as you can what is great power competition with China and Russia in Africa and is there an intersection with the C-VEO effort or not?

Secretary ESPER. It is a great question because this is—this is strategy, right. The great power competition is global with China and Russia, but we will just focus on China. We see China busy in South America and, frankly, in every continent. We see China—

Mr. BROWN. No, I want to go right to Africa. Let’s just stay right on Africa.

Secretary ESPER. No, we—no, completely agree. Because we see them in the Arctic, too. But in Africa you see them in terms of certain countries maybe trying to get port authorities, maybe access to critical materials, minerals, et cetera.

So that is happening through not all of Africa but many critical parts. Obviously, they are in Djibouti. And so as we look at the—as we look at the continent, all 53, 54 countries, we got to ask ourselves what is important to us and if what—and make sure we sustain that if not improve that, and then what are the Chinese going after and why and understanding that, and it may or may not require a presence by either the military or State or USAID [United States Agency for International Development] or whoever the case may be.

Mr. BROWN. So you, in response to a letter that I wrote with—along with 10 of my colleagues—a bipartisan letter—you did respond. I appreciate it.

And you mentioned today about the SFAB [Security Force Assistance Brigade]—substitution for the 101st Airborne. The commander, Brigadier General Jackson, he commented recently that they are not going to have the military structure like they had in Afghanistan and network of bases, supply chains, readily available helicopters and other lift.

What are we doing to ensure that the SFAB has the infrastructure they need to do their job? What is that investment?

Secretary ESPER. Well, obviously, two different theaters. Africa very austere. I might let the Chairman speak to this. But we are not going to put them out there without the means to do their job.

They are, again, ideally suited, prepared, trained, organized to do the train, advise, and assist mission and we will make sure they have what they need to get the job done.

Mr. BROWN. Yes. I would like to hear detail. Because I have been to Ouallem at West Niger. I have been to Diffa in East Niger. Special operators do a great job out there in kind of sparse conditions.

SFAB is a lot different. Can you please talk maybe in some detail, General Milley, how we are going to support them with the infrastructure?

General MILLEY. Yes. So Steve Townsend—General Townsend, the commander of AFRICOM—is conducting a review, the blank slate review that everyone has talked about. Part of that is the infrastructure, too—how is he going to adjust the infrastructure. Based on the prioritization of the countries, based on the U.S. national security interests, and then the SFAB will overlay on top of that—the soldiers from the SFAB.

Just so we are clear, though, the SFAB is not special operations forces. However, they are trained and explicitly selected to be able to operate in an expeditionary manner in very austere environments.

They knew that going into it. They volunteered for that, and they are specifically trained to be trained—or specifically prepared to train, advise, assist, coach, teach, mentor, and accompany indigenous forces in the conduct of their operations.

So the SFABs conduct a foreign internal defense mission. That is their very narrow mission set. They don't do all the other special forces missions but they are capable of operating in very austere environments.

Mr. BROWN. So let me just use my last 20 seconds in making this comment. I completely understand. But General Jackson made those comments because he does have concerns about the infrastructure support—logistics support—that he will get while he is on the ground.

And unlike what we demand in Korea and other places, we cannot ask African nations to foot the bill because they are broke.

General MILLEY. Well, the infrastructure for General Jackson and his guys is going to be very austere.

The CHAIRMAN. Thank you very much.

Mr. Gallagher.

Mr. GALLAGHER. Chairman Courtney, in talking about the shipbuilding plan, I thought delivered an assessment that was tough but fair and, I think, reflects bipartisan frustration about the different force structure assessments we have had, the lack of a shipbuilding plan in this case.

And so I would like to just clarify something, Mr. Secretary, that you said. You said in response, I believe, to something he asked that you had not yet seen the 30-year shipbuilding plan. You are waiting it to be presented to you.

Could you clarify that? Because there was a report yesterday from Breaking Defense that you have been given the plan and have been reviewing it for 2 weeks but are awaiting that plan versus potentially a plan that is coming from CAPE [Cost Assessment and Program Evaluation], and this is all just in the spirit of we want to see the plan. We want to get your vision for what the future fleet looks like and work with you.

Secretary ESPER. No, it is—I think there is confusion and a little bit misreporting.

So I was briefed last Friday, a few days ago, on the INFSA—Mr. GALLAGHER. Okay.

Secretary ESPER [continuing]. Which is the Integrated Naval Force Structure Assessment—that I had a lot of questions coming out of that. But that was not—that is not the 30-year shipbuilding plan. I asked, again, the Navy the other day, let us get it on my schedule. Come tell me what your shipbuilding plan is. Break break.

What I said what I want to do is to see what the Navy plan is. CAPE—my own internal think tank—has a plan to get this to 355-plus, and there is some great work going on out there by the think tanks and other places about what the future should look like to deal with, let's say, China in the year 2030 and beyond.

And what I said is what I want to do is get all these great ideas together, get some innovative thinking, and kind of level set the—level set the playing field and let us run these competing plans and to see which one really optimizes what we need for the future.

The two things we don't have, however, right now is an approved op plan—war plan—from which to baseline and we should have that in a few months here.

The other one is going to take time. We can't wait for it. But it is going to be the new joint warfighting doctrine. Because we fight as a joint force. We just don't fight as the Navy or as the Air Force or as the Marine Corps. We fight as a joint force, and I want to make sure that—I recognize that we are beyond the date that it was due.

But I want to present to you a right plan, a good plan, and not just something that was generated up and delivered on time. I think we owe you that. The Marine Corps is doing some extraordinary thinking—the Commandant, in how he wants to reorganize his force. And I think we owe you that.

The Chairman—I am going to ask him to review it because he is my senior military advisor. But then present to Congress what is really a well thought-out, innovative, takes everything into consideration to include surge, sealift, but a different composition of force.

Mr. GALLAGHER. So just so I understand, in the simplest terms you have the Integrated Naval Force Structure Assessment, which you have been briefed on, but you are going to sort of balance that off against, potentially, an alternative analysis by CAPE as well as some outside thinkers, come up with what you view to be the force structure assessment, and that will be a source document for the 30-year ship plan?

Secretary ESPER. Yes. We actually kind of have four plans right now. You have the 2021 plan. You have the FYDP. You have the

INFSA, which is a 10- to 15-year plan. Then you have the 30-year plan. As we know, the further you go out the less credible they become.

But I want to look at those. There are some questions with regard to INFSA that I have that I am concerned about. So end assumption in the INFSA is that the OFRP [Optimized Fleet Response Plan] works. The OFRP hasn't worked for years so why should we assume that it will work in the future?

So there are assumptions I want to go back and have discussions with the Navy about how do we make—and there are others. There are assumptions in there about ships and warfighting.

But I want to make sure we get it right so when I present you the plan it is defensible and I feel confident in it and the Chairman feels confident and that we think this is where we should be in the future.

Mr. GALLAGHER. Can you give us any—I know this is a very complicated process—can you give us any sort of notional timeline about when we can expected to be briefed on that? I know—it seemed that you were looking over at my colleague, Ms. Luria, and you have made comments in the past about OFRP.

Secretary ESPER. We have had a lot of conversations.

Mr. GALLAGHER. I know. About—you have made some comments about trying to bring Congress into that process. I think that is wise—

Secretary ESPER. I do. I do. I want to run a particularly—

Mr. GALLAGHER [continuing]. Particularly bringing Ms. Luria into that process because she is smarter on this than most every other human being.

Secretary ESPER. I think the—I am pushing—I am pushing. I have anointed the DEPSECDEF [Deputy Secretary of Defense] to run this. I want to move quickly. In a matter of a few short months I want to find key points in there where we can invite interested members of Congress in to look at the process, what we are doing, does that make sense, does it pass the common sense test, and then at the end we see what comes up.

I would also like—I think we should invite the Navy's future leadership into this process, whether they are young ensigns and lieutenants, whatever the case may be, to help inform this because they are going to have to—this is the Navy they are going to sell, that they are going to fight, and I just want to kind of open the lens up and get the best assessment from everybody to include inviting interested members in it.

Mr. GALLAGHER. Well, and just to close, I want to commend what you had said earlier about just kind of your hunch about where the fleet needs to go in terms of smaller ships, experimenting with optionally manned, unmanned ships.

I think if you can make a geopolitically informed—in other words, something that makes sense in terms of geography and international politics—case to this committee, I think you would find a lot of support, notwithstanding the very real concerns that Chairman Courtney and others have articulated.

And I yield.

Secretary ESPER. Thank you. I mean, that is my ambition. Like I said, I am a big believer in attack subs. From what I have seen, I think we need more than what has been there in the past.

The CHAIRMAN. Thank you.

Mr. Khanna.

Mr. KHANNA. Thank you, Mr. Chairman. Thank you, Mr. Secretary and General, for your service.

As you know, Mr. Secretary, we were in Munich with a delegation with Speaker Pelosi and the delegation was unified in echoing the message that European countries shouldn't be using Huawei.

One of the questions that came up from the former President of Estonia was, well, if you're not going to tell us—if you are telling us not to use Huawei, what alternative are you providing.

And, as you know, there has been a report that suggests that one of the things the United States should be doing is allowing medium- and low-range spectrum to be used to develop an alternative.

I mean, just the high-speed spectrum isn't sufficient. My question for you is have you considered that. What do you think we need to do with either Nokia and Ericsson or other industry to help develop alternatives and whether you would be willing to come out to the Defense Innovation Unit in Silicon Valley and discuss some of these strategies.

Secretary ESPER. Yes, I would like to come out. I am actually trying to get a—make a trip out to the west coast to speak to them and some others. So, yes, Congressman, for sure.

We have a lot of great Western companies—and I don't want to exclude any Japanese, let us just say non-Chinese companies—out there that I think provide great products.

I am very concerned about Huawei. I spoke about it publicly in Munich as did the Speaker. DOD is investing hundreds of millions of dollars to set up prototypes at four of our bases around the country where we could invite companies in to test because we would benefit from 5G.

I am conscious of the time. The last thing I would say on the 5G side is that a lot of U.S. companies, at least, want to go to the mid-band range. The mid-band range is between 3,100 and 3,550 megahertz. It is where we operate our air defense systems, whether it is AWACS [Airborne Warning and Control System], whether it is Navy Aegis or Army and Air Corps—Army and Marine Corps air defense systems.

Private sector wants that. We need that. We are willing to share it. We think that is the way is to share this. The technology is out there, I am told, to do that. I think that is the best way to move forward so we can meet the economic priority with the national security priority.

Mr. KHANNA. Well, that is encouraging to hear. I appreciate that.

My next question concerns encryption. Your department has, understandably, and I think rightfully, talked about the importance of encryption. There are some people who are saying, well, let us have a back door. And I guess from a national security perspective I really don't understand that.

I mean, if you were to tell Apple to have a back door key to get into every iPhone, would you really want to risk having Apple have

that technology that could be hacked by any employee or the Chinese and then have access to every phone in this country or world?

And so, you know, it seems that the administration actually has different approaches to encryption.

Secretary ESPER. What specific question can I answer, Congressman?

Mr. KHANNA. You know, your department has said encryption is really important to protect these phones. The attorney general is saying—is asking Apple or some other companies to create a back door key.

Now, a back door key, just to be clear, would be—Apple would have it so, basically, any employee at Apple, if you create a back door key, would be able to break into any phone and who knows who is working at Apple.

I guess I just would wonder whether you could be working with the Justice Department to look at the national security implications of having a back door to encryption.

Secretary ESPER. Okay. I am not completely fluent with what the Department of Justice's views on the law enforcement side of it. Clearly, for DOD we need encryption to pass classified data, operational plans, et cetera, amongst ourselves and with allies and partners. So I could take that back for you.

Mr. KHANNA. I appreciate that.

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

Mr. KHANNA. And my final question is—you know, when we were in Germany one thing that struck me is that the Bundestag actually has to approve every increase in troops anywhere around the world.

Now, obviously, that is asking a lot for Congress to be able to do that. But isn't there a way Congress could be more involved in understanding exactly where our troops are and decisions about how many troops we are sending and why and have input in that?

Secretary ESPER. I think that is the—been the longstanding prerogative of the Commander in Chief. But I do know we have—I believe we have systems where we notify you of deployments. I would have to check and see. But that is my understanding.

Mr. KHANNA. It would be great if we could even get a sense of where all we are deployed and have some ability to have an input in that.

Secretary ESPER. Sure.

Mr. KHANNA. Thank you.

The CHAIRMAN. Thank you.

Mr. Gaetz.

Mr. GAETZ. Thank you, Mr. Chairman.

And Mr. Secretary, I want to start by thanking you for your recent visit to my district after my constituents were attacked by a terrorist. You brought calm and comfort, and I had been very encouraged by our discussions that DOD is doing everything necessary to ensure that we have a productive safe working environment for our service members and the service members that we host from foreign countries. And so I thank you for that great progress.

I also want to thank you for the development of this budget that seems that prioritize our near-peer adversaries. There are enhancements in research, development, test, and evaluation dollars. We are particularly proud of that mission at Eglin Air Force Base where the eastern Gulf of Mexico is an unparalleled range.

There is money in the budget to enhance our ranges and it is my hope that the Department will continue to maintain the strong position opposed to offshore oil drilling, which is not consistent with the launching of experimental missiles, which is I can't believe something I have to say out loud but, indeed, it is. And so thank you for that great work.

As the Department is raising its gaze under your leadership to meet those challenges of the future against our near-peer adversaries, it is notable to me that we have deconflicted in Syria from what was U.S. involvement in a Syrian civil war with tremendous sectarian violence.

In this budget you have presented to us, is there an expectation that our Nation would reengage in the Syrian civil war?

Secretary ESPER. There has not been that discussion about reengaging in the civil war. We think the best path forward is through the U.N. [United Nations] process that is underway and that needs to be—needs to be pursued vigorously.

I know the State Department is pushing that as well and, obviously, the situation has become a lot more complicated in Idlib Province right now, given the confluence of many actors.

Mr. GAETZ. And in our current role, securing oilfields so that the Kurds are able to maintain their own resistance and to have resources to do that, is it our expectation in this budget that we would be funding efforts to reinsert Americans on the Turkish-Syria border in that area where Americans were previously withdrawn?

Secretary ESPER. Our current mission, Congressman, is to ensure the continuing defeat of ISIS [Islamic State of Iraq and Syria] in that eastern portion of Syria, working alongside our SDF [Syrian Democratic Forces] partners. That happens on a daily basis.

At this point in time, I don't see any likelihood that we would be back along the border, if you will. That is—

Mr. GAETZ. That is great news.

And, General Milley, I recall a conversation we had where you informed me that the only correct decision, in your mind, that the President could have made was the decision the President, in fact, did make, to take the tens of Americans on the Syria-Turkey border and to remove them from that conflict zone.

Is that still your position?

General MILLEY. It is, and I would just reinforce what the Secretary said. Our mission remains—primary mission remains a counter-ISIS mission there in the eastern parts of Syria and, to my knowledge, there is no intent nor plans to reengage in the Syrian civil war nor put troops back on the Syrian-Turkish border.

Mr. GAETZ. Again, great news. I very much look forward to the Trump Presidency being one where we end our involvement in some of these wars rather than reigniting new conflicts and new places for newfound reasons that distract us from that important

National Security Strategy focus that I think the two of you have led quite deftly.

You know, in budgetary times we are always looking forward. But at times it is appropriate to look back at the decisions the Congress has made and determine whether or not we have got the right focus.

And I am specifically referencing how Joint Resolution 77, which was supported by most of the members of this committee, Republican and Democrat, and it was very critical of the administration's decision to disengage from that civil war.

And, specifically, in the whereas clause of that resolution, it says where an abrupt—whereas an abrupt withdrawal of United States military personnel from certain parts of northeast Syria is beneficial to the adversaries of the United States Government.

I am wondering if you concur with that statement or now with the benefit of hindsight we could say that disengaging from that conflict zone actually was beneficial to the United States Government and our position.

General MILLEY. I think from a military standpoint, we had two Special Forces ODAs [Operational Detachment Alphas], a very small amount of forces that were facing off against 15,000 Turkish troops, and they were going to come across that border. They were prepared to come across that border.

They told us they are coming across that border, and we had very, very little choice except to remove them from the avenues of attack that the Turkish were going to do. Otherwise, we would have unnecessarily jeopardized their lives for no purpose.

Mr. GAETZ. And given that decision that we made, I think very correctly, despite the fact that many of my colleagues disagree with it—I agree with it—are we sensing that there is some insurmountable resurgence of ISIS that we are not prepared to deal with as a consequence of that sound decision?

General MILLEY. We know that ISIS—the caliphate, the physical entity—has been eliminated. We also know that ISIS as an organization is not yet destroyed. They have broken down into small groups and they are continuing to conduct insurgency and terrorist operations in a very disparate desegregated way. But they are no longer the threat that they were just a year ago.

Mr. GAETZ. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Mr. Cisneros.

Mr. CISNEROS. Thank you, Mr. Chairman, and thank you, gentlemen, both for being here today.

Policy cooperation between the U.S. and South Korea has been, at best, inconsistent under the Trump and Moon administrations. I am concerned with the Department's plan to move forward with basing U.S. troops in South Korea and maintaining operational readiness, given the underlying tensions associated with an expired special measures agreement.

The President's administration's demand demanded that South Korea increase its payments to the U.S. by 400 percent and the administration's public statements questioning whether or not the presence of U.S. troops in South Korea is even in our interest.

General Milley, what is the strategic significance of basing U.S. troops on the Korean Peninsula and how does it positively impact our national security?

General MILLEY. We have a bilateral defense agreement with the Republic of Korea and that requires—the requirement has been for seven decades now to have forces there to prevent an outbreak of yet another Korean War.

And I would argue that you can never prove a negative as to why something didn't happen. But I would argue that U.S. forces in South Korea have deterred North Korean aggression—territorial aggression—and have prevented the outbreak of a second Korean War.

I think that outbreak of that war is—the prevention of that is in the U.S. national security interest for general stability in north-east Asia but also for global stability. So I think it is a—it is a vital U.S. national security interest to maintain our treaty agreement with South Korea and maintain U.S. forces there.

Mr. CISNEROS. All right. So we want to make sure that we do maintain the U.S. forces on the Korean Peninsula?

General MILLEY. That is my military opinion. That is correct.

Mr. CISNEROS. Thank you, sir.

Also, the U.S. desire to maintain rule-based international order in the Indo-Pacific AOR [area of responsibility] with China's desire to build military capability and expand influence in the region, what policies are in place to prevent potential escalation of hostilities should an act of aggression be perceived by either side towards the other on the tactical level?

Can you identify any potential gaps in communication between senior leaders on either side of the operational or strategic levels in order to de-escalate a potential volatile situation should it arise?

General MILLEY. Are you talking about with China specifically?

Mr. CISNEROS. Yes, sir.

General MILLEY. Well, a couple things. Both in air and maritime we maintain communication systems that—we do communicate to each other so that we don't have inadvertent incidents at sea or in the air that could then escalate.

So there is an escalation control mechanism. I have and will continue to maintain a communication channel with my counterpart. I know the Secretary does as well and I know the commander of USPACOM or INDOPACOM has channels of communication to try to de-escalate any kind of issue.

At the broader geostrategic level, I think it is in our national security interest to continue to maintain adequate forces there and at the end of the day it goes towards that great power competition—the preservation of great power peace. The last thing that anyone needs is a war between China and the United States or a war between Russia and the United States.

So a great power war is a really bad thing and great power peace has been maintained for seven and a half decades and we want to continue that legacy of maintaining that peace.

Mr. CISNEROS. And just one more question about China. In what specific areas is the People's Republic of China investing in terms of military capability and how are we countering their investments?

General MILLEY. Without going into specific classification, I think China is—since the Deng Xiaoping's reforms in 1979 they have made huge economic advances, 10 percent a year, and they are down to about 6 or 7 percent a year over the last 40 years. And with that, history tells us that countries tend to develop a very significant military capability and that is in fact the case with China.

So they have developed all the domains—space, cyber, land, sea, and air—the traditional domains. They have developed those significantly over the course of the last 40 years.

They are not our peer yet but their objective is to be the co-equal—military co-equal of the United States and even surpass the United States militarily by mid-century. They have said that publicly. They are on trend lines to do that and that is what this budget is all about is efforts to try to mitigate the Chinese from closing the gaps or, in fact, overtaking us in some capabilities.

Mr. CISNEROS. All right.

And, Secretary Esper, just one last question. There have been improvements in diversity in the officer ranks since the military became an All-Volunteer Force after 1973. There is disproportionate demographic representation in the officer ranks. What specific steps is the Department taking to recruit and retain minority officers so our officer corps better reflects U.S. general population demographics? And I am running out of time so I could take that for the record.

Secretary ESPER. Okay. Let me get back to you with details. But I would say I completely agree. I think we are more than any other institution really embrace diversity and have a very diverse officer corps workforce in enlisted and NCO [non-commissioned officer] corps. But we can always do better and should do better.

[The information referred to can be found in the Appendix on page 119.]

Mr. CISNEROS. All right. I yield back.

The CHAIRMAN. Thank you.

Mr. Banks.

Mr. BANKS. Thank you, Mr. Chairman.

As the co-chair of the Future of Defense Task Force, a role that I share with Representative Moulton on a bipartisan basis, I am optimistic about the role that the national security innovation base and, more specifically, nontraditional defense companies can play in emerging technologies.

Space is one of the domains that is attracting a great deal of commercial innovation. And while I am encouraged by the establishment of the Space Force, I am disheartened by Federal Acquisition Regulations [FAR] that create barriers to entry for small start-up companies unable to dedicate the significant resources needed to navigate the DOD's massive bureaucracy.

Mr. Secretary, if we view the establishment of Space Force as an opportunity to revitalize our approach, what can be done to reorganize the FAR to include more new innovative companies in our defense ecosystem?

Secretary ESPER. Thank you, Mr. Banks.

I think, first of all, I agree with you. I think so much of the innovation and entrepreneurship is out there with the small providers and that is why, you know, we stood up Forces Command in the

Army to tap into that. The Air Force is doing things like pitch days to get at that.

The regulations are a tough thing. We recently published an update to the FAR, the 5000 Series. We should come brief you on that to get at that and bring you ideas because we have some challenges. Some is regulatory that we control in policy. Some are required by law that you might be able to help with. We have had a lot of good reforms the last few years that have helped us in terms of prototyping, you know, mid-tier, stuff like that.

The biggest challenge we have, frankly, is culture and we have to change our culture so it is less risk averse and more willing to kind of make bets on the small guys and kind of feed that because you find a lot of success there, a lot of great ideas, and that is going to be where we are going to get our best is from that space.

Mr. BANKS. Can we use the Space Force as an experiment in some ways to do that by cracking down on the FAR maybe just for the Space Force versus the other branches?

Secretary ESPER. I would fully support that. I had a great conversation with General Raymond yesterday about that, about how he has the chance to rewrite everything with regard to not just acquisition but the force. And that is one of the reasons, frankly, we stood up the SDA is to kind of break out of that—break out of the conventional system and find different and more creative ways to field our capabilities.

Mr. BANKS. The Department has identified artificial intelligence as one of the core technologies that warrant additional investment and has designated the Joint Artificial Intelligence Center [JAIC] as the lead of the Department.

We have met as part of our task force hearings with the Joint AI Center Lieutenant General Shanahan and have been impressed with his leadership across the services in building relationships with industry and academia.

With his pending retirement and the competition for general officer billets, I wanted to stress how important today strong military leadership is within the Joint AI Center.

The next few years for that will be critical.

Mr. Secretary, what actions are you taking to ensure continued leadership of artificial intelligence in the Department and in the Joint AI Center specifically?

Secretary ESPER. Yes, I completely agree, Congressman. He has done a great job standing it up, working closely with Dana Deasy. We need to find a great replacement to carry on his good work.

At the same time, we have increased the budget by over 4 percent because I think AI is a game changer out there in the years ahead. You know, the Army stood up the AI Task Force at Carnegie Mellon University with a very capable commander there.

At the same time, we are trying to use the authorities Congress gave us to bring more people from the outside into the system so that we could tap into that rich civilian talent out there and, again, they have good plans to continue that along.

We are growing the JAIC as quickly as we can to meet those needs.

Mr. BANKS. Thank you.

Biometric identifiers, as both of you know, plays an increasingly important role in military technological capabilities and threats. Again, we have heard a great deal from a number of experts in our Future of Defense Task Force hearings about this subject.

In December 2019, the DOD issued a directive advising U.S. service members against using genetic testing kits such as 23andMe. The memo states, quote, “The tests could expose personal and genetic information and potentially create unintended security consequences and increase risk to the joint force and mission,” end quote.

General Milley, I wonder if you could maybe comment about what could the possible national security implications be if an adversary like China gained access to the genetic makeup of U.S. service members?

General MILLEY. There is a lot of things that the Chinese are working on which I am not going to discuss in an open hearing. But when you expose any type of personal identity information it can be exploited and we know that the Chinese have extracted thousands if not millions of records a couple of years ago. They have everything from fingerprints and all your biometrics and your eye color and all that, a description, all your contacts, your families—all that kind of business, right.

Adding DNA to it just multiplies that ability to exploit you as an individual and there is all kinds of things that can be done, and I don’t want to, you know, spook the herd but there is a lot of things that could be done with exploiting personal information such as DNA.

Mr. BANKS. Thank you. I am sorry.

Secretary ESPER. Particularly at a time when they’re building a 21st century surveillance state in China, think about them exporting that technology abroad and be able to identify key Americans, whatever the case may be.

Mr. BANKS. Thank you. I yield back.

The CHAIRMAN. Gentleman’s time has expired.

Ms. Houlahan.

Ms. HOULAHAN. Thank you, Mr. Chair, and thank you very much to you all for being here today. I want to first just associate myself and my colleagues on both sides of the aisle with my concern about moving already congressionally appropriated money towards the border wall and also my concerns about making sure that we are thinking very hard about our role and presence in Africa as we see the rise of China in the area.

But my questions are actually a little bit more mundane and have a lot more to do with regards to the committees that I serve on, specifically, Readiness and Emerging Threats, and my first question—and I have four and so if I am not able to get time I might be able to submit them to the record—has to do with just being a woman in the military.

I separated and one of the reasons I separated in the late 1980s and early 1990s was due to access to child care. My base up at Hanscom Air Force Base was an expensive area to live in and had a 6-month wait list in order for me to access the base child care.

And so one of the things that I see with a rising presence of women in the military and the rising need for more people in the

military, a population of 51 percent of us are women, is that we really need to be able to allow women and their families to be able to bring their whole selves to work so that we can support these Active Duty women and their families in their pursuit of their careers and also so that we can be ready.

And so my question is with the number—record number of women entering the military, would you please be able to share with the committee what the Department is doing and what aspects of the President's budget are doing to ensure that mechanisms exist and are in place for child care and other such things to support the warrior?

And first, before I allow you to answer that question I would note that right now the base childcare lists are upwards of a year wait list. When I separated almost 30 years ago they were 6 months.

Secretary ESPER. And it is terrible. We have got to do a better job. This has been a top priority for me as Army Secretary. Both child care and spouse hiring, licensure reciprocity. I just spoke out in Minot and Omaha about this thing.

The services are investing in terms of child care but there is a lot we can do at the policy level and that I am doing at the policy level. So just last week, I signed a new policy that elevated military kids in terms of getting the priority of care. That is going to clean a lot of the lists out so that folks like yourself have access to it. I know when I was in service my wife didn't have access to that type of care, and our son. And so a lot of what we can do on the policy will free that up.

The two other areas, as I talk to spouses or talk to service members that they need are greater access to hourly care, which is important, and then more flexibility in terms of 24/7 care.

That, to me, is the next challenge. Once we can kind of get that piece just kind of move to those new phases and I think that is what I hear from service members and from their spouses.

Ms. HOULAHAN. And I really look forward to working with you guys on this critical issue. I helped found the Service Women and Women Veterans Caucus and we are about 50-some strong right now—the first caucus of its kind to focus on these issues.

In the last cycle of NDAA we had some amendments that were successful in investigating this particular issue and I am really concerned about it. As we increasingly have more and more women, we need to be focused on that.

General, did you have anything that you wanted to add to that?

General MILLEY. I would just echo what the Secretary said. There are a series of policies that can be improved, one of which is, as you mentioned, prioritizing military children over the non-military nonuniformed folks that are entitled to the same benefits, and that is going to make a big difference I think in terms of these wait lists.

And I have been 40 years now in the military and my family has grown up in the military, and there is probably nothing more important than taking care of our families in order for the soldier, the sailor, the airman, the Marine in order to focus on their job and maintain the high levels of readiness. So it a critical area and we all recognize it.

Ms. HOULAHAN. Thank you.

And with my last kind of minute and a half, I wanted to talk a little bit more about readiness and this time in tech talent. I am also an engineer and one of about a dozen in the Congress right now. And we, as we know, need increasingly more and more tech talent in the military as well.

In last year's NDAA, one of the amendments, Armed Forces Digital Advantage Act, which I proposed, was part of the NDAA and it established a policy to recruit, retain, and promote tech talent and digital expertise in the DOD.

The bill was enacted in section 230 of last year's NDAA and it isn't supposed to be until May that I first hear reports on that.

But I wanted to know, sir, if you had anything that you could report on that and, specifically, the legislation also included authorization for a czar that would be, effectively, appointed. Do you intend on appointing that individual and have you made progress on that?

Secretary ESPER. I would like to read the legislation and let the team brief me kind of what is in it and then go from there. But I will tell you this much. This is very important. It is critical to the JAIC in terms of artificial intelligence, the cyber world.

We have a deficit of people with that background of digital skills, the engineering skills. That is the one—as I talk to our people and as I talk to industry that is one of the things we need.

So I am looking for any authorities that we can bring people in, retain them, do things outside the normal to make sure we can recruit and retain that type of valuable talent.

Ms. HOULAHAN. Thank you, and I have run out and I will go ahead and submit the rest of my questions for the record.

And I yield back.

The CHAIRMAN. Thank you.

Ms. Cheney.

Ms. CHENEY. Thank you, Mr. Chairman. Thank you very much, Mr. Secretary and Mr. Chairman.

Mr. Secretary, we are hearing reports that as the United States is prepared to sign a deal with Taliban shortly that that deal may in fact include secret annexes or side deals. Will you give assurances to this committee and make a commitment that any deal the United States enters into with the Taliban will be made public in its entirety?

Secretary ESPER. I am not aware of that, per se. I know we are trying to bring—get folks in the brief in the coming days here. But I am not aware of that. I would defer to the State Department in terms of the text of—

Ms. CHENEY. So you are not aware that there is any—are you aware of any contemplation of any secret side deals with the Taliban?

Secretary ESPER. Nothing comes to mind right now that you are mentioning. I know—again, I know there is the base agreement and some annexes. I don't know if those have been agreed upon as secret or something. But I would—I will certainly raise that with the Secretary of State.

Ms. CHENEY. Thank you, Mr. Secretary. We will be raising it as well. I think it is crucial that the United States not go down the path that we saw and, frankly, the Secretary of State was so effec-

tive with respect to the Iranian nuclear deal in uncovering secret annexes and side deals with respect to Iran.

Secretary ESPER. We have tried to be very upfront.

Ms. CHENEY. That any—yes. Any deal that the United States would contemplate and enter into with the Taliban should be made public in its entirety.

General Milley, on this same topic we have also seen reports that one of these secret annexes may in fact include some plan for counterterrorism cooperation for some sort of a center for counterterrorism cooperation with the Taliban.

Will you give the committee your assurance that you recognize the lunacy of pretending that the Taliban is a partner for counterterrorism cooperation and that there will be no center for counterterrorism cooperation between the United States and the Taliban?

General MILLEY. I will be candid. You are quoting things that I haven't seen. So as the Chairman of the Joint Chiefs of Staff, I will take a rigorous look at whatever annexes are out there and I have very, very strong feelings and opinions and lots of experience in Afghanistan with the Taliban.

So I do give you my commitment that I am going to give all of this a hard look. I am not aware of anything that you just described. I am not even aware of it.

Ms. CHENEY. Is it your best military advice, Chairman Milley, that the Taliban is not an effective partner for counterterrorism?

General MILLEY. I would—I mean, here is my view on the whole things from big to small, I suppose. We have been in a military stalemate for several years. We are not going to defeat the Taliban militarily and they are not going to defeat the government of Afghanistan militarily.

So the only responsible way to end this thing is through a negotiated settlement and that is what is happening right now with this reduction in violence, and I support that 100 percent and I support signing a peace agreement with the Taliban, fully recognizing what the Taliban is all about, having—

Ms. CHENEY. But, Chairman Milley, with all—

General MILLEY. So I don't want to say—

Ms. CHENEY. But with all due respect, Chairman Milley, though, I think the question is making sure that whatever troop level we have on the ground is a troop level that is determined based upon U.S. national security interests.

General MILLEY. Absolutely. It is totally based on our interests.

Ms. CHENEY. And that a—that an agreement with the Taliban, for example, that would include secret annexes, that would include counterterrorism cooperation or intelligence sharing with the Taliban, which is a terrorist entity which continues to fight with al-Qaida, would be counter to that.

And finally, I would like to get your best military—

General MILLEY. Number one, I am not aware of it, and number two, I would not support sharing intelligence with that organization.

Ms. CHENEY. Great. I would also like to get your commitment and your best military advice about the extent to which a commitment in an agreement with the Taliban for the complete withdrawal of U.S. forces—that putting such a commitment in writing with

the Taliban right now would by definition be counter to making troop level decisions based on conditions on the ground and would also undermine our ally, the Afghan government.

I know President Ghani has specifically asked us not to make that kind of a commitment for a complete withdrawal and that such a commitment, again, and any sort of decisions about troop levels that are based on agreements with the Taliban would, clearly, not be in keeping with making those decisions based upon what is in the best interests of the United States.

And I would also say I think the issue is not a complete defeat of the Taliban. I think the issue is what do we need to do to make sure that our enemies and that terrorists cannot establish safe havens.

General MILLEY. And I think that the—depending on—I think the whole thing is dependent upon conditions and depending upon Taliban and depending upon Taliban behavior, and if the Taliban do not agree to continue reduction in violence and so on, then I think we are in a different place.

But right now, things are looking good as of today. So we are going to see. It is conditions based. We are going to take it step by step, week by week.

Secretary ESPER. The standard is that Afghanistan never again becomes a place where—a safe haven for terrorists to attack the United States, period. And if at any point in time—it is completely conditions based—we stop and——

Ms. CHENEY. And I would just say, and I appreciate that—I would just say ensuring or committing now that we are going to have a complete withdrawal of U.S. forces in this agreement makes it very difficult for us to have the credibility that we need to ensure that we cannot—to ensure that terrorists cannot in the future establish safe havens.

The CHAIRMAN. Thank you. And Ms. Cheney, you will have to get the last word on that one.

Mr. Crow.

Mr. CROW. Thank you, Secretary Esper, General Milley, for your continued service and your testimony here today.

Secretary Esper, is it safe to say that China is a central focus of the National Defense Strategy?

Secretary ESPER. It is the principal focus.

Mr. CROW. Is it safe to say that the acquisition of additional ships and aircraft are a central component of meeting that central focus?

Secretary ESPER. Yes, they are, in an appropriate timeframe.

Mr. CROW. Is the construction of barrier walls or a wall along the southern border—is that contained within the NDS?

Secretary ESPER. Homeland security is part of the NDS.

Mr. CROW. But, specifically, is the construction of border barriers on our southern border contained within the NDS?

Secretary ESPER. Well, there is a lot of things. A southwest border—there are a lot of things that are not in the NDS that we do and we fund and we put troops against all the time.

Mr. CROW. Is the reduction in the acquisition of F-35 aircraft and ships as a result of the reprogramming of funds to build additional borders—does that make it more challenging to meet the

central focus, in your words, of the rise of China as a pure adversary?

Secretary ESPER. Well, I go, again, based on the recommendations of the Chairman that he made to me formally and I would say, again, the items that were sourced for the barrier were what we determined to be in the fiscal year 2020 bill either excess to need or early—excess or early to need.

Mr. CROW. Well, I appreciate, you know, your efforts to try to support the President's reprogramming requests. But you have been very disciplined and very focused on making hard decisions, the discipline and a focus that I share, as a matter of fact, and you have long spoke about the need to cut back on missions in places where we are addressing very well-established threats in the Middle East, for example, and reducing troop levels where we know there are terrorists.

And it seems entirely inconsistent with me then that you then support the shifting of resources from well-established defense programs that are directly tied to meeting that central threat at the detriment of the NDS. And, you know, I would just urge you to be consistent in your focus.

The next question is do you anticipate additional need for money or resources to meet the coronavirus threat within the DOD?

Secretary ESPER. We have not had that discussion yet internally. What I would like to do is consult with the Chairman. This is—this is moving pretty quickly—and then get feedback from my combatant commanders and, principally, General O'Shaughnessy, Northern Command, who has the campaign order right now and maybe get back to you in writing on that one.

Mr. CROW. There is some urgency. I think that is an urgency that we share and members of this committee share. Public health officials have been ringing the alarm bells for quite some time. I think we are out of time.

General Milley, would you care to comment on that?

General MILLEY. No, I think the Secretary is exactly right. We have got to get with General O'Shaughnessy and assess the situation but also Admiral Davidson and General Wolter, who is over in Europe, because it is spreading and we can't give you a definitive answer whether we are going to need additional resources or not.

We are taking all the appropriate measures right now. We are doing the estimates of the situation. So we owe you some answers.

[The information referred to can be found in the Appendix on page 120.]

Mr. CROW. The quicker you can get those the better. Obviously, we are having the discussions right now about funding and resources. We will need that information to make sure that we are working together with the Pentagon to meet what I believe is a very urgent threat. So we appreciate your urgency behind that.

Secretary Esper, do you believe that climate change is real?

Secretary ESPER. Yes, I do, Congressman.

Mr. CROW. Do you believe that it is a threat to our national security and to our military?

Secretary ESPER. I don't believe it is a threat to our national security as I have traditionally defined it. I do believe it is a chal-

lenge for our military installations that are confronted with the impact of climate change.

Mr. CROW. Do you believe that the well-established threat of refugees, increased pandemics, and stability and increased terrorism that could result from all that instability pose additional challenges for us from a national security perspective?

Secretary ESPER. They do. It is a chain of events, right, that create certain situation. We see that in many conflicts, you know, over time that has happened.

Mr. CROW. So destabilization and mass migration of refugees does pose a threat to our national security?

Secretary ESPER. Well, it could create the situation by which we are encountered with a national security matter that could involve the military. But that is a series of ifs and whens and thises and thats.

Mr. CROW. General Milley, do you agree with that characterization?

General MILLEY. I think—I think climate change is real. I think it is probably going to result in increased destabilization with resource depletion—water and things like that. You are going to see increases in diseases. There is a lot of second- and third-order effects. And does it impact on U.S. national security? Yes, it does.

Mr. CROW. Do you believe that we are making the efforts right now to address those increased threats?

General MILLEY. I think we are making reasonable efforts, yes.

Mr. CROW. Do you believe that there could be more that we could be doing to address the threats?

General MILLEY. Right now in terms of the international piece, no. In terms of our basing and infrastructure here at CONUS, which was one of the previous questions, I think we have got to look at all of our infrastructure to make sure that it can withstand things like rising seas and increased storms and so on and so forth, and that is a level of effort the DOD has been pushing.

The CHAIRMAN. And the gentleman's time has expired.

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

The CHAIRMAN. Thank you.

Mr. Bergman.

Mr. BERGMAN. Thank you, Mr. Chairman, and thank you, gentlemen, for your endurance.

I want to augment and reinforce Mr. Kelly's comments before he left here about the Guard and Reserve. I mean, if in fact—we use the term if we are going to fight tonight whether you be Active or Reserve, we need to make sure that the Guard and Reserve is not viewed as a bill payer for the Active Component, because all we have to do is look back at the example of, let us say, 1953 on for a period of 15 years and what we had capability-wise or lack thereof in the Guard and Reserve Component.

Okay. I would—you know that. I just needed—feel it is important to reinforce that as we do budgets and as we do bill payers because it just—we have to maintain the capability of the total force.

I would—one of my colleagues mentioned being an All-Volunteer Force. I would suggest to you we are an all-recruited force, because if you have ever been a recruiter you know that you had a mission to accomplish, and where we have our long-term talent manage-

ment—retention talent challenges—is to retain the best of the best whether we retain them on Active Duty or they do transition to the Guard and Reserve. But those talents that we need to keep the best of the best for as long possible in uniform.

I want to switch subjects here for you just for a second. General Milley, you mentioned early on in the hearing about a strategy-driven budget is what I wrote down. Now, having used your terms, Secretary Esper, does the strategy include serious efforts to control internal costs, reduce waste, and streamline, if you will, a forward-thinking Department of Defense business model?

Because we can talk about things and capabilities. But if our business processes are just funnelling money down black holes, I need to hear your thoughts on what we are doing on that part of the strategy.

Secretary ESPER. Absolutely. We have to be good stewards of the taxpayer dollar day in and day out. I think it begins, in many cases, with the audit. It was discussed—mentioned earlier but not discussed.

I am a big believer in the audit. It shows you a lot about yourself. You look in the mirror and find out, you know, your inventory, where you are spending money, losing money, whatever the case may be and we need to continue along that process until we get a clean opinion and that will take some time.

But there is a lot of process reform we can do. I think in time we will get there using AI that can help us a lot in terms of understanding our processes, doing better on maintenance.

And then look, you just got to go back every now and then and clean—I shouldn't say every now and then—I think annually you have to make it a business of going back and looking at what you have been doing, whether it is—I called it the defensewide review—and getting rid of the old, getting rid of the legacy, getting rid of the low return on investment and that is hard for people to do. It is hard for people up here to do. That is the only way we can kind of shed the past and keep moving forward because, you know, \$740 billion is a lot of money for the Nation's security and we appreciate that. So I am committed to making good use of every penny, nickel, and dollar.

Mr. BERGMAN. Well, you know, you just—you said in your own words the Jim Collins good to great, every year. Keep doing what you need to keep doing. Start doing what you are not doing. But, most importantly and most difficult, is stop doing what you no longer need to be doing.

Switching gears on you a little bit, Mr. Secretary, what progress has the Department of Defense made in their efforts to invest the PFAS [perfluorooctane sulfonate]/PFOA [perfluorooctanoic acid] cleanup, particularly in locations that maybe have a more immediate need?

You know, I realize that the DOD is not the EPA [Environmental Protection Agency] here and this is not going to be shouldered by—the responsibility totally by the DOD. But what are you doing to keep up the inertia in the PFAS cleanup?

Secretary ESPER. This is a nationwide problem and DOD has been leading on it. Within I think the first 24 or 48 hours of being sworn as Secretary of Defense, I chartered a DOD task force on

PFAS/PFOA. They have been working for some time now, giving me updates. I hope to submit a report to this committee, to the Congress, here in the next couple weeks.

We have been closely engaged with EPA supporting—you know, we are going to abide by whatever standard they set. But I think there is a few things we need to do. We need to get a replacement for the firefighting foam. Number two, we need to make sure that we understand the impacts on our people—our communities' people—you know, people outside our gate.

And then number three, we need to just keep moving forward with regard to understanding how to mitigate it, going forward, and that is kind of the commitment we have made and you will get my report soon in terms of where we stand on this.

Mr. BERGMAN. Thank you.

Mr. Chairman, I yield back.

The CHAIRMAN. Thank you.

Ms. Slotkin.

Ms. SLOTKIN. Just continuing in the issue of PFAS, since you have two Michiganders going right after each other. Thank you for setting up that task force as soon as you came in. That was a great thing, and I was really pleased that on a bipartisan basis in last year's Pentagon budget we passed the first six provisions into law dealing with PFAS that did anything more than just study the problem, including laying down the marker that you have to be off by 2024—off of PFAS firefighting foam—which is great.

And to Representative Bergman's point, you are not the EPA and EPA has not done its job in setting a standard for what is safe and not—what is not safe. So you can't live up to that standard that doesn't exist.

My question is this. Based on DOD regulation, you all are required to live up to State environmental standards. The State of Michigan is currently reviewing setting up our own statewide PFAS standard.

Once enacted and officially promulgated, will you commit to living up to Michigan's statewide standards?

Secretary ESPER. I think if that's our regulation driven by law we would be required to. But let me come back and give you a formal answer to make sure—

Ms. SLOTKIN. Yes. I think the people of Michigan would love a formal answer because we are moving ahead. It is happening.

[The information referred to can be found in the Appendix on page 120.]

Secretary ESPER. Right. I am not a lawyer.

Ms. SLOTKIN. It is happening.

Switching gears, I want to associate myself with Representative Thornberry's comments about the budget and I want to take the conversation away from the wall—not the wall. People can have a big healthy debate, and we certainly have, about the value of the wall.

But I do have to note that there is an issue of precedent here. You are the first confirmed Secretary of Defense to ever voluntarily move money out of his own budget against the will of the oversight defense committees, and that precedent is important for you but it is important for every Secretary of Defense to come.

So I am concerned that we are going to become the piggy bank. The Pentagon is going to become the piggy bank for any pet project. Today it could be the wall. Tomorrow it could be someone's decision to fund a healthcare project exclusively out of DOD's budget.

And I think—I appreciate that you say you want to work with Congress and that you respect us. But you don't if in the end of the day the money that we have appropriated is going for something else.

The second issue, and I think you leave us no choice but to look at what we can do to constrain your reprogramming authority, and this kills me because I used to be at the Pentagon and I relied desperately on that reprogramming authority.

But you have put us in a situation where to uphold our constitutional oath and the separation of powers, we have to exert our authority and I am sorry to say that.

On where you are taking that money from, of the \$3.9 billion that you have asked to take away, \$1.5 billion of it is from the Guard and Reserve, and Michigan is exclusively Guard and Reserve. And you say that is all excess to need including all of the equipment, upgrades, and requests.

Can you say directly to the National Guardsmen and reservists in Michigan why they are going to pay—they are going to be 34 percent of the bill to pay for the movement of money? Please speak directly to them on why all that equipment is excess to need.

Secretary ESPER. Well, it is excess to need in the sense that that is what was reported to me based on DOD budget in 2020. Our assessment—I had a chance to speak with all the service secretaries about this. There was agreement along the same lines. I take my recommendation from the—from the Chairman here—his advice.

But, look, I say it not as a former soldier but also a former guardsman. I get it. I understand. But we had sources we had to fill and we tried to be—we tried to be very—not arbitrary—we try to be very objective in terms of where we took the sources and the clearest source was early to need or excess to request.

Ms. SLOTKIN. Okay. I am really concerned that you guys haven't done internal work on coronavirus. I was at the Pentagon when we were dealing with Ebola and we didn't—we didn't want to get involved and then we had to get involved because the crisis was looming.

And I would note that the President's request for coronavirus supplemental funds is \$2.5 billion against the \$10 billion that he has requested and moved—not requested, moved to the wall. Tell me what you are going to do to make sure you are on this so that we understand your needs now since there are some concerning reports that this could turn into a pandemic.

Secretary ESPER. No, as I said to Mr. Crow, we owe you a quick response on this. This is—continues to evolve rapidly. We have been very engaged for several weeks now, not just internally but in the interagency. And so we—I appreciate the offer. We will get that back to you soonest in terms of just anticipating leaning forward into it.

Ms. SLOTKIN. Thank you. And then, lastly, I just was a little confused on your answer on climate change. I sort of heard from General Milley that yes, you believe it's a national security threat.

Secretary ESPER, you were more caveated. The Pentagon itself, your own staffs, put out a report in 2014 that climate change was—has an impact on national security. Even just like more superstorms, et cetera, means more guardsmen and more reservists.

Can you say yes or no? Do you believe climate change is a threat to national security?

Secretary ESPER. What you just said, Congresswoman, is different and that is—I agree that climate change creates impacts on national security. The specific question was do I define it as a national security threat. I don't, in my traditional thinking about how I identify national security threats.

Ms. SLOTKIN. General Milley.

General MILLEY. Yeah, and I agree with that. I mean, what I said it has second- and third-order impacts on national security. I think the significant national security threats to the United States the Department of Defense needs to focus on is China, Russia, North Korea, Iran, and terrorists, and we can't do everything for everyone.

There is a lot of threats. There is infrastructure. There is the education system. There is climate change, the healthcare systems. There is all kinds of threats, all of which could be bundled theoretically under the rubric of national security.

But I think climate change has impacts that result in national security challenges such as resource constraints and stability and those sorts of things in different parts of the world. Absolutely. So there are second- and third-order impacts. There is national security challenges as a result. But the threats as I define them are right in accordance with that NDS.

The CHAIRMAN. Thank you, Chairman.

Mr. Waltz.

Mr. WALTZ. Thank you, Mr. Chairman. Thank you, Mr. Secretary, Chairman Milley, for being here today.

Just to follow on to some of my colleagues on corona, I just want to be clear. We have a soldier in South Korea that has, from reporting, self-quarantined.

Mr. Secretary, have you given guidance to U.S. Forces Korea to limit the movement of soldiers and their families, understanding that this virus is very asymptomatic? That people can carry it? We don't know the exposure levels. People can carry it for weeks.

Are you prepared or have you given guidance? Are you giving guidance to limit the back and forth of those soldiers and families?

Secretary ESPER. I have given guidance to the commanders with regard to protection of the force and making sure that we can continue our mission. General Abrams and also Admiral Davidson have been—acted very aggressively. Abrams has taken action already with regard to limiting certain things, controlling the gates, who is coming through and all that. They are very attuned to this.

Mr. WALTZ. I understand protecting the force there. But protecting the transmission back home through the—via our military.

Secretary ESPER. Yes, and it is not just local with regard to the commander on the Peninsula but it is also the INDOPACOM com-

mander and our own folks at the OSD P&R [Office of the Secretary of Defense, Personnel and Readiness] in terms of how we manage this and making sure it doesn't escape us. And, in fact, I got another update this morning from General Abrams on this particular issue.

Mr. WALTZ. Thank you. Appreciate it.

So just to follow on Chairman Smith's opening comments, and I think this is important that we begin talking about our competition with China this way, that we may be in a post-Cold War strategy but I don't think Moscow or Beijing ever got that message.

They are currently in a cold war with us and they are explicit, particularly the Chinese, in their desire to supplant the United States. It is a whole-of-government effort, taking advantage of our free markets, our universities, international institutions such as the EU [European Union] and the U.N.

This is a concerted effort. Would you agree with me that actually the strength of the United States but also of our adversary, China, is their economy, much more or in—much more so than necessarily the military strength?

Secretary ESPER. Yes, I spoke to this in Munich last week. What concerns me, people like to make comparisons between China and the USSR [Union of Soviet Socialist Republics]—China and Russia.

The big difference is the economic might and potential of China as compared to Russia. That could really feed their economy, their military, their innovation, et cetera.

Mr. WALTZ. So would you share my concern—I mean, we have the largest RTD&E budget ever, which I think is a great thing. But I am also concerned that we are funding Beijing's research and development.

So would you share my concern that a lot of those dollars are going to institutions where we don't know if their faculty, their researchers, and many of the Chinese students are part of the Talents program and where that research is going?

Do you share that concern that on the one hand we have such a large budget—on the other hand, we could be funding our adversary?

Secretary ESPER. I am concerned about espionage, obviously—IP [intellectual property] theft, theft of our cyber systems, and I am concerned about research—

Mr. WALTZ. Would you support legislation that limits institutions from receiving Federal dollars, particularly DOD dollars, if they have faculty that are part of the Talents—Chinese Talents—China's Talents program?

Secretary ESPER. I don't know enough about the legislation or the Chinese Talents program.

Mr. WALTZ. I think you should.

Secretary ESPER. But I am very concerned about Chinese students in America or professors in America that have access to our research.

Mr. WALTZ. Would you share my concern differently on markets that U.S. pensioners and some of our biggest pension programs including the Thrift Savings Plan [TSP] are providing billions of dollars to Chinese companies, many of them in China's defense industry?

So, essentially, indirectly U.S. pensioners are funding the Chinese defense buildup? Would you—would you agree with that characterization?

Secretary ESPER. I have worked on this issue in the past about China using our capital markets and others to fund their activities. Again, it is something I would want to understand better before commenting. But I am concerned about Americans or groups providing the capital that China needs to invest.

Mr. WALTZ. Should we limit the TSP from investing in Chinese firms, particularly those that are—that are funding the defense program?

Secretary ESPER. I know you—Congressman, I appreciate you want an affirmative answer. But I would like to understand things—

Mr. WALTZ. Okay.

Secretary ESPER [continuing]. And get my facts right and my data and my arguments before I commit to something.

Mr. WALTZ. Totally understand. Well, thank you, Mr. Secretary.

Quickly, Mr. Chairman, on Afghanistan. I think the concern from Ms. Cheney and myself and others is that the signal that we are prepared to draw down and withdraw from Afghanistan—the signal sent now, even if that is at some point in the near future, could cause a fracturing of the government, by extension a fracturing of the Army, which, to me, is the canary in the coal mine with the ethnic tensions, and essentially put us back to 2001.

But here is my concern. Would you agree in your military advice that the Taliban has the capability? So let us assume they have the will to enter into a peaceful political process. How do they have the capability to enforce the agreement and keep al-Qaida and ISIS at bay where we have struggled, coalition has struggled, and a 300,000-man Afghan army has struggled?

General MILLEY. Yes, so—

Mr. WALTZ. Do you think they have the military capability to keep al-Qaida and ISIS suppressed in the wake of the withdrawal?

The CHAIRMAN. Unfortunately, at this point that is going to have to be taken for the record because we are comfortably over time at this point.

General MILLEY. I will take that for the record.

[The information referred to can be found in the Appendix on page 120.]

The CHAIRMAN. So you will have to get back to him on that.

Ms. Escobar.

Mr. WALTZ. Thank you, Mr. Chairman.

Ms. ESCOBAR. Thank you, Chairman, and, gentlemen, thank you so much for sticking around and for being here all morning with us. Thank you for your testimony and your service.

This is a hearing to focus on the budget and I heard some things, a couple things, that were alarming to me, and I would like to drill down a little bit on them, in particular about the wall and the reprogramming of the funds that were appropriated by Congress.

I represent El Paso, Texas, home to Fort Bliss, our second largest military installation, a critical key asset to our national defense. And so the juxtaposition of what we are dealing with is not lost on me, the kind of profound disconnect for me that while we have in-

vestments that are badly needed, strategic investments that should be made at Fort Bliss like a railyard that could help or rail improvements that are critical to Defender 20.

And we have infrastructure that has been deemed unsafe. Money is being pulled for a wall that is preventing moms and babies and dads and their children from seeking asylum protection in the United States and that somehow is key to our national security.

And so I would like to ask Mr. Secretary how will you ensure that a community like mine and Fort Bliss, that our soldiers who serve at Fort Bliss are not asked to rely on unsafe infrastructure when that money is being diverted for a wall that is keeping out those moms and babies and those fathers and children?

Secretary ESPER. Well, Congresswoman, we wouldn't—we wouldn't put any service member in a situation where it affects life, health, and safety. If you are aware of something like that I would like to know, frankly, because then I could follow up with the Secretary of the Army.

But life, health, and safety issues immediately pop to the top of my list of things that we would want to make sure that we understand. But that was—has not been reported to me. So I would like to follow up with you if that is the case if you have something like that.

[The information referred to can be found in the Appendix on page 120.]

Ms. ESCOBAR. Okay. I will definitely follow up with that.

How does a border wall improve our strategic capabilities?

Secretary ESPER. Well, the purpose of the wall, obviously, is to secure the border from illicit activity, whether it is trafficking of human persons, whether it is criminal trespassing, or whether it is, for example, it is counter narcotics.

In fact, in the case of the sources just drawn up it comes under the 284 account, which is counter narcotics. So that is the purpose is to put a border up there so our border patrol can respond more effectively and quickly to make sure we prevent those elements from coming across the border.

Ms. ESCOBAR. Well, the funding is being pulled not just from those accounts. Is that correct?

Secretary ESPER. It is pulled from the excess to need, early to need accounts through the counter narcotics. The counter—where we have been asked to support DHS is on parts of the border that are these routes for counter narcotics to come across.

Ms. ESCOBAR. And I actually—one of the things that I heard from you was about this—the funding being pulled from projects that were ahead of or in excess of need. And when one of my colleagues asked you—I think it was Mrs. Davis asked in more detail about that funding you said, well, Congress put it there.

Secretary ESPER. That is right.

Ms. ESCOBAR. And so you are—are you essentially telling us that we overprogrammed in those cases?

Secretary ESPER. Well, this is—this is not unusual, going back many decades. But, you know, if we ask for three F-35s and you provide five, we consider those two as additional excess to need in that budget year.

Ms. ESCOBAR. And I appreciate that and I don't mean to interrupt. I apologize. It is just that 5 minutes goes very quickly. So as we are looking to plus-up programs that we believe are critical to our national defense or critical to helping reinforce the mission that we all share, it would be very helpful for us to know in advance what—where we see an excess of need. And, you know, obviously, we know where some of those areas are but I feel like this excess of need component essentially enables the President's—what I consider his usurping of congressional authority and usurping the will of the people.

And so any help that we could get as we try to determine what those plus-ups are and then we have to look for those offsets. Would love your ideas on where we can find those offsets to better utilize that money so that the wall debate can be had within the Committee on the Department of Homeland Security and not the Committee for Armed Services.

My time is up. I have a number of other questions but I will follow up separately with you. Thank you.

The CHAIRMAN. Thank you.

Mrs. Luria.

Mrs. LURIA. Well, thank you, and thank you both gentlemen for staying long enough to get to the last person and our newest member, Mr. Brindisi, as well.

Leading up to this hearing, I wanted to understand the data-driven approach that I thought DOD would be using to develop their budget request and in doing that I reference two documents produced by your department. One is the annual performance plan and the other is the annual performance report. Are you familiar with and have you reviewed those documents and were they used in guiding your submission to this committee?

Secretary ESPER. I am aware of them. I have not reviewed them recently and I would have to defer to my staff. I can get you an answer whether it was used.

[The information referred to can be found in the Appendix on page 121.]

Mrs. LURIA. Okay. There is just a couple things that stood out in there to me. The first strategic objective in this document says that we should restore military readiness to build a more lethal force. I think that sounds like a great objective. We can all agree with that.

Secretary ESPER. It is the first line of effort in our strategy.

Mrs. LURIA. Yes. But I will dig down because I thought I would find some great metrics because this is a performance report and the goal is that you use last year's budget, how did you accomplish that, where are we this year and, therefore, that is justifying the next request that you are making to achieve those goals.

So the number one priority goal, 1.1.1, says to improve the Department's ability to measure, assess, and understand readiness. All of us who have served, we are familiar with the DRRS [Defense Readiness Reporting System] system. I am assuming that it is referring to that. And so it's 2020 and our goal is still to figure out how to report our readiness. And I even found a 1998 GAO study on military readiness that actually says in 1998 that for more than a decade various audits and oversight organizations have ques-

tioned the thoroughness and reliability of DOD reports on readiness. So you add all this up. I am not great at math here but over 30 years we have been trying to figure out how to report our readiness.

And then, you know, digging in further in your budget outline you specifically say that you are going to give \$125 billion to readiness and then within each service, Army \$3.4 billion, Navy and Marine Corps \$2.7 billion, Air Force \$1.7 billion additional funds to readiness. And also in your comments today you said you support the Navy's decision to fund readiness.

But if we can't even find out—if we don't even know what our readiness is, if we don't even know where—you know, do you understand what I am saying?

Secretary ESPER. I do. I think one of the changes I made when I came in is to get a better accounting of readiness. So we have changed the system and we are making a lot of great progress working between OSD and the Joint Staff where we have measured—

Mrs. LURIA. But it is still your number one objective is to actually figure out what readiness is and—

Secretary ESPER. No, I think we have good metrics on readiness. We now assess it based on our immediate reaction course—

Mrs. LURIA. So this document is maybe not accurate at this point?

Secretary ESPER. Could be data because we—at least since I have been on the job now 9 months we are continuing to evolve the process and make changes. So we better understand. Based on war plans, contingency plans, what do we need and when do we need it so that we are prepared to put that at a highest readiness level, a second readiness level, et cetera.

Mrs. LURIA. Okay. So I appreciate that feedback. You feel like you have improvement. You have a better idea of readiness. It just was not reflected in this document, which was portrayed as being part of the process in developing the budget. So that was unclear to me.

And, you know, I do want to associate myself with the comments from Mr. Courtney and Mr. Wittman and Mr. Gallagher about a concern about the direction we are going as far as shipbuilding and ship construction, especially if we haven't seen the 30-year shipbuilding plan.

I won't reiterate at any length my concern about the Optimized Fleet Response Plan. I know that a study is forthcoming and you indicated in the next couple weeks. I will look forward—

Secretary ESPER. I think you and I agree on this issue. So—

Mrs. LURIA. Yes. And also the importance of strategic sealift specifically and just pointing out the scale of that investment. I know that the plan—I spoke with the CNO yesterday—is to buy two new ships next year, one the additional year.

But if you look at the importance of strategic sealift, to get 90 percent of our ground forces overseas and to the fight, for about \$1.5 to \$2 billion we could buy all of the ships we need used. Yet we don't prioritize that because we buy all this equipment and we can't get it there.

And I know, General Milley, if you could expand a little bit in the time remaining. You seem to indicate that we would just expand the TPFDD. We would just look at the way to get the forces to agree and if we don't have enough ships to get them there in the time that we planned for we would just take longer. Is that something that you are reevaluating the whole OPLAN around not having strategic sealift as designed?

General MILLEY. Well, when I—when we evaluate risk and when I have to submit my Chairman's Risk Assessment, it is based on the ability of us to be able to do our task—military task, the mission—to be able to do that at an acceptable level of cost expressed in the lives of troops, and do it in accordance with time.

So the time is a function of getting there on time with a strategic lift and that is going to be stretched out.

The CHAIRMAN. I am sorry to interrupt. I understand you guys are running short of time and I do want to give Mr. Brindisi a quick chance before we get you out of here. So we are going to have to cut that off.

Mr. Brindisi, go ahead.

General MILLEY. The chairman is always correct and the chairman on time.

[Laughter.]

Mr. BRINDISI. Thank you, Chairman.

Secretary Esper, Chairman Milley, thank you so much for sticking around to hear from me, the low man here. You have terrific endurance to make it through all this. So thank you.

Real quick, I wanted to ask you, the National Defense Strategy outlines that we must prioritize R&D [research and development] and emerging technologies like quantum and AI because China is investing very heavily in those areas.

Secretary, do you feel that we are investing adequate resources to keep pace with China?

Secretary ESPER. In the two areas that you mention, I do. There is those two and there is nine other areas where we noted as critical technologies for the future and we are putting as much as we can into those systems and trying to accelerate the development.

Mr. BRINDISI. Okay. And I want to ask, too, because I have an Air Force Research Laboratory in my district in Rome, New York, and in this year's NDAA, last year's NDAA, we established a Quantum Information Science Innovation Center there to really help leverage partnerships between DOD, academia, and industry.

Can you talk to me a little bit about the importance of those kinds of partnerships in this area?

Secretary ESPER. I think it gets to the issue we discussed earlier about having a broad innovation base and making sure we are tapping all potential resources, whether it is not just the traditional, you know, big defense companies but also academia, small innovators, entrepreneurs—the whole broad range—to make sure we can deliver the very best for our warfighters.

Mr. BRINDISI. Okay. And then I want to talk a little bit about counter UAS [unmanned aircraft systems]. I am specifically concerned about what our adversaries are up to and I wanted to ask because this same research lab in Rome is doing a lot of great work

developing counter UAS technologies to mitigate these threats from our adversaries.

So, Secretary Esper, Chairman Milley, can you speak briefly about how the services are postured to address the UAS threat?

Secretary ESPER. It is a challenging threat that is constantly evolving, in many cases quicker than we can respond. We had all services moving out on a number of different programs.

I consolidated that last year. We made the Army the executive agent and now they are pulling together a much more focused effort that looks at fewer systems but tries to accelerate them.

But we need to get to the point where it is much less hardware based but software based, and going back to the root so we can kind of stay ahead of the enemy instead of playing catch up with regard to—and there is different systems. We have to have systems that we can—we can use back here in the States, systems we can use overseas with partner countries, and then there are systems we need to be able to use on the battlefield.

Mr. BRINDISI. Chairman Milley.

General MILLEY. So the threat is increasing significantly in the unmanned aerial systems and this threat not only applies to nation-states like a China and Russia and Iran and North Korea, but terrorist organizations are also increasing the use of unmanned aerial systems.

So we are putting a fair amount of money, I think, in the development of ground-based counter UAS systems and we are getting them deployed and, in fact, we are using some of them right now in the various locations like Afghanistan and Iraq.

Mr. BRINDISI. Can you talk—to the extent you can talk about it, what collaboration is there with private industry right now around that? Because I could tell you that the lab that is in the district that I represent is right next door to an FAA [Federal Aviation Administration] test site for unmanned aerial research and, really, the 50-mile radius that they have to test drones in Upstate New York seems to be in an ideal location, located right next door to an Air Force Research Laboratory that is doing all this counter UAS work. What kind of collaborations are taking place between DOD and private industry?

General MILLEY. I know there is collaboration. I can't give you the specifics. I would have to come back to you with a specific collaboration incident or examples of collaboration. But I know there is collaboration with industry and all of these systems are built by the commercial industry.

So all we do is lay down requirements and then start funding the research development. But all that is done by the commercial industry.

Mr. BRINDISI. Okay.

And Secretary Esper, can you—

Secretary ESPER. I think we need to take that back, Congressman, and give you a response, and I will pass it along to the Air Force as well when they come up to testify.

[The information referred to can be found in the Appendix on page 121.]

Mr. BRINDISI. That would be great, and I would love to invite you up there at some point in time to Rome if you ever want to see the

work they are doing at the lab there, the Air Force Research Laboratory and the test site right next door there. I think there is a lot that could be done and, certainly, they are on the cutting edge of a lot of the counter UAS technology that is taking place.

Secretary ESPER. Good. Thank you.

Mr. BRINDISI. Chairman, I yield back.

The CHAIRMAN. Thank you. I am sorry. We are over time. All I have time left is Ms. Speier did have a quick question about TBI [traumatic brain injury], which has not been covered yet, that I think would be helpful if we could just do that reasonably quickly. I will yield to Ms. Speier for those questions.

Ms. SPEIER. Thank you, Mr. Chairman.

Very briefly, there was a total of 109 service members that were identified as having TBIs after the bombing in Iraq. Could you give us an update on how many are being—have been diagnosed and what is the status of their conditions?

Secretary ESPER. Item number one, Congresswoman. The first priority for us is taking care of our service members and making sure they have—medical needs are met and they recover expeditiously.

I think, number two, I think the number is up to 112 right now—

General MILLEY. A hundred and twelve.

Secretary ESPER [continuing]. Based on—based on what happened. This was a new challenge to us. It is the first time we have seen our service members subject to a ballistic missile attack with a thousand-pound-plus warheads. So we are learning things.

And I have met with the Joint Staff surgeon to talk about this in terms of understanding how these symptoms manifest themselves over time, what it means, might it change how we categorize, take care of them, et cetera, et cetera.

But the good news is 70 percent of them return to duty. The remainder are—some have returned home. Some stay in Germany. But 70 percent have returned to duty within—and they have all been mild TBI, I think, is the assessment.

Ms. SPEIER. Thank you. I yield back.

The CHAIRMAN. Thank you very much.

The only closing comments I have are two things that were raised during the hearing. One, there was a couple times when it was raised that we need to hit 3 to 5 percent above inflation in the defense budget in order to meet the National Defense Strategy.

Highly unlikely, as you know, that we are going to hit that 3 to 5 percent number. So it might be appropriate to rethink aspects of the NDS and see what makes sense in keeping with the overall theme of making sure that our means match our desired ends.

The other thing is on the nuclear piece, this is something we are going to fight over here in the budget because the \$2.5 billion that is added to the NNSA is a big part of what has got Mr. Courtney and Mr. Wittman so upset, and rightfully so, and that we cancelled an attack submarine as part of that.

At the same time, I hope it was understood that what Mrs. Davis was saying was she wasn't questioning the importance of the nuclear deterrent. It is incredibly important. There is, however, \$8 billion in what they artfully refer to as uncoded balances currently

within the NNSA for programs authorized and appropriated for over years.

If we got \$8 billion hanging out in there that we haven't spent as planned, I question the wisdom of grabbing \$2.5 billion to add to that just to make us feel like we are doing more, particularly at the cost of the very difficult battle we have over making sure we have enough submarines and ships overall.

With that, I will yield to Mr. Thornberry for any closing comments he might have.

Mr. THORNBERRY. Mr. Chairman, I would just say I think it is also incumbent upon the Secretary and the Chairman to tell us what they think we need to spend and if we don't provide it then we have some of the responsibility for the consequences that come with that.

Finally, I would just say on the unobligated balances, I think it is up to us to dig deeper into exactly where those funds come from. Are they—are they intended for a particular purpose, a construction project that is delayed, a weapon refurbishment, for example, that has been delayed, and I know we have got some of that.

So it is more into the details that will be important. But I appreciate our witnesses being here.

The CHAIRMAN. I think that is a legitimate point. I will point out we had, you know, some frustration on missile defense along these lines as well that we were sort of getting ahead of our skis.

So we got to have missile defense, we got to have missile defense so we poured a bunch of money into things. We just, you know, cancelled the program after spending \$2 billion and determining that it didn't work. That that is the kind of thing we want to try to avoid in this area.

I thank you very much for your patience and getting through as many members as we did, and I appreciate your service and look forward to continuing to work with you.

And with that, we are adjourned. Thanks.

General MILLEY. Thank you, Chairman.

[Whereupon, at 1:31 p.m., the committee was adjourned.]

A P P E N D I X

FEBRUARY 26, 2020

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

FEBRUARY 26, 2020

SECRETARY OF DEFENSE MARK T. ESPER
DEPARTMENT OF DEFENSE POSTURE STATEMENT
HOUSE ARMED SERVICES COMMITTEE
February 26, 2020

Introduction

Chairman Smith, Ranking Member Thornberry, distinguished members of the committee, I appreciate the opportunity to testify in support of the President's budget request for Fiscal Year (FY) 2021.

The 2018 National Defense Strategy (NDS) provides a clear roadmap for the Department of Defense (DoD) to address the re-emergence of long-term strategic competition from near-peer competitors: China, then Russia. Throughout the Pentagon and across the Joint Force, the NDS guides our decisions and actions as we adapt the force to simultaneously contend with the threats of today, while preparing for the challenges of tomorrow. We do this by increasing the readiness and lethality of our warfighters, strengthening our alliances and partnerships, and reforming the way DoD does business. Additionally, we have placed renewed emphasis on taking care of our Service members and their families.

The DoD is grateful for the strong support provided in the FY 2020 National Defense Authorization Act (NDAA) and the FY 2020 DoD Appropriations Act. This legislation supported vital investments in our military's modernization, enabled the creation of the Space Force, and provided our Service members with the largest pay increase in a decade. Our continued success as a Department is contingent upon predictable, adequate, sustained, and timely funding. We encourage Congress to pass a full-year spending package for FY 2021 on-time to avoid the debilitating effects of another Continuing Resolution.

The DoD's total FY 2021 budget request is \$705.4 billion, consisting of \$636.4 billion for base requirements with an additional \$16 billion categorized as overseas contingency operations for base, and \$53 billion for overseas contingency operations. After removing disaster relief emergency funding, this year's budget request represents a minor increase from the FY 2020 enacted amount of \$704.6 billion, but does not keep pace with inflation. Given this flattened funding level, we made many tough decisions to ensure our highest priorities were adequately funded.

To guide our decision making, we initiated a comprehensive Defense-Wide Review (DWR) aimed at reallocating resources from programs and activities that offer low return on investment relative to the goals and objectives of the NDS. Over a four month period, we conducted over 20 review sessions, examining almost \$100 billion in programs, agencies, and activities that make up the "Fourth Estate." This review generated \$5.7 billion in FY 2021 savings for reinvestment in areas such as nuclear modernization, space, missile defense, hypersonic weapons, artificial intelligence, and 5G communications.

Additionally, to make room for investments in future capabilities, each of the Services has divested some legacy systems. These were necessary measures to ensure our highest priority programs were sufficiently resourced. I urge Congress to support these tough choices, as the alternative is to underprepare for the challenges of great power competition.

The DoD's FY 2021 budget request is directed toward achieving irreversible implementation of the NDS by focusing on strengthening military readiness and lethality; advancing critical modernization efforts across all domains: air, land, sea, space, and cyber; prioritizing nuclear deterrence recapitalization; enhancing missile defense capabilities; and providing our Service members and their families with the quality of life they deserve.

Strategic Environment

Today's global security environment remains complex and volatile. The re-emergence of great power competition has challenged the United States military's long-held competitive advantage in certain key areas. Meanwhile, rogue regimes continue to foster regional instability, while terrorist organizations seek out sanctuary in new parts of the world. It is critical that the DoD maintains the momentum provided by the last few budgets, which enabled vital investments in modernization and lethality, and enhanced our military's deterrence capability.

The Department's highest priority remains China, as its government continues to use – and misuse – its diplomatic, economic, and military strength to attempt to alter the landscape of power and reshape the world in its favor, often at the expense of others. The Chinese Communist Party (CCP) continues to invest heavily in the modernization and expansion of its military in areas such as space, cyber, electronic warfare, undersea warfare, fighter aircraft, bombers, long-range missiles, and other anti-access / area denial (A2/AD) capabilities.

China's goals are clearly stated: by 2035, the CCP's leaders seek to complete its military modernization, and, by 2049, become a preeminent global military power. What is most troubling is that China is pursuing these objectives by any means necessary, including forced technology transfer, intellectual property theft, cyber espionage, and commercial acquisitions. Once Beijing obtains and develops these technologies, it leverages them to intimidate or coerce smaller states, while simultaneously narrowing the United States' competitive advantage. When American companies fall victim to state-backed cyber theft, are forced to surrender intellectual property, or are undercut by a Chinese corporation selling below cost, it erodes our important industrial and innovation bases and diminishes our military overmatch.

As part of its efforts to manipulate the long-standing free and open international order to its advantage, Beijing continues to militarize features in the South China Sea, threatening freedom of navigation and the free flow of commerce throughout the region. Through its Belt and Road Initiative, China is expanding its political and economic ties across Asia, Europe, South America and Africa, with the less publicized objective of expanding the People's Liberation Army's influence and reach.

Meanwhile, Russia remains intent on upending international norms and reasserting regional dominance by violating the sovereignty of neighboring states, breaking treaty obligations, and

engaging in malicious cyber operations on a global scale. Moscow continues to press forward with the rapid modernization of its military. Its sophisticated coordination of drones and cyber attacks during its invasion of Ukraine, as well as its recent public display of new nuclear hypersonic systems, validate our concerns about Russia's burgeoning military capabilities and intentions to undermine the NATO alliance.

Concurrently, North Korea seeks to build legitimacy through the development of a variety of nuclear, conventional, and unconventional weapons, and by growing its ballistic missile capabilities. Our forces on the Korean Peninsula remain at a high state of readiness, alongside our Republic of Korea counterparts. While we support continued diplomatic efforts to bring about lasting peace in Korea, we remain prepared to fight and win tonight, if required.

In the Middle East, the United States remains committed to working alongside our allies and partners to advance our strategic priorities for the region: ensuring the enduring defeat of ISIS, supporting a strong and independent Iraq, and deterring Iranian aggression. The United States' actions over the past year, including the deployment of additional defensive forces to the region, the defeat of ISIS' physical caliphate, and the operations that resulted in the deaths of terrorist leaders Abu Bakr al-Baghdadi and Qasem Soleimani, were essential to restoring deterrence and degrading our enemy's military capabilities.

Guided by the NDS, the DoD seeks to right-size our force disposition in all theaters over the long-term to better compete with China and Russia. Concurrently, we must sustain efforts to counter rogue regimes such as Iran, while bolstering the capability of our allies and partners to maintain regional stability. Enhancements to our posture in the Middle East in recent months are consistent with this strategy.

Build a More Lethal Force

The DoD's FY 2021 budget request is focused on designing a future force that is dominant in all warfighting domains. This is particularly important at a time when our strategic competitors are developing advanced capabilities to challenge our areas of traditional military overmatch. We must continue to invest in modernization to solidify our competitive advantages and build new areas of asymmetric advantage.

Nuclear Modernization

The 2018 Nuclear Posture Review reaffirmed the need for the nuclear triad, validating DoD's long-overdue recapitalization of the nation's nuclear armed missiles, submarines, bombers, dual-capable aircraft, and related infrastructure to keep the U.S. nuclear deterrent secure, effective, and reliable for decades to come. Most of the nation's strategic nuclear delivery systems, built in the 1980s and prior, are reaching the end of their service life in the 2025 to 2035 timeframe, with all currently fielded systems having been extended well beyond their original service lives. The DoD's FY 2021 budget invests \$28.9 billion to sustain and modernize all three legs of the triad with key investments in the ground-based strategic deterrent, the B-21 stealth bomber, the Columbia-class submarine, and enhanced nuclear command, control and communications (NC3) systems.

Missile Defeat and Defense

The Department is committed to implementing the 2019 Missile Defense Review, which calls for comprehensive missile defense capabilities, flexibility and adaptability, tighter offense-defense integration and interoperability, and highlights the importance of space. The DoD's FY 2021 budget funds enhancements to U.S. Missile Defeat and Defense (MDD) capabilities to defend the homeland, deployed forces, allies, and partners against an increasingly complex adversarial missile threat. This budget request increases missile defense capacity and capability to keep pace with adversary missile systems, while investing in new approaches to a layered defense of the homeland.

The DoD's FY 2021 budget includes \$20.3 billion for MDD, which includes \$9.2 billion for the Missile Defense Agency (MDA), \$7.9 billion in regional and strategic missile defense capabilities outside of the MDA, and \$3.2 billion in missile defeat or left-of-launch activities. Notable investments include the development of the next-generation interceptor, and increased funding for the Aegis Ballistic Missile Defense System and Terminal High Altitude Area Defense (THAAD) Ballistic Missile Defense.

Critical Technologies

We are in the midst of rapid technological change that has the potential to fundamentally alter the character of war. Our adversaries are systematically and strategically developing and fielding advanced systems, eroding the advantage the United States military has maintained in conventional warfare. Maintaining technological superiority is essential to our future security. To ensure we lead in the development and fielding of new systems that harness these advancements, we must prioritize critical technology investments.

The DoD's FY 2021 budget reflects this commitment by investing \$106.6 billion in research, development, testing, and evaluation (RDT&E), the largest RDT&E budget in our history. The DoD's focus on research and technology efforts to bring advanced capabilities to the field will ensure we maintain overmatch against near-peer competitors. This budget request maximizes the amount of money we can effectively and responsibly spend on these critical and emerging technologies. Select efforts include:

- Hypersonics – Accelerates development of Army Long Range Hypersonic Weapon; increases funding for Navy Conventional Prompt Strike, and Air Force Advanced Rapid Response Weapon (\$3.2 billion).
- Microelectronics/5G – Accelerates our access to both advanced commercial and specialty microelectronics while adopting a zero-trust security paradigm; hastens our mastery of “ubiquitous connectivity,” so that we can fully leverage the power of 5G technologies for our mission, while preventing our adversaries from using it against us (\$1.5 billion).
- Autonomy – Enhances speed of maneuver and lethality in contested environments; develops human/machine teaming (\$1.7 billion).

- Artificial Intelligence (AI) – Continues the AI investments that focus on next-generation AI R&D at DARPA, expands the intelligence AI pathfinder Project Maven, and accelerates fielding of AI capabilities at scale to meet warfighter needs through the Joint Artificial Intelligence Center (JAIC) (\$0.8 billion).

More so than any other emerging technology, AI is transforming our society and affecting the ways in which we do business, interact socially, and conduct war. Our competitors have also recognized the transformative potential of AI and are investing heavily in it as they modernize their military forces. Maintaining a competitive advantage in AI is essential to our national security.

The DoD is committed to employing AI in a responsible and lawful manner that promotes our nation's values. As such, I have approved the implementation of the DoD's AI Ethics Principles to ensure the development and use of AI is guided by an ethical framework. These principles will help guide, inform, and inculcate the responsible use of AI – in both combat and non-combat systems – by the Department to help maintain our technological edge, while upholding our values. By adopting these Principles, DoD will lead the way in the responsible use of AI across the entire government and with our allies and partners.

Space

The NDS recognizes that space is fundamental to U.S. prosperity and national security. Great power competitors are increasingly developing weapons to disrupt satellites and other space-based capabilities. The FY 2020 NDAA created the sixth branch of the military, the United States Space Force (USSF), within the Department of the Air Force, to organize, train, and equip military and civilian personnel to maintain freedom of operation in, from, and to space. As the first new military service established in over 70 years, the USSF will protect and defend our military capabilities and economic interests in the space domain as our near-peer competitors continue to expand their presence in space.

The DoD's FY 2021 budget invests \$18 billion in the space warfighting domain. These investments will enable the expeditious building of USSF, reduce risk to satellite communications jamming, build resiliency in global positioning systems, improve space-based missile warning capabilities, and increase our space launch capacity.

To manage DoD space forces efficiently and holistically, the Department's vision remains to consolidate the preponderance of space missions, units, resources, and personnel from the existing Military Services into the new USSF. These transfers are critical to unifying today's disparate space-related research, development, acquisition, fielding, and operations into a single organization led by a single leader. The DoD's goal is to transfer the appropriate space-related assets into the USSF no later than FY 2022, consistent with law.

Cyber

Cyber attacks represent a long-term threat to our national strength and military advantage. Persistent and sophisticated adversaries are continuously targeting our systems and networks through malicious cyber activity. This challenge is equally applicable to public and private

networks across the United States. A proactive DoD cyber approach is necessary to guard against these threats by defending forward to protect our infrastructure and disrupt covert foreign malign activity. This includes defending the integrity of our democratic processes by assisting in the security of our elections.

The DoD's FY 2021 budget invests \$9.8 billion into cyberspace activities that continue to build on the goals laid out in the DoD Cyber Strategy. This request improves cybersecurity by mitigating key cyber deficiencies and strengthening our defensive capabilities to counter adversary efforts to exploit U.S. technology. While robust defensive cyber capabilities are our priority, the joint force is also improving offensive capabilities to engage threats at a time and place of our choosing.

The Cyber Operations budget includes \$2.2 billion to support the Cyber Mission Force (CMF), consisting of 133 teams working as the operational arm of U.S. Cyber Command, to carry out cyberspace operations in defense of the nation's interests. Cyberspace domain investments, underpinned by digital modernization efforts, provide our CMF the tools necessary to execute offensive and defensive cyberspace operations.

Air

In the air domain, we continue procurement of the Joint Strike Fighter aircraft and modernization programs for existing Navy and Air Force strike fighter aircraft and bombers. We also include a cost-effective mix of 4th generation fighter aircraft by procuring 24 additional F/A-18E/F Super Hornets and capitalizing on existing Foreign Military Sales production lines to procure 12 F-15 EX aircraft. This will increase readiness of the Navy and Air Force fighter fleet and relieve pressure on the aging legacy platforms. Additionally, we continue procurement of the KC-46A aerial refueling tanker, which will replace aging legacy tankers.

Sea

In the sea domain, the DoD remains committed to building a Navy of at least 355 ships. The DoD's FY 2021 budget request procures eight surface and subsurface battle-force ships, including one Columbia Class Ballistic Missile Submarine and one Virginia Class Submarine. Importantly, we remain focused on the readiness of our current fleet—our top priority—by allocating an additional \$3.4 billion into the Navy's operations and maintenance account relative to FY 2020 (excluding disaster relief emergency funding).

To maintain our maritime dominance and freedom of maneuver, we are exploring a range of alternative "future fleet" designs that are capable of meeting the demands of the NDS, while remaining compatible with future warfighting doctrine, threat developments, and budget constraints. In concept, the future fleet must prioritize integrated Navy and Marine Corps operations; distributed awareness and lethality; survivability in a high-intensity conflict; adaptability in a complex world; the ability to project power, including through precision long-range fires; and demonstrate presence, providing a visible deterrent to potential adversaries while reassuring our allies and partners.

The composition of the future force will emphasize fewer large surface platforms, more and smaller surface combatants, lightly/optionally-manned ships, and an ample submarine force. Just as the Air Force and Army are integrating more remotely piloted aircraft and optionally manned ground vehicles, the Navy must begin to integrate and deploy lightly/optionally-manned ships. Future analysis and experimentation will drive the NDS-based force structure for the Navy and Marine Corps, and will inform the direction of future shipbuilding plans.

One of my top priorities is ensuring that the Department has a robust, data-driven review of the future integrated naval force. To that end, I have initiated a war game and analysis process led by the Deputy Secretary of Defense to evaluate proposals from across the DoD, to possibly include experts from the Naval War College, Naval Postgraduate School, and Marine Corps University. The Department of the Navy intends to continually iterate the recent Integrated Naval Force Structure Assessment and align what it learns with the annual planning, programming, and budgeting process.

Land

In the land domain, the DoD's FY 2021 budget improves the lethality and survivability of ground forces by divesting legacy systems and investing in modernized combat systems that will be needed by the future Joint Force. Building on the research and development investments made over the past two years, we continue to prioritize funding for the development and testing of long-range precision fires, future vertical lift, ground combat vehicles, air and missile defense, the network, and soldier lethality systems to replace many of the Army's aging platforms. This budget will ensure our ground forces remain ready and lethal by upgrading 89 M-1 Abrams main-battle tanks, procuring over 4,200 Joint Light Tactical Vehicles and 72 Amphibious Combat Vehicles, and upgrading over 150 Stryker Vehicles.

Joint Warfighting Concept

In addition to developing these capabilities we must also modernize how we fight. Our budget request supports the creation of a new Joint Warfighting Concept to enable our transition to All-Domain Operations by aligning our personnel, equipment, training, and doctrine.

This concept builds on the recent experimentation conducted by the Services as we develop a new approach to integrating our warfighting capabilities. As part of this effort, the Air Force is leading the Department's new Joint All Domain Command and Control (JADC2) initiative, which is critical to linking any sensor to any shooter on the battlefield in real time.

Dynamic Force Employment

Our military's force posture must be adaptable to account for the uncertainty that exists in the strategic environment. Dynamic Force Employment (DFE) provides options for proactive and scalable use of the Joint Force in response to emerging security requirements. DFE will allow the DoD to compete more effectively by employing military forces outside of the steady-state pattern of deployments our adversaries have come to expect. This concept will induce unpredictability into our operational decisions, and demonstrate the capability to rapidly reposition forces in response to changing security conditions.

Strengthen Allies and Attract New Partners

The United States' competitive advantage is not only a result of our unrivaled warfighters and state-of-the-art weapons and equipment, but also our unmatched network of alliances and partnerships. Forged over decades of shared values, interests, and sacrifice, these relationships provide us a strategic edge our adversaries cannot match. The United States military works every day to strengthen and expand the alliances and partnerships that form the backbone of the free and open international order, which has enabled security and prosperity for millions around the world.

Indo-Pacific

The Indo-Pacific remains the DoD's number one priority region. We have an enduring commitment to uphold a free and open Indo-Pacific in which all nations, large and small, are secure in their sovereignty and able to pursue economic growth consistent with accepted international rules and norms. We are committed to enhancing this shared vision alongside our allies and partners in the region.

However, an increasingly aggressive China continues to undermine regional stability through its coercion of neighboring states, illegitimate maritime claims, and predatory economic practices. Unlike the Communist Party of China, the United States respects the sovereignty of all nations, regardless of their size or strength. Our approach continues to prove itself superior to Beijing's, as evidenced by our growing partnerships across the region.

For example, last November in Vietnam, I announced the provision of a second high-endurance cutter to enhance the Vietnamese Coast Guard's capabilities and build greater trust between our nations. In Thailand, I signed Joint Vision 2020 with the Prime Minister in order to chart a course for increased interoperability and expanded exercises and training between our forces. And in December, I signed a Memorandum of Understanding with Singapore announcing the establishment of a fighter training detachment in Guam, which will deepen our defense cooperation.

That same month, the United States hosted the second ever India 2-Plus-2 Ministerial, where the world's two largest democracies continued to strengthen our ties and finalized important agreements that will expand our ability to co-produce and co-develop critical technologies. Our burgeoning defense relationship, evidenced by the new Tiger Triumph annual amphibious exercise, will be crucial to improving our military interoperability.

NATO

The United States' leadership has been critical to getting the world's strongest military alliance back on the right trajectory. President Trump succeeded in elevating the issues of burden sharing and readiness, securing widespread agreement that NATO members must do more. As a result, our NATO allies invested an additional \$130 billion into defense since 2016, and are projected to reach \$400 billion by 2024. Additionally, the number of member states that currently meet the 2 percent GDP commitment has doubled over the past 3 years.

Last December, NATO reached its goal of identifying 100 percent of the contributions for the NATO Readiness Initiative. This plan provides the alliance with the capability to have 30 mechanized battalions, 30 combat vessels, and 30 air squadrons ready to fight in 30 days.

In FY 2020, the United States military will deploy over 20,000 troops to participate in Defender 2020, one of the largest military exercises in Europe in the last 25 years. Defender will demonstrate our force projection capabilities, exercise the Army's ability to conduct Division-level maneuvers, and enhance interoperability with our allies and partners in the region, thereby deterring conflict.

Middle East

In the Middle East, we remain committed to supporting a regional constellation of strategic partners to ensure the enduring defeat of ISIS, deter Iranian malign activities, and support a strong and independent Iraq.

The United States maintains its leadership role in the 82-member Defeat-ISIS coalition. Together, the U.S. and its partner forces have destroyed ISIS's physical caliphate and liberated millions from its barbaric rule. U.S. troops deployed to Iraq and Syria continue to work alongside our allies and partners to ensure the enduring defeat of ISIS.

After months of escalating acts of aggression from the Iranian regime, the U.S. military took decisive action to protect our personnel and interests, which included a no-notice deployment of 3,500 Soldiers from the Army's 82nd Airborne. The DoD also helped internationalize the response by leading the development of the International Maritime Security Construct (IMSC) in September 2019, which protects freedom of navigation in the Persian Gulf and Gulf of Oman. The IMSC currently includes contributions from seven nations and continues to deter malign activity in the Strait of Hormuz.

In Afghanistan, we remain committed to ending the war through a political agreement that ensures Afghanistan cannot be used as a safe haven for terrorist groups to attack the United States. As we have previously notified members of Congress, our negotiations with the Taliban have advanced, and they have agreed to dramatically reduce violence across the country. If the Taliban demonstrate the willingness and capability to do so, the United States is prepared to consider an agreement that advances the peace process. Should, intra-Afghan peace dialogues progress, the United States will reduce our force posture as appropriate, based on conditions on the ground.

International Professional Military Education

The DoD is committed to expanding our International Professional Military Education (IPME) to deepen our defense relationships and build partner capacity. IPME, provided principally via the International Military Education and Training program, is a low-cost program that builds long-term relationships with future foreign leaders, strengthening our alliances and partnership throughout the world. In concert with the State Department, I plan to increase participation by 10 percent in FY 2021. As we do so, we will ensure rigorous vetting of the students selected to participate, much like we do for the U.S. recruits with whom they train.

Reform the Department

Defense-Wide Review

The DoD is aggressively pursuing reforms to free up time, money, and manpower to reinvest back into our highest NDS priorities. Our most significant reform effort, the Defense-Wide Review, consisted of an extensive review of 50 Defense-Wide organizations and activities. In four months, we made over 120 programmatic decisions generating \$5.7 billion in FY 2021 savings, \$0.2 billion in Working Capital Fund efficiencies, and another \$2.1 billion in activities and functions realigned to the Services, demonstrating the DoD's commitment to responsible stewardship of American taxpayer dollars.

Moving forward, we will institutionalize the Defense-Wide Review to ensure we remain focused on increasing performance, decreasing cost, and remaining aligned with our priorities. To this end, we have established a new governance model over most Defense-Wide agencies and activities led by the DoD's Chief Management Officer who will now: review current year budget execution and develop a consolidated annual program and budget for Defense-Wide organization and accounts; conduct bottom-up reviews of Defense Agencies and Field Activities (DAFAs); and reform business operations and evaluate DAFA performance against measureable business goals.

Additionally, each of the Military Services has instituted a similar budget review process to achieve the same outcome of realigning resources and finding savings that can be reinvested into higher priorities.

We value Congress' guidance on reform, and we now ask for its support to fully implement our decisions. We look forward to working with Congress to ensure that necessary adjustments are made in the FY 2021 NDAA and the FY 2021 DoD Appropriations Act so that we may realize these savings and continue investing in NDS priorities.

Operational Reviews

The DoD has also initiated a full review of all military forces, programs, and activities within each Combatant Command to ensure alignment with NDS priorities. This effort will enable the DoD to shift greater emphasis to our top concern—China—or allow us to return troops to home station to build readiness. Thus far, we have ongoing reviews of U.S. Africa Command and U.S. Southern Command. My recent decision to deploy an Army Security Force Assistance Brigade to Africa to relieve a Brigade Combat Team is the first of many decisions to rebalance the force for great power competition.

In parallel with this initiative, we are reviewing all major operational plans to ensure they are aligned with our policy objectives, starting with China and Russia. This integrated civil-military review process will ensure we remain ready for any crisis today, while also identifying key gaps, shortfalls, and limitations in our plans that need to be mitigated.

Audit

The DoD owes accountability and transparency to the American people, as the taxpayers deserve a level of confidence that their money is being spent effectively. In 2018, the DoD completed its first-ever consolidated financial statement audit, covering almost \$2.8 trillion in assets. Now an annual institutionalized process, a second audit was subsequently completed in 2019, which showed that over 25 percent of the first year's findings have already been corrected, and there was no evidence of fraud or abuse.

The audit is about more than just compliance and financial management. Qualitative changes are happening every day that will, over time, result in real change to the way the Department does business. The DoD workforce's understanding of audit requirements continues to grow, and, as efficiencies are gained, value is being realized. The audit is helping galvanize change that advances cybersecurity, property management, inventory, and readiness, for the benefit of the warfighter and the American people.

People

We recognize that our people – Service members, military families and DoD civilians – are our most valuable resource and the key to accomplishing the objectives outlined in the NDS. It is critical that we remain committed to taking care of our people so they can focus maximum attention and energy on accomplishing the mission. Everything we do depends on the dedication and skill of the men and women who sacrifice their own comfort and safety to safeguard the freedom we enjoy every day.

The DoD's FY 2021 budget supports a three percent military pay raise and an increase in end strength of approximately 5,600 personnel. To enable our ability to continue to attract, develop, and retain a highly talented workforce, we are pursuing several initiatives to improve quality of life for our people.

Military Housing Privatization Initiative

The DoD has an obligation to ensure our Service members and their families have access to safe and secure housing. Under the Military Housing Privatization Initiative (MHPI) legislation enacted in 1996, the DoD began privatizing installation family housing. Following significant initial improvements to on-base housing units many years ago, the DoD reduced its oversight activities over a period of several years, resulting in cases of sub-standard living conditions for some residents living in privatized housing.

Since early 2019, we have taken extensive action to improve the quality of installation housing. Senior DoD leaders now meet regularly with key executives from each of the MHPI partners to ensure our initiatives continue to progress. Improvements to date include the development of a universal lease framework, increased training for installation commanders and housing personnel, and the hiring of additional housing staff across the Military Departments, to include resident advocates. Additionally, the DoD is in the final stages of developing a Tenant Bill of Rights to protect and empower our Service members and their families.

The DoD's FY 2021 budget increases funding for Military Housing Privatization Support by \$54.6 million, an 82 percent increase over the FY 2020 budget request. This funding increase

enables enhanced oversight of MHPI housing consistent with the FY 2020 NDAA requirements, to include staff augmentation and additional training, improved quality control measures, and database development and management.

Military Spouse Employment

Military spouses living in the United States face an average unemployment rate of 24 percent, nearly seven times the current national rate. Many employers are hesitant to hire military spouses due to the frequent permanent change of station moves associated with military life. Furthermore, military spouses face significant financial hurdles when they are required to renew their occupational licenses following a move to a new state. These employment challenges impact the readiness of the force and adversely affect Service member retention.

The DoD continues to work with State governments to develop policies and legislation that grant state-to-state licensure reciprocity or other methods to ease credentialing for military spouses. Many states have enacted positive changes, and we are calling on them to continue this trend. To support spouses' careers and encourage a high quality of life for military families, I recently directed the Secretaries of the Military Departments to include military spousal hiring assistance and other family considerations as criteria in future basing decisions.

Access to Childcare

Childcare is a workforce issue that directly impacts the efficiency, readiness, and retention of the total force. Earlier this month, I issued a directive prioritizing uniformed Service members for childcare at on-base Child Development Centers. The Department is committed to ensuring quality care and meeting the increased demand for child care services due to frequent deployments and high operational tempo. I will be pursuing other initiatives along these lines in the coming months.

Conclusion

We cannot lose sight of the significance of the challenges we now face. It is clear by the actions of today's revisionist powers and rogue regimes that the free and open international order, which has provided peace and prosperity for decades, is under duress. America's adversaries are intent on eroding our military's longstanding overmatch, undermining our robust architecture of allies and partners, and degrading our standing as the global partner of choice.

The Department of Defense is up to this challenge. With the support of Congress and delivery of on-time appropriations, we will have the means to continue to aggressively implement the NDS. By building a more lethal force, strengthening alliances and partnerships, and carrying out aggressive reforms, we will ensure America's military maintains our competitive advantage, continues to deter war, and preserves our nation's security.

Thank you.

Dr. Mark T. Esper
Secretary of Defense

Dr. Mark T. Esper was born on April 26, 1964, in Uniontown, Pennsylvania. He is a 1986 graduate of the United States Military Academy and received his commission in the Infantry. Upon completion of Ranger and Pathfinder training, he served in the 101st Airborne Division and participated in the 1990-91 Gulf War with the “Screaming Eagles.” He later commanded a Rifle Company in the 3-325 Airborne Battalion Combat Team in Vicenza, Italy. He retired from the U.S. Army in 2007 after spending 10 years on active duty and 11 years in the National Guard and Army Reserve.

After leaving active duty, he served as Chief of Staff at The Heritage Foundation think tank, followed by service as legislative director and senior policy advisor to former Senator Chuck Hagel. He was a senior professional staff member on the Senate Foreign Relations and Senate Government Affairs committees, policy director for the House Armed Services Committee, and national security advisor for former Senate Majority Leader Bill Frist. During the President George W. Bush administration, he served as the Deputy Assistant Secretary of Defense for Negotiations Policy at the Pentagon.

From 2006-2007, Dr. Esper was the Chief Operating Officer and Executive Vice President of Defense and International Affairs at Aerospace Industries Association. He was the national policy director to Senator Fred Thompson for his 2008 presidential campaign, and was a Senate-appointed commissioner on the U.S.-China Economic and Security Review Commission. Dr. Esper later served concurrently as the Executive Vice President for the U.S. Chamber of Commerce’s Global Intellectual Property Center and as Vice President for Europe and Eurasian Affairs from 2008-2010. Before being nominated as the Secretary of the Army in 2017, Dr. Esper was the Vice President for Government Relations at the Raytheon Company.

Dr. Esper is a recipient of the Department of Defense Medal for Distinguished Public Service. Among his many military awards and decorations are the Legion of Merit, Bronze Star Medal, the Kuwait Liberation Medal, Kuwait Liberation Medal-Saudi Arabia, and the Combat Infantryman Badge.

Dr. Esper holds a Master of Public Administration degree from the John F. Kennedy School of Government, and a doctorate in Public Policy from George Washington University. Dr. Esper and his wife, Leah, have been married for 30 years and have 3 adult children.

The Honorable Mark T. Esper was sworn in as the 27th Secretary of Defense July 23, 2019. He served as Acting Secretary of Defense from June 24, 2019, to July 15, 2019. Dr. Esper served as the Secretary of the Army from Nov. 20, 2017, to June 24, 2019, and from July 15, 2019, to July 23, 2019.

HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF

GENERAL MARK A. MILLEY, USA

20TH CHAIRMAN OF THE JOINT CHIEFS OF STAFF

DEPARTMENT OF DEFENSE BUDGET HEARING

FEBRUARY 26, 2020

Introduction

Chairman Smith, Ranking Member Thornberry, distinguished members of this committee, it is an honor to testify before you today on the President's Budget for Fiscal Year (FY) 2021.

It remains my distinct honor and privilege to represent the Soldiers, Sailors, Airmen, and Marines of the United States Armed Forces—the best-trained, best-equipped, and best-led military force in the world. America's servicemen and women stand watch in the air, land, sea, space, and cyberspace defending our nation and protecting the **values** bestowed upon us in the Constitution.

The United States military is a vital component of U.S. national power to deter great power war and protect the security of our nation. Should deterrence fail, we are prepared to fight and win our Nation's wars against any potential adversary.

The last four defense budgets Congress passed have done much to address readiness shortfalls, and reduce the backlog of deferred procurement and modernization, resulting from sequestration in the Budget Control Act of 2011, repeated continuing resolutions, and simultaneously fighting two contingencies. Still, readiness and modernization challenges remain. Our competitors are making steady gains and are closing the gap in all warfighting domains. It requires **sustained, predictable, adequate, and timely** budget authorizations and appropriations to effectively compete in an era of great power competition.

I applaud the Bipartisan Budget Acts of 2018 and 2019 for improving predictability by authorizing a funding baseline in two-year periods. I especially thank Congress for an on-time FY19 appropriation. Unfortunately, continuing resolutions for FY20 reduced predictability again. I urge Congress to continue providing two-year funding baselines to improve our planning, and to pass an on-time appropriation for FY21 so our Department can most effectively apply taxpayer dollars to our national defense.

The President's Budget for 2021 (PB21) requests \$705.4 billion, consisting of \$636.4 billion for base requirements and \$69 billion for Overseas Contingency Operations. It is a product of many **hard funding choices**. It aligns resources to the strategic objectives outlined in the National Security Strategy (NSS), National Defense Strategy (NDS), and National Military Strategy

(NMS), and delivers a **ready, agile, and capable** Joint Force that can **compete, deter, and win** across all domains today and in the future.

Specifically, the Department's PB21 request makes investments in four priority areas: **improving Joint warfighting readiness, developing the future Joint Force; developing Joint leaders; and supporting our troops and their families.** These investments **prioritize capability and capacity while reforming the department for better performance and accountability.** They also **reaffirm our commitment to existing Allies and partners,** while helping attract new partners to advance U.S. interests around the world. PB21 provides the best balance of resources to address the security challenges we face today and in the future.

Strategic Environment

As we begin the third decade of the 21st century, we are in an era of great geostrategic change and face a complex range of challenges. International institutions and norms are under attack and the free and open order that has brought prosperity and great power peace since the Second World War is being challenged every day. We face threats to the homeland and our national interests from state and non-state actors across every domain—land, sea, air, space, and cyberspace. While the nature of warfare is constant, the character of war frequently changes due to advances in technology and how humans apply technology in the conduct of war.

The NDS provides guidance for how we use military force today and in the future. It emphasizes the return of great power competition and prioritizes our efforts for long-term competition with China and Russia. It also directs us to deter and counter the regional influence of North Korea and Iran while consolidating our gains against violent extremist organizations (VEOs). This strategic framework—not meant to be predictive of future conflicts—informs our planning, capability development, risk assessments, and investments. Each of the challenges outlined in the NDS threaten **our national interests to preserve great power peace, and protect the American people, our homeland, and the American way of life.**

China seeks to undermine the free and open Indo-Pacific, our global alliance structure, and the status quo of powers around the world, by ignoring international norms, standards, and laws. Additionally, the Chinese Communist Party exports authoritarian practices around the world to undermine U.S. interests. They assert control of disputed spaces in the Indo-Pacific region

through a campaign of low-level coercion and use of “gray zone” tactics below the threshold of armed conflict. Beijing’s increasing military presence in the South China Sea and building of dual-use infrastructure in the Spratly Islands is an attempt to control access, project power, and undermine U.S. influence in the area. Meanwhile, through investments in nuclear, space, cyber, and electronic warfare, coupled with growing air and maritime capabilities, China strives for regional hegemony and to increase its influence on a global scale in the near-term.

Russia is attempting to undermine the credibility of our NATO alliance, and U.S. credibility globally. Opportunism is a cornerstone of their behavior in the strategic environment to exploit political instability and uncertainty. Moscow uses information warfare, cyber operations, and political influence to achieve their objectives around the world. We have seen examples of revanchist behavior in their invasions of Georgia and Crimea, activities in the Donbas, and backing of authoritarian regimes in Syria and Venezuela. Since 2016, we have worked to counter their efforts to sow doubt in democratic processes and to exacerbate societal divisions in Europe and the United States.

China and Russia have invested in capabilities designed to nullify our strengths and exploit perceived weaknesses—specifically targeting our ability to project power and operate freely around the world.

Despite the diplomatic thaw between the United States and the Democratic People’s Republic of Korea, **North Korea** threatens our regional Allies and our homeland with nuclear and ballistic missile capabilities. We must have a force posture to deter and defend against these threats, as well as Pyongyang’s extensive conventional forces. The Joint Force must maintain readiness on the Korean Peninsula, as well as in defense of our homeland, to be prepared for multiple contingencies.

Iran is the world’s largest state sponsor of terrorism, including groups that threaten U.S. personnel overseas and in our homeland. Iran has taken advantage of instability to expand its influence through partners and proxies to challenge the interests of the United States and our Allies and partners. Tehran also uses covert and overt military action to restrict our military and economic access to the Middle East, especially threatening freedom of navigation along commercial maritime routes. Recently, the Iranian regime’s attacks have become more aggressive and they are taking steps to resume development of nuclear weapons. Iran continues

to develop cruise and ballistic missiles, improve their intelligence capabilities, and undertake malicious cyber activities intended to challenge our competitive advantage.

Violent extremism is a generational, transregional struggle requiring sustained political, fiscal, and military solutions. While we have achieved significant progress in our counterterrorism efforts, the threat to the United States and our Allies remains. With a coalition of like-minded nations, we continue to apply military pressure against VEOs in Afghanistan and Syria to protect the American people from terrorist attacks against the homeland. Our military strategy remains to work by, with, and through Allies, partners, and local forces; however, a coordinated, whole-of-government approach is necessary to address the underlying conditions of violent extremism.

To meet these priority challenges, the Department requires a **flexible and agile Joint Force** with the **capability and capacity to respond** to any contingency **now and in the future**. We must be able to **adapt quickly** to the rapid evolution in advanced technologies to compete and win against potential adversaries. Our PB21 request targets specific investments in **readiness, modernization, leader development, and support to our people and families** to retain overmatch in an era of great power competition.

Improve Joint Warfighting Readiness

The U.S. Armed Forces are prepared to defeat any adversary that threatens the homeland or its vital national security interests around the world. Investment in readiness is essential to maintain this posture, and readiness continues to be a focus of our budget request this year.

PB21 builds on readiness improvements from FY17-20 with a funding profile that meets readiness recovery goals for all Services within the Future Years Defense Plan (FYDP). PB21 requests \$125.1 billion to robustly fund readiness across the Joint Force, augmented by cooperation with our Allies and partners. This represents an increase of \$9 billion, or 7.8 percent, over FY20 enacted levels to continue readiness recovery and meet global readiness needs. PB21 funds major readiness accounts to grow operational availability and recover from years of wartime operations and budget instability. It will replace aging equipment with accelerated procurement of newer gear, improve training of ground and aviation elements, and invest in manpower with critical skills. Specific readiness status and major priority investments by Service follow.

U.S. Army: Recent budgets have reversed readiness declines and facilitated modest gains, achieving and sustaining the Army's highest readiness levels in the last three years. Since 2016, the Army's non-deployable rate has decreased from 15 to six percent, and over the last year, active component Brigade Combat Team average readiness is holding steady at 74 percent. Despite significant progress recovering core mission readiness, global operational demands continue to challenge the Army's ability to sustain its gains and to achieve the readiness levels needed to meet contingency planning requirements.

The PB21 budget enables the Army to maintain its current tactical readiness levels while improving its strategic readiness. The PB21 budget produces modest end strength growth to build cyber operations and electronic warfare (EW) capabilities, and increases funding for ground and air readiness—resourcing training strategies at 100 percent for the Active Component and 80 percent for the Reserve Component. The budget proposal also enables the Army to improve training, support, and command facilities through the activation of a 4th Corps headquarters.

U.S. Navy: Navy readiness bottomed out in June 2018 and has trended slowly upwards after the implementation of a readiness recovery strategy. By October 2019, the Navy improved mission-capable rates for all aircraft types and achieved the desired 80 percent mission capable rates for F/A-18 E/F and EA-18G primary mission aircraft inventory. However, complete readiness recovery requires continued sustained implementation and funding of the recovery initiatives to address challenges in supply, munitions, and infrastructure. In the long term, the Navy must balance sustainment of the current and growing force with the need to increase capacity and field new capabilities.

PB21 implements the NDS and prioritizes readiness recovery of force elements required in a major contingency while sustaining a combat-credible force forward. The Navy prioritizes funding for its people—growing its end strength by 3,970 personnel over the 2020 projected level. This growth will eliminate shortfalls in critical warfighting readiness specialties, align manpower to force structure as the Navy grows the Fleet, and reduce manpower gaps at sea. The Navy is focused on data-driven process improvements that drive the implementation of industry best practices for aviation readiness and ship maintenance. Maintaining and improving public and private shipyard infrastructure capacity is essential to shipbuilding and conducting required

maintenance of a growing Navy. Planned Naval Shipyard investments and completion of Naval Shipyard optimization analyses are a necessary step to minimize maintenance delays, increase on-time deliveries, and incentivize private shipyards to grow much-needed shipbuilding capacity.

U.S. Marine Corps: Funding increases have enabled the Marine Corps to sustain its role as a ready, agile, and expeditionary force ready to meet global demand. Current unit readiness remains high for deployed forces and total force readiness continues to trend upward. However, the Marine Corps has entered a period of transformation to build a force that is postured to meet the demands of the rapidly evolving future operating environment and align with the NDS.

As an inherently naval force, PB21 enhances the Marine Corps' capability through naval integration. It prioritizes investments that incorporate revolutionary warfighting concepts, such as littoral operations in contested environments, expeditionary advanced base operations, and distributed maritime operations. PB21 invests in ground combat capabilities by divesting known legacy and low-demand programs that do not meet future operating requirements and reinvests these funds in capabilities that enable a naval expeditionary force-in-readiness to operate inside contested maritime spaces. Marine aviation continues to advance through ongoing and comprehensive readiness recovery efforts to increase the capacity and quality of mission capable aircraft.

U.S. Air Force: FY17-FY19 funding contributed to readiness improvements across various platforms by investing in pilot training and production, depot maintenance, and aviation spare parts, while increasing flying hours. Increased aircraft mission capable rates have resulted in over 75 percent readiness of the Air Force's pacing squadrons. However, aging programs, such as the legacy tanker fleet, and programs that lack sufficient sustainment capacity to support total inventory, prohibit additional improvements in the Air Force's readiness. PB21 divests of programs like these and reinvests in new procurement and advanced technology to improve readiness, address future threats, and lower aircraft sustainment costs.

The number one priority of the Air Force is multi-domain command and control. This investment allows current and future platforms to instantly share important data, and increases effectiveness, survivability, and lethality. The Air Force is also continuing to leverage data analytics, innovation, industry best practices, and cutting-edge technologies to reduce sustainment costs, increase efficiency, and improve weapon system reliability. PB21 addresses operational training

infrastructure shortfalls through targeted near-term investments and a long-term funding strategy to upgrade both its live and synthetic training infrastructure.

U.S. Space Force: We are expeditiously building the newest branch of the Armed Forces – the Space Force – as a co-equal Service under the Department of the Air Force. To complement U.S. Space Command, which the President established as a unified combatant command in 2019 to integrate Joint Force operations in the space domain, the Space Force will focus on the Title X responsibilities of manning, training, and equipping U.S. forces to maintain a competitive advantage in space. We expect the Space Force to be an agile and lean organization that will initially grow its membership from the U.S. Air Force, and eventually other Services pending Congressional approval. There is much work to do to establish the mechanisms to commission, enlist, appoint, train, equip, and support members of this new military service. We look forward to working with Congress in these areas to create the world's most capable Space Force.

Developing the Future Joint Force

To effectively compete and deter in a time of great power competition, we must modernize existing capabilities, accelerate the evolution of advanced technologies, and develop and implement joint warfighting concepts.

Analytical assessments, like the Joint Military Net Assessment, the Chairman's Risk Assessment, and Contingency Planning Guidance, allow us to assess risk, estimate the future operating environment, and make comprehensive, threat-informed decisions. Based on these assessments, the Joint Force has prioritized the following capability areas as critical to achieve the NDS objectives and counter tomorrow's expected challenges.

Nuclear Deterrence: As the Department's top priority, PB21 robustly supports the nuclear enterprise under the NDS and the 2018 Nuclear Posture Review. It invests in nuclear modernization to improve the safety, security, and reliability of our nuclear enterprise, and supports simultaneous recapitalization of capabilities across all three aging legs of the nuclear triad and sustainment of legacy systems. Key investments are in the Ground-Based Strategic Deterrent, the B-21 bomber, the Columbia-class submarine, Long-Range Stand Off Weapon, missile warning, and resilient assured Nuclear Command, Control, and Communications.

Space: PB21 requests funding to increase our resiliency, deterrence capability, and warfighting options in the space domain. It includes funding to modernize existing space assets, diversify offensive and defensive space control capabilities, and improve space-based intelligence, surveillance, and reconnaissance (ISR). The budget also requests continued funding for the Space Development Agency's first project to develop a new data transport layer to enhance connectivity among our warfighting platforms. As they move forward, they will set an example of how the Department can move quickly and leverage industry best practices and innovation in developing new space capabilities.

Cyber: The PB21 request prioritizes the defense of DoD Information Networks, improves offensive and defensive cyberspace operations capabilities, and matures our cyberspace command and control structure. It continues to build, train, and equip Cyber Mission Forces. It also makes investments in next-generation encryption to secure DoD communications, and invests in secure, cloud-based information technology for the Department's business and mission operations through the Joint Enterprise Defense Infrastructure Cloud contract.

Command and Control: PB21 increases investment in Joint All-Domain Command and Control (JADC2) to create an agile, interoperable Joint Force that can fight with fully networked platforms, sensors, weapons, and command and control capabilities, even through contested environments. The Air Force's Advanced Battle Management System (ABMS) and our collective digital modernization efforts across the Department increase our speed, agility, and capability to fight and win in all-domain operations.

Air: PB21 requests funding to modernize air capabilities, while divesting legacy air programs. It maintains tactical aviation capacity through continued procurement of both 4th and 5th generation aircraft, including F-35, F/A-18 E/F, and F-15EX aircraft. It invests in developing Next Generation Air Dominance platforms to meet future Joint Force requirements. PB21 reduces the size of the B-1 fleet, but funds selective legacy bomber upgrades, to improve aviation readiness, while investing in development of the future nuclear-capable bomber, the B-21 Raider. It also requests funding to build the future tanker fleet.

Sea: PB21 requests funding for a battle force of 306 deployable ships in FY21, including funding to recapitalize the Columbia strategic ballistic missile submarine, our nation's sea-based strategic deterrent. PB21 invests in a more lethal and innovative maritime force through increased

research and development for maritime strike tomahawk, the hypersonic Conventional Prompt Strike weapon, unmanned systems, a family of lasers, cyber and information warfare capabilities, and Marine Corps expeditionary equipment. Our budget request also includes key readiness investments in ship depot maintenance and ship operations.

Land: Further developing long-range fire capabilities remains a priority in the land domain. The Army and Marine Corps intend to field an initial ground-launched cruise missile capability in the next few years. PB21 also invests in the recapitalization of combat vehicles with the fielding of the Joint Light Tactical Vehicle, which provides increased protection and restored payload characteristics compared to the legacy High-Mobility Multi-Wheeled Vehicle (HMMWV) fleet. Army Combat Vehicle and Marine Corps Amphibious Combat Vehicle investments will help meet the Joint Force's operational needs in the face of the changing character of modern land warfare.

Missile Defeat and Defense: PB21 strengthens missile defense of the homeland, deployed forces, and our allies and partners. It supports continued investment in the modernization of critical near-term layered capabilities to meet the threats of today while building additional capacity and lethality to outpace evolving threats. Additionally, this budget is aligned with the Missile Defense Review which places emphasis on homeland Ballistic Missile Defense and reduces risk by pursuing multiple developmental efforts. These investments support a flexible, adaptable, and expanded missile defense architecture on the ground, in the air, and from the sea that leverages space technology.

Advanced Technologies: Great power competition requires the Department to be on the cutting edge of advanced technologies. **Hypersonic weapons, artificial intelligence (AI), and autonomous systems** are a few of our key advanced technology investment areas. PB21 represents the Department's largest-ever investment in research, development, testing, and evaluation. Through this infusion of funding, we will draw on the power of America's industrial base and technology sector as partners in our modernization and innovation efforts.

PB21 increases our investment in **hypersonic weapons** development. This request supports promising long-range conventional and advanced rapid-response strike capability development in each military department, including the Army's Long-Range Hypersonic Weapon, the Navy's Conventional Prompt Strike, and the Air Force's Advanced Rapid Response Weapon.

Hypersonic weapons provide an offensive capability against time-sensitive and high-value targets. They challenge adversary sensors and interceptors, and complement existing cruise and ballistic missile capabilities.

PB21 also increases our investment in **AI** research, prototyping, and fielding. The Joint Artificial Intelligence Center (JAIC) and Project Maven are leading cross-Service AI efforts, while each Service leads projects focused on their unique needs. Funding for the JAIC provides a common foundation upon which multiple organizations can develop, test, certify, and share AI capabilities. JAIC also provides a single point of contact for government, industry, academia, and other Allies interested in collaborating with DoD on AI. Project Maven's application of AI to full-motion video exploitation demonstrates how the Department can to rapidly develop, test, and field AI capabilities to address operational problems. We are rapidly expanding our AI efforts to logistics, cyber operations, command and control, and semi-autonomous and autonomous vehicles, while we refine how humans will interact with this technology in our future.

PB21 also requests funding for **autonomous and remotely piloted systems** in the air, on and under the sea, on land and in space. These systems increase the capacity of our force, allow us to focus human efforts on more complex tasks, and enhance our speed of maneuver and lethality in contested environments. Combined with developments in piloted and optionally-piloted platforms, our advanced autonomous systems will enhance our speed of maneuver and lethality in contested environments.

Joint Warfighting Concept (JWC): Advances in technology and great power competition are driving us to refine our Joint Warfighting Concept. The JWC will provide a threat-informed capability development roadmap for all-domain joint maneuver warfare. We will harness the innovation within our force, the intelligence community, industry, and other sectors of America to develop and test this concept to ensure it reflects the best ideas for the future fight. PB21 invests in Joint wargames and experiments so we can accelerate our learning and adapt concepts and capabilities faster than our adversaries.

Develop Joint Leaders

In order to retain our competitive advantage into the 2030s and beyond, we are refining Professional Military Education (PME) and talent management to develop Joint Leaders with the skills, values, and intellectual agility to fight and win the wars of tomorrow.

Our PB21 complements measures we are taking to reorient the PME enterprise to prepare Joint leaders to operate globally, across all domains, and in an environment where the character of war is constantly changing. Measures include shifting PME curricula from a predominantly topic-based approach to instead focus on outcomes, and modifying instruction to emphasize ingenuity, military professionalism, and historical insights in the art and science of warfighting. The Joint Chiefs and I are committed to ensuring our PME enterprise can continuously assess, adapt, and innovate.

Our collective talent management enterprise, based on individual Service personnel processes, must likewise continuously assess, adapt, and innovate. The positive benefits of adaptation and innovation in our PME enterprise are sub-optimized if we do not wisely identify and nurture the development of the human talent in the Joint Force. Our best and brightest must be identified, assigned to schooling, and employed in such a way that maximizes both their potential and the benefit for the Joint Force. Careful selection of who goes to school and when, who teaches them, assessments of cognitive abilities, and purposeful post-PME assignments require adaptation and innovation to realize this vision.

The increased speed, complexity, and ambiguity of today's strategic environment require that we develop strategically-thinking joint warfighters who can critically and creatively apply military power to inform national strategy, conduct globally integrated operations, and fight under conditions of disruptive change. Through rigorous, specialized military education combined with enhanced talent management approaches, we will provide the Joint Force intellectual overmatch and competitive advantage in all domains.

Troops and Families

The United States military is the strongest in the world because of our people. We maintain a resilient and adaptable military by providing unwavering support, care, and leadership to our troops and families, to include our extended family – the civilian employees who serve across the Joint Force.

PB21 requests funding for family support initiatives, to include child care for over 160,000 military children and various youth programs serving more than 1 million dependents. PB21 also requests a significant investment in a variety of military spouse programs. These include family advocacy, financial readiness, and the Military OneSource network. We are also implementing programs to offset the costs of acquiring and transferring professional licenses for our military spouses.

In broad terms, PB21 focuses on improving our facilities infrastructure and maintenance to support operational and training readiness, while also providing our military families safe, high-quality residences. In recognition of the deficient conditions with some of our base housing, each of the Services has enhanced oversight of their public-private housing partnerships consistent with the FY 2020 NDAA requirements.

America's military operates globally and at a high operational tempo. We must keep the trust of our service members and their families by ensuring that they continue to receive superior quality of life benefits. Our all-volunteer force will continue to be the greatest in history only if we continuously affirm how much we value the service that our military and civilian members provide their country.

Conclusion

The United States armed forces is a **flexible and adaptable force** ready to deter, fight, and win our Nation's wars. The PB21 budget request increases the lethality of the force by improving readiness, developing the Joint Force of the future, developing Joint leaders, and taking care of our troops and their families. I appreciate the support of Congress to provide sustained, predictable, adequate, and timely funding so America's armed forces will achieve all-domain dominance now and into the future.

GEN Mark A. Milley
Chairman of the Joint Chiefs of Staff

General Mark A. Milley is the 20th Chairman of the Joint Chiefs of Staff, the nation's highest-ranking military officer, and the principal military advisor to the President, Secretary of Defense, and National Security Council.

Prior to becoming Chairman on October 1, 2019, General Milley served as the 39th Chief of Staff of the U.S. Army.

A native of Massachusetts, General Milley graduated from Princeton University in 1980, where he received his commission from Army ROTC.

General Milley has had multiple command and staff positions in eight divisions and Special Forces throughout the last 39 years to include command of the 1st Battalion, 506th Infantry, 2nd Infantry Division; the 2nd Brigade, 10th Mountain Division; Deputy Commanding General, 101st Airborne Division (Air Assault); Commanding General, 10th Mountain Division; Commanding General, III Corps; and Commanding General, U.S. Army Forces Command.

While serving as the Commanding General, III Corps, General Milley deployed as the Commanding General, International Security Assistance Force Joint Command and Deputy Commanding General, U.S. Forces Afghanistan. General Milley's joint assignments also include the Joint Staff operations directorate and as a Military Assistant to the Secretary of Defense.

General Milley's operational deployments include the Multi-National Force and Observers, Sinai, Egypt; Operation Just Cause, Panama; Operation Uphold Democracy, Haiti; Operation Joint Endeavor, Bosnia-Herzegovina; Operation Iraqi Freedom, Iraq; and three tours during Operation Enduring Freedom, Afghanistan. He also deployed to Somalia and Colombia.

In addition to his bachelor's degree in political science from Princeton University, General Milley has a master's degree in international relations from Columbia University and one from the U.S. Naval War College in national security and strategic studies. He is also a graduate of the MIT Seminar XXI National Security Studies Program.

General Milley and his wife, Hollyanne, have been married for more than 34 years and have two children.

DOCUMENTS SUBMITTED FOR THE RECORD

FEBRUARY 26, 2020



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

FEB 27 2020

The Honorable James M. Inhofe
Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

As a critical partner in building a strong, lethal Navy and Marine Corps, I believe it is important that I share with you the priorities and process I have instituted to better assess the alignment of Naval force structure with the National Defense Strategy (NDS). At the same time, I want to address your expectations regarding key budget and supporting documents, including the statutory requirement for the Secretary of Defense to submit a 30-year shipbuilding plan.

The Department of Defense (DoD) remains committed to building a Navy of at least 355 ships. I personally believe the force structure required is even larger. More urgently, though, the Department also remains focused on the readiness of our current fleet by allocating an additional \$3.4 billion into the Navy's operations and maintenance accounts relative to FY 2020. A Navy of 355 ships is a priority that DoD intends to achieve, but we must avoid doing so in a way that creates a hollow force unable to modernize, outfit, crew, operate, or maintain the ships the Navy has now. I want to ensure we have a fleet that is ready to deploy, fight, and win when duty calls.

While the 30-year shipbuilding plan requires certification that there is sufficient funding across the first five years, the remaining 25 years are both speculative and not budget-informed. You have the FY 2021 President's budget request, which fulfills the certification requirement. I am committed to building and providing you a plan that aligns force mix to the NDS, is based on an approved war plan, and considers resources throughout the 30-year period.

At the same time, the character of maritime warfare is changing rapidly. Technological advancements in space, cyber, and long-range missiles increase the potential for adversaries to track, target, and threaten our ships, as well as other joint platforms. Therefore, and to maintain our maritime superiority, we must explore a range of alternative "future fleet" designs that fully meet the demands of the NDS, while being compatible with future warfighting doctrine, threat developments, and budget constraints. The "future fleet" design will be based on the following:

- Modern warfighting concepts that prioritize joint operations and Navy and Marine Corps integration;
- Operational attributes that emphasize distributed awareness and lethality; survivability in a high-intensity conflict; adaptability in a complex world; ability to project power and demonstrate presence; and the capability to deliver precision effects at long ranges;

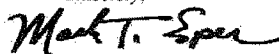
- Compositional attributes that result in fewer larger surface platforms; more smaller surface combatants; greater reliance on lightly- and optionally-manned ships; and an ample submarine force;
- Incorporation of other assets that are integral to the joint fight, such as strategic sealift;
- Emphasis on building a future fleet that will be ready and lethal over its lifetime by remaining affordable, sustainable, and adaptable in an ever-changing environment; and
- The importance of a robust and healthy industrial base, with modern shipyards and highly-skilled workers.

For the reasons outlined above, I assess that it is very prudent to take a fresh look at how we determine the composition of our future Naval forces. To this end, I have charged the Deputy Secretary of Defense with leading a comprehensive review and analysis of the Navy's proposed "future fleet" force structure. Working collaboratively with Navy and Marine Corps leadership, this team will conduct a number of war games, simulations, and detailed analyses over the coming months to assess a wider and bolder range of "future fleet" designs against key desired outcomes and parameters, including those listed above.

The results of this rigorous analysis are due back to me this summer and will drive future shipbuilding plans. It is my intention to be transparent with you regarding the methods, progress, and results of this assessment. This effort marks a unique opportunity to ensure that analysis on the fleet – the fleet that is needed to meet the NDS – better drives our shipbuilding plan into the future.

Acting Secretary Modly, Admiral Gilday, and General Berger have demonstrated a consistent commitment to ensuring the Navy and Marine Corps are integrated, not just coordinated. I look forward to working with you as we endeavor to ensure the U.S. Navy remains the most dominant maritime force and the best in the world for years to come.

Sincerely,



cc:
The Honorable Jack Reed
Ranking Member

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

FEBRUARY 26, 2020

RESPONSE TO QUESTION SUBMITTED BY MR. LANGEVIN

Secretary ESPER. The Department of Defense understands that climate change poses a challenge to DOD installations. While we currently have no indications that climate change impacts our readiness directly, we acknowledge that resilient installations and operations are crucial to maintaining readiness in the face of a wide variety of threats—regardless of the source.

To this end, the Department has been and will continue to be proactive in developing comprehensive policy, guidance, and tools to mitigate potential climate impacts, with a focus on robust infrastructure, sound land management policies, and increased energy resilience. [See page 18.]

RESPONSE TO QUESTION SUBMITTED BY MR. ROGERS

Secretary ESPER. We can confirm that the Missile Defense Agency (MDA) remains the agency with principal responsibility to develop and deploy the hypersonic and ballistic missile tracking space sensor (HBTSS) payload and that no FY20 funds from HBTSS MDA were redirected from MDA to Space Development Agency (SDA).

HBTSS is a portion of the larger proliferated low Earth orbit (pLEO) Tracking Layer within the National Defense Space Architecture. The SDA has responsibility for the entire advanced missile tracking capability, within which the satellites from MDA's MFOV (HBTSS) system will be deployed. The Tracking Layer will provide complete global coverage and targeting data for threats that include hypersonic glide vehicles and dim booster upper stages. The Tracking Layer leverages MDA's expertise in developing sensor systems able to detect the dimmest targets and provide the highest quality targeting data to defeat threats. MDA is working closely with SDA to integrate HBTSS into the entire Tracking Layer and fuse data to provide global threat warning. This relationship is vital to accelerating the development of advanced missile tracking. [See page 23.]

RESPONSE TO QUESTION SUBMITTED BY MR. CARBAJAL

Secretary ESPER. The W93 warhead is a new program of record that will produce an additional submarine-launched ballistic missile warhead type in the 2030s. We must get started on the warhead now to mitigate future risk to the Triad's sea-based leg and to address the changing strategic environment. In November 2019, the Nuclear Weapons Council endorsed, and subsequently the Deputy Secretary of Defense approved funding for an acquisition program for the W93 and associated new Mk7 re-entry body. NNSA and the Navy are requesting funding in Fiscal Year (FY) 2021 to begin a Phase 1 Concept Study, which is the first step in the warhead acquisition process. Given the long timeframes for nuclear weapon acquisition programs, and the risk we see on both the technical and geopolitical fronts, DOD and NNSA agree we must get started now.

Development of the W93 warhead and the associated Mk7 aeroshell must be undertaken in parallel to ensure the systems work together. Our infrastructure and the industrial base that manufactures many of the components and materials, particularly for the aeroshell, have atrophied significantly. We must start rebuilding this capability and the manufacturing skills that go with it now to achieve the target timeframe in the 2030s.

How the W93 will be integrated into the force, and whether it would serve to replace or augment other warheads in the stockpile, will be decided as the threat environment evolves and as the W93 design matures. We do not anticipate that the W93 will increase the overall size of the U.S. deployed strategic force.

The W76-1 life extension program (LEP) and W88 Alteration 370 are limited scope refurbishments that did not and will not replace all of the critical components in these two systems. Therefore key components in the W76 and W88 warheads—originally produced in the 1970s and 1980s—are continuing to age and will need replacement. Given this and the significant timelines for nuclear weapon acquisition programs, DOD and NNSA need to start the W93 warhead now so that it can be

produced in the 2030s, before both the W76 and W88 begin to reach their end of life. Additionally, the W93 mitigates technical risk inherent in our current overreliance on the W76 and its addition will ensure continued operational flexibility and effectiveness as the United States transitions to the COLUMBIA-class ballistic missile submarines, which have fewer missile tubes than the current OHIO-class. [See page 45.]

RESPONSES TO QUESTIONS SUBMITTED BY MS. STEFANIK

Secretary ESPER. As provided in the June 26, 2019 letter from the Undersecretary of Defense for Research and Engineering (USD(R&E)) to the congressional defense committees, the potential Continental United States Interceptor Site (CIS) sites vary in pros and cons depending on the attribute being considered. Fort Custer, Michigan is currently estimated to be the least expensive option, with the fewest environmental and constructability challenges. Fort Drum, New York was considered to provide the best operational coverage, but has the most environmental and constructability challenges. Camp Garfield, Ohio falls in between Fort Custer and Fort Drum relative to those attributes. While a final site selection has not been made, per the USD(R&E) letter, Ft. Drum was considered the preferred site by a slim margin in June 2019. This was based on a slight operational effectiveness advantage due to its geographical location, current Missile Defense System (MDS) operational performance, and the understood threat to the homeland at that time.

All planning and analysis for the CIS was based on deployment of Ground Based Interceptors with Redesigned Kill Vehicles (RKVs) which was subsequently terminated. The MDA has initiated the Next-Generation Interceptor (NGI) program, which would now be the foundation for a CIS deployment should the requirement for a CIS emerge.

The Department of Defense is continuously monitoring threats to the homeland and is actively pursuing development of the NGI as a critical step in our defense. Following finalization of the technical details of the NGI, the MDA and U.S. Northern Command must re-evaluate the CIS analysis to ensure the best possible use of resources for the defense of the homeland. [See page 43.]

General MILLEY. The current GBI inventory and operating locations are capable of defending against a possible future ICBM launched from Iran should Iran develop the capability. [See page 44.]

RESPONSE TO QUESTION SUBMITTED BY MR. KELLY

Secretary ESPER. The Army National Guard(ARNG) and Army Reserve(USAR) have been integral to winning our nation's wars. We rely upon Active, Guard, and Reserve Soldiers fighting side-by-side. As the Army fields modernized equipment, the priority will be to those forces expected to make contact with an adversary first—regardless of component.

Here are some examples of how the Army is fielding the most modern equipment to the Army National Guard and Army Reserve:

- Armored Multi-Purpose Vehicle (AMPV). The Army plans to field AMPV to all ARNG Armored Brigade Combat Teams (ABCTs). The AMPV fielding schedule is still being developed, but the first ARNG fielding is expected to take place after Fiscal Year (FY)25.

- Integrated Visual Augmentation System (IVAS). The current CFT IVAS fielding plan coordinated with US Army Forces Command includes the 30th ABCT (North Carolina Army National Guard) in 4th Qtr FY21, which is the first year of fielding. FY22 includes fielding multiple National Guard BCT formations.

- Next Generation Squad Weapon (NGSW). NGSW will be fielded to all Army components including the Army National Guard and Army Reserve.

- Network. Command Post Integrated Infrastructure, Low Cost Tactical Radio systems, HMS Man pack, 2 CH LDR Radio, Joint Battle Command Platform (JBC-P) will be fielded to Active, Guard and Reserve Units.

- AH-64E Apache. The 4 ARNG Attack Reconnaissance Battalions will be fielded in FY22, FY23, FY25, and FY26 with 24 AH64E in each Battalion.

- UH-60 Blackhawk. UH-60M Black Hawk modernization to COMPO 3 (USAR) is complete (FY16) with COMPO 1 and COMPO 2 fielding ongoing (COMPO 1 H-60M complete in FY22 & COMPO 2 complete in FY28). Additionally, UH-60V's will be fielded to all three COMPO's, beginning with COMPO 2 in FY21. The Army National Guard's 1-106th Assault Helicopter Company will be the Army's UH-60V FUE.

—Joint Light Tactical Vehicle (JLTV). The Army National Guard (ARNG) will field its first set of JLTV to select elements of the 19th Special Forces Group beginning in the 3QFY21. ARNG BCTs will begin JLTV fielding in FY23. [See page 47.]

RESPONSE TO QUESTION SUBMITTED BY MS. HORN

General MILLEY. USA: Completed. The Army approach was to immediately send officers to visit every soldier's on-base housing unit to put eyes on any problems. Army Installation leadership completed 100% of the housing walk-throughs by 19 March 2019.

USN: Completed. The Navy approach was equally comprehensive. Chief of Naval Operation's NAVADMIN from Feb 2019 ordered chain of command contact with every Sailor, regardless of housing category in CONUS and OCONUS (PPV, community, GO/GL MFH and UH) on the condition of their residence. Approximately 1800 Sailors reported issues in PPV housing and requested home visits by their chain of command. Approximately 1100 of the chain of command home visits had various issues documented by the chain of command and were recorded in complaint module of Enterprise Military Housing (eMH) by Navy Housing Service Center government personnel. All Navy home visits were completed by 30 Apr 2019. The NAVADMIN generated PPV complaints were jointly addressed by government housing and local PPV property managers. All NAVADMIN generated complaints were closed out EOM August 2019.

USMC: Completed. In accordance with CMC White Letter 1–19, the Marine Corps outreach consisted of contacting each resident to educate them on the three step process and ensure that they knew who to contact to address their housing concerns. Nearly 92,000 residents were contacted. The Marine Corps did not conduct home inspections of PPV or Government owned homes.

USAF: Completed. US Air Force addressed the review like the Navy. As a result nearly 7,300 military members residing in PPV housing reported issues with their housing, and 8,674 home visits were conducted by the chain of command. Commanders completed home visits by 30 Jun 2019. The resulting 4,985 health and safety issues identified in these homes were documented, jointly addressed by government housing and local PPV property managers, and tracked to completion by the Air Force leadership team. Only one housing issue at Keesler Air Force Base that requires extensive work to the unit remains open. Additionally, the Air Force has created a Resident Advocate position at every MHPI installation. The Resident Advocate reports directly to the vice installation commander, and is charged with addressing issues that cannot be resolved at the Project Owner and Military Housing Office levels. We have filled 9 of 60 of these new positions and we are aggressively working to fill the remaining positions.

Space Force: The Chief of Space Operations completed all housing visits to the ten Space Force installations as of Jan 2020. [See page 23.]

RESPONSE TO QUESTION SUBMITTED BY MR. CISNEROS

Secretary ESPER. The Department of Defense (DOD) remains fully committed to ensuring our military reflects the great nation we serve. We strive to make DOD a workplace of choice that is characterized by equity, inclusion, and the vast diversity unique to the United States. Our efforts to attract and sustain a force of diverse talent and experience are an intrinsic part of recruiting, employing, developing, and retaining our workforce.

From Fiscal Year 2008 to Fiscal Year 2018, DOD has made advancements in the representation of talented minority and female Service members across the officer corps as well as the enlisted force. Representation of racial minorities among DOD officers and enlisted has increased. With regard to the senior grades, while there are many factors that contribute to its composition, increasing minority and female representation at the senior grades requires a strong leadership pipeline of diverse candidates. Our efforts are focused on recruiting and retaining the talent we need to maintain this diverse pipeline, but we recognize there is more to be done.

Military recruiting efforts are designed to have a broad reach to attract diverse talent. The Military Services have developed robust and focused marketing and advertising campaigns and continue to enhance key partnerships with community leaders and other influencers to generate interest in, and inform youth of, the benefits of military service across minority and female populations. The recruiting commands and officer accession recruiters, including Reserve Officers' Training Corps and Military Service Academy recruiters, also engage in outreach efforts tailored to reach underrepresented groups. As DOD continues to build on its efforts to cultivate

a diverse and inclusive workforce, we must continue to draw upon the widest possible set of backgrounds, talents, and skills to maximize our warfighting capability, adapt to address new threats and challenges, and take advantage of new opportunities—strengthening the lethality and readiness of the Total Force. [See page 57.]

RESPONSE TO QUESTION SUBMITTED BY MR. CROW

General MILLEY. The DOD remains a ready, agile, and capable Joint Force that can compete, deter, and win across all domains while facing the coronavirus threat. The United States military is the strongest in the world because of our people, and we are committed to ensuring their health and safety. The Joint Force has responded to the needs of communities across the nation with some 62,000 service members and more than 3,500 DOD health care professionals working on the front lines of some of the hardest-hit areas. DOD continues to evaluate additional funding and resourcing required to ensure we can respond effectively to the challenges faced from the coronavirus, protect the defense industrial base, and help to stimulate the economy. We are focused on partnering with industry to maintain Joint Force readiness and drive modernization while protecting the defense industrial base supply chain. We recognize COVID-19 presents a significant challenge to the Joint Force, but we will never lose sight that our mission is to deter, fight, and win our Nation's wars. I appreciate the support of Congress to provide the required funding and resourcing authorities required for the armed forces to meet the challenges from the COVID-19 pandemic. [See page 64.]

RESPONSE TO QUESTION SUBMITTED BY MS. SLOTKIN

Secretary ESPER. When addressing Department of Defense (DOD) PFAS releases, DOD follows the Federal cleanup law, called the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Under CERCLA Section 121, there is an established process for evaluating if a State cleanup standard is applied. If the State standard meets the criteria in CERCLA, it is incorporated into the cleanup levels that must be attained at that site.

Separately and not part of the cleanup program, DOD must also follow the Safe Drinking Water Act for locations where we are the purveyor of drinking water. If a State promulgates a State drinking water standard, all water purveyors in that State (including DOD), must comply with the State standard in finished drinking water. We already do this for many other chemicals and it is considered part of normal operations for our DOD water systems. [See page 67.]

RESPONSE TO QUESTION SUBMITTED BY MS. ESCOBAR

Secretary ESPER. The DOD Components responsible for infrastructure take mitigation of life, health, safety issues very seriously. These types of infrastructure issues are prioritized for mitigation. I would appreciate any input you are aware of where military personnel or their families' life, health, and safety are at risk and not addressed promptly. [See page 72.]

RESPONSE TO QUESTION SUBMITTED BY MR. WALTZ

General MILLEY. The United States continues to provide training, advice, and assistance to Afghan National Defense and Security forces (ANDSF) to improve their capacity to counter terrorist threats in Afghanistan. At the same time, we have entered into an agreement with the Taliban in which the group committed to "prevent any group or individual, including al-Qa'ida, from using the soil of Afghanistan to threaten the security of the United States and its allies." On the battlefield, the Taliban continue to conduct operations to regain territory from ISIS-Khorasan. In 2019, the Taliban's operations contributed to CT pressure that caused ISIS-Khorasan to withdraw from Nangarhar Province and the Taliban is now positioned to pressure ISIS-Khorasan's presence in Kunar Province. We continue to monitor Taliban compliance with its counterterrorism commitments. We remain skeptical of the Taliban's willingness to take substantive action against al-Qaeda due to the long-standing relationship between the two groups, which is why we will closely monitor and verify the Taliban's commitment. [See page 71.]

RESPONSE TO QUESTION SUBMITTED BY MRS. LURIA

Secretary ESPER. Yes, the Annual Performance Plan (APP) and Annual Performance Report (APR) are important tools used throughout the budget formulation process to maintain an unwavering focus on the Department's strategic goals and objectives. Directly aligned to the three major strategic goals of the National Defense Strategy (NDS), the APP and APR provide the performance measures, milestones and results feedback needed to track the progress toward, and when necessary, make course corrections to fully implement the NDS.

This alignment with the NDS goal of reforming the Department's business practices for greater performance and affordability permeates the Fiscal Year(FY) 2021 budget request. Building on previous reform efforts, the Defense-Wide Reviews (DWRs) conducted in support of the FY 2021 budget development focused the entire Department on improving the alignment of time, money and people to NDS priorities. The DWRs identified FY 2021 savings of over \$5 billion for investment in support of readiness, innovation, and a more lethal Joint Force. [See page 73.]

RESPONSE TO QUESTION SUBMITTED BY MR. BRINDISI

Secretary ESPER. The DOD has and continues to collaborate extensively with our private industry partners in regards to Counter UAS systems. As you had previously mentioned, your district has outstanding facilities both private and within the DOD and Government (FAA) to conduct this developmental work. We have taken advantage of this with the Air Force Research Laboratory (AFRL), located in Rome, New York, awarding over \$600 million in contracts to companies within the local community this past year alone. Enterprize, Scherzi Systems LLC, Syracuse University's Center for Advanced Systems and Engineering, Autonomous Systems Policy Institute, Atolla Surveillance, SRC Inc. and Black River Systems Co are but a few of the companies in New York that have been contracted on Counter UAS work.

The DOD's efforts in Counter UAS have been streamlined with the recent establishment of the Joint Counter Small UAS Office (JCO) to lead DOD's efforts to coordinate Joint Requirements, inform future collaboration with private industry and field solutions. The JCO has and will continue to leverage collaboration of industry and DOD efforts in research and development efforts with the support of the Air Force and the other Services. This work will continue not only in New York but throughout the United States as it has in the past.

For reference, other private companies awarded contracts in the past year through the various Services and DOD in Counter UAS: Anduril Industries, Inc. (California), Citadel (California), Black River Systems (New York), Sky Safe (California), Echodyne (Washington), Fortem Technologies (Utah), Verus Technology Group (Virginia). [See page 76.]

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

FEBRUARY 26, 2020

QUESTIONS SUBMITTED BY MR. ROGERS

Mr. ROGERS. Secretary Esper, in PB21 how much funding is allocated to MDA to develop and deliver the hypersonic and ballistic tracking space sensor payload, as directed by Congress in the FY20 NDAA? In what funding line in the PB21 request is HBTSS payload development work, as the FY20 line was zeroed out in MDA's budget? If the SDA \$99.6 million is supposed to be for development of the overall space tracking layer, how does that account for the \$260 million that MDA had anticipated needing in FY21 for sensor payload development per their previous program plan?

Secretary ESPER. The Missile Defense Agency (MDA) was funded \$108M to develop a hypersonic and ballistic tracking space sensor (HBTSS) mid field of view (MFOV) sensor payload in FY20.

In FY21, MDA will not need additional funding for MFOV sensor payload development as the \$108M supports development across FY20 and FY21. Approximately \$20M in Space Development Agency (SDA) funds will go toward the MFOV system in FY21.

The initial acquisition plan for the HBTSS payload allowed four performers to complete through Preliminary Concept Review (PCR), and then would downselect to two performers each producing two satellites (4 satellites total). The Department built the initial HBTSS funding profile prior to receiving industry proposals. The submitted proposals provide better cost estimates. The initial funding profile for HBTSS included all costs for ground systems in a single mission scenario that was self-contained and independent. Moving forward, HBTSS will leverage investments in the National Defense Space Architecture's transport and tracking constellation ground system infrastructure to reduce cost further.

QUESTIONS SUBMITTED BY MR. LAMBORN

Mr. LAMBORN. The National Guard has units who perform missions in support of space that are missions that the new Space Force will take over. These units are mature units, some of whom have had their missions and command structures for over 25 years. What is your best military advice regarding how to transition these forces to the Space Force?

Secretary ESPER. The Department of the Air Force is actively working with the Guard, Reserves and other DOD stakeholders developing and analyzing a Space organizational structure that considers the Air Reserve and National Guard and will provide comprehensive options for decision-makers in the near future. The Department will come back to Congress once the analysis is complete. In the meantime, National Guard and Air Force Reserve units performing space missions today are aligned to continue to support the USSF as the Department of the Air Force completes analysis and develops recommendations.

Mr. LAMBORN. Should there be a Space National Guard as a component of the new Space Force?

Secretary ESPER. National Guard and Reserve units play critical roles in today's space missions. The Space Force is a unique opportunity to consider a clean sheet, 21st century approach to Regular and Reserve Component roles with a human capital management plan specially designed for national security needs, this unique mission set and the desires of current and future Service members. The Department is currently developing and analyzing these new approaches for the Space Force, and will come back to Congress once the analysis is complete.

Mr. LAMBORN. In your personal opinion, as someone who has both worn the uniform and worked in the defense industry, how would the Space Force benefit from National Guard members who work fulltime in civilian industry and part time in the National Guard?

Secretary ESPER. National Guard and Reserve members have a wealth of capabilities garnered from the civilian industry they collectively bring to the Services. This will continue to be the case in the future. The Department is evaluating new and innovative ways to continue to capitalize on this unique expertise. As we do, the focus is on a clean sheet, 21st century approach to Regular and Reserve Component

roles with a human capital management plan specially designed for the Space Force mission set.

Mr. LAMBORN. The National Guard has units who perform missions in support of space that are missions that the new Space Force will take over. These units are mature units, some of whom have had their missions and command structures for over 25 years. What is your best military advice regarding how to transition these forces to the Space Force?

General MILLEY. The National Guard plays an important role in military space operations and will continue to do so. As we stand up the Space Force, we have the rare opportunity to develop a clean sheet, 21st Century approach to ensure its active, guard, and reserve components are structured in a way that meets current and future mission needs. DOD is carefully analyzing multiple innovative approaches to tailor the Space Force's Total Force construct to its distinct mission. While these options are shaped and refined, the National Guard personnel and units currently delivering space capabilities will continue to execute their operational missions under the authority of U.S. Space Command.

QUESTIONS SUBMITTED BY MR. SCOTT

Mr. SCOTT. In 1999, two senior Communist Chinese Army colonels wrote the following in a book titled *Unrestricted Warfare*, "... financial war is a form of non-military warfare which is just as terribly destructive as a bloody war, but in which no blood is actually shed. Financial warfare has now officially come to war's center stage—a stage that for thousands of years has been occupied only by soldiers and weapons, with blood and death everywhere. We believe that before long, 'financial warfare' will undoubtedly be an entry in the various types of dictionaries of official military jargon."

In your view, is DOD organized and equipped to work alongside the Departments of State and Homeland Security, and the Intelligence Community (IC) as part of an integrated grand strategy to wage financial warfare against America's foreign enemies?

Secretary ESPER. Yes, today the Department is better equipped and more aligned with interagency counterparts to safeguard the homeland, deter adversaries, and assure allies and partners than in 1999. In the two decades since "*Unrestricted Warfare*" discussed the United States' ability to generate a whole-of-nation response during Operations Desert Shield and Desert Storm, the U.S. Government has only further unified departments and agencies to advance and protect national security interests.

Mr. SCOTT. The Taiwan Travel Act of 2018 expressed the sense of the Congress that officials at all levels of the United States, to include senior DOD officials and active duty general and flag officers, travel to Taiwan to meet their Taiwanese counterparts. Can we expect to see a more robust implementation of visits in 2020 and beyond?

Secretary ESPER. DOD conducts regular, low-profile key leader engagements, both in Taiwan and the United States, between senior DOD officials/active duty general and flag officers and their respective Taiwan counterparts. We will continue to plan for additional such engagements in Taiwan (as permitted given the ongoing COVID-19 crisis) to address critical strategic and operational issues of mutual concern. As dictated by Executive Branch policy, we will continue to work with the Department of State to ensure its concurrence in all such travel engagements.

Mr. SCOTT. Why can't visiting military personnel from Taiwan wear uniforms in the United States while on official business? Why aren't Taiwan's military attachés issued military IDs like attachés from other countries? Why aren't Taiwan's military attachés invited to more events like their foreign counterparts?

Secretary ESPER. Visiting Taiwan military personnel cannot wear uniforms in the United States per Department of State policy. Taiwan military attachés are issued IDs to enter Department of Defense (DOD) facilities, this is in line with procedures for other allies and partners. Taiwan military attachés are invited to events with other allies and partners, as the DOD does not extend separate treatment to Taiwan military attachés and encourages fulsome engagement between all of our allies and partners.

Mr. SCOTT. How vulnerable is our "defense industrial base" today? Do we have the ability to "surge" production if necessary, or have we compressed/collapsed to such a degree that we have far too few places to manufacture ships, planes, missiles and tanks and those remaining few places are highly vulnerable to disruption by foreign powers.

Secretary ESPER. In terms of war production competitiveness, the shipbuilding industry is in a vulnerable wartime footing. Though able to support the fleet we are building today, industry contraction has impacted our shipbuilding industrial base—we have lost 10 major shipbuilders since the mid-1980s. A healthy and efficient industrial base continues to be the fundamental driver for achieving and sustaining the Navy. Our shipbuilding and supporting vendor base constitute a national security imperative that is unique and must be protected. Without continuous commitment to steady acquisition profiles, the industrial supplier base will continue to struggle, and some elements may not survive any down turns in procurement.

Mr. SCOTT. The Intelligence Community, in its Annual Worldwide Threat Assessment, identifies numerous threats or challenges we could face but it explicitly does NOT prioritize these threats nor does it assess which of them puts us at great “risk.” How are we vulnerable to such threats?

Secretary ESPER. The World Wide Threat Assessment of the U.S. Intelligence Community identifies a range of global and regional threats that could pose risk to the United States—from threats posed by China and Russia to counterintelligence. The character and severity of such threats would vary by context. The Department’s National Defense Strategy (NDS) makes clear that the erosion of military advantage in key regions is the most pressing national security challenge the Department must address. The NDS continues to serve as the Department’s guide to ensure the Joint Force has the ability to compete, deter, and if necessary win any conflict—to reduce the risk this most pressing security challenge poses to our Nation’s defense.

Mr. SCOTT. Why is there no definition of victory in the January 2020 DOD Dictionary of Military and Associated Terms? Can we expect it to be updated to include a definition of victory before you testify again next year? If not, why not.

General MILLEY. In “great power competition” there is not a static state of victory, but a continuous competitive spectrum that will favor one version of global norms or another at any given moment. While the desired end-state for any given conflict is described in that conflict’s specific war planning documents, held at higher classification levels, the DOD will continue to defend America’s interests and support realization of strategic objectives. The theory of victory for the emerging Joint Warfighting Concept is available at higher classification levels.

Mr. SCOTT. In 1999, two senior Communist Chinese Army colonels wrote the following in a book titled *Unrestricted Warfare*, “. . . financial war is a form of non-military warfare which is just as terribly destructive as a bloody war, but in which no blood is actually shed. Financial warfare has now officially come to war’s center stage—a stage that for thousands of years has been occupied only by soldiers and weapons, with blood and death everywhere. We believe that before long, ‘financial warfare’ will undoubtedly be an entry in the various types of dictionaries of official military jargon.”

In your view, is DOD organized and equipped to work alongside the Departments of State and Homeland Security, and the Intelligence Community (IC) as part of an integrated grand strategy to wage financial warfare against America’s foreign enemies?

General MILLEY. The Department is postured to provide the President and the National Security Council a broad range of military options to support comprehensive approaches that achieve policy end states that counter America’s adversaries, including options short of actual conflict. The Irregular Warfare Annex to the National Defense Strategy addresses this very concept; leverage what we have learned during the war on terror and adapt it to adversarial competition. The financial and economic aspects of this competition have direct impacts on our ability to execute our military missions. The Joint Staff is working alongside our OSD and inter-agency partners and allies to develop integration mechanisms and processes that will allow us to effectively employ all elements of power in coordinated campaigns against those who would threaten our nation and endanger our values.

Mr. SCOTT. The Taiwan Travel Act of 2018 expressed the sense of the Congress that officials at all levels of the United States, to include senior DOD officials and active duty general and flag officers, travel to Taiwan to meet their Taiwanese counterparts. Can we expect to see a more robust implementation of visits in 2020 and beyond?

General MILLEY. The current policy is under review to ensure we are compliant with the Taiwan Travel Act of 2018. The Department has been very deliberate about its approach to senior level visitors. We will ensure future trips provide substantive improvements to Taiwan defense capabilities.

Mr. SCOTT. Would you support or oppose legislation that would add a Coast Guard Admiral to the membership of the Joint Requirements Oversight Council (JROC)?

General MILLEY. The Department would not support adding a Coast Guard Admiral to the Joint Requirements Oversight Council (JROC).

The Joint Requirements Oversight Council (JROC) derives its primary mission and responsibilities from Title 10 U.S. Code 181. It in turn establishes the JROC as statutory council to the CJCS to address ONLY Title 10 responsibilities. The Coast Guard by law, as stated in Title 14 U.S. Code 103, shall be a service in the Department of Homeland Security, except when operating as a service in the Navy. Coast Guard warfighting requirements should be adjudicated through the Navy, consistent with the responsibilities and relationships established in this statutory framework.

Mr. SCOTT. Do you plan to issue a Chairman's Reading List like some of your predecessors?

General MILLEY. I am a strong believer in the importance of professional military education, not only within the halls of our war colleges, staff colleges, and other professional military education institutions, but also individual self-study efforts. I have developed a reading list that will be released in the coming months. It will contain books from several categories which I think are critical to the development of engaged and agile intellectual Joint Force leaders, including geopolitical rivalry, lessons from history, innovation, problem-solving, joint operations, and national strategy.

Mr. SCOTT. What is the specific force posture we need, based on what threats and strategy? For example, during the Cold War, we prepared a strategy and subsequent forces to fight two and a half wars simultaneously—Europe, North Asia and a “half” in the Middle East. What about today?

General MILLEY. The National Defense Strategy provides clear guidance on this issue. During conflicts, a fully mobilized Joint Force must be shaped, sized, postured, and readied to simultaneously defeat aggression against the United States, its national interests, allies, or key partners by a great-power adversary; and deter opportunistic aggression in a second theater.

QUESTIONS SUBMITTED BY MR. VELA

Mr. VELA. The Defense Health Agency announced that 38 Military Training Facilities will be transitioning to serving Active Duty Only. This will impact family members of Active Duty service members and retirees, requiring them to find medical services and pharmacies in town, which they've never had to do before.

a. One, what criteria was used to select these 38 facilities?

b. Two, what training has been done or is planned so that immediate family members understand the changes and how to use their benefits out in town so they don't experience any gaps in coverage?

c. Three, what is the timeline for the policy change going into affect?

Secretary ESPER. a) The criteria used are contained in 10 United States Code § 1073d. As a part of the implementation of these criteria, the Department included a government and independent assessment of the ability of local networks to meet the demand of DOD beneficiaries. In addition, on-site visits were conducted with local installation and military medical leadership to provide additional information on network capabilities. The network assessment information is available in the report and associated attachments located at <https://www.health.mil/About-MHS/OASDHA/Defense-Health-Agency/Congressional-Relations/Restructuring-and-Re-alignment-of-Military-Medical-Treatment-Facilities>. DOD pharmacies are not affected by the transition and will remain open to all beneficiaries.

b) The Department will provide case management support to transitioning beneficiaries. The transition of beneficiaries will be timed to match the ability of the local communities to meet the increased demand and will be location specific. We expect that in some locations the transition will take 2–5 years to complete. The Department will monitor implementation of the transitions and make adjustments as necessary.

c) Prior to any changes taking place the Department will develop implementation plans that will include input from local stakeholders by September 30, 2020. Implementation timing will be location specific and will take from 2–5 years.

Mr. VELA. General Milley, with the planned drawdown of military forces in 2020 in Afghanistan, what criteria must be met to make you comfortable drawing down US Forces?

a) As you have continued to work with NATO partners regarding Afghanistan, how have you gauged their commitment to Afghanistan and their criteria for drawing down their forces?

General MILLEY. We continue to pursue a political settlement to the longstanding conflict as the best option to achieve a more stable Afghanistan that is inhospitable to terrorists and safeguarding U.S. national interests. The United States committed to reduce its forces in Afghanistan to 8600 within 135 days of the signature of the February 29 agreement with the Taliban. Further reductions will be conditions-based after the U.S. Government assesses the current security environment and will be in coordination with our NATO allies and partners. Our partners share our commitment to ensuring that terrorists can never again use Afghanistan as a training ground or launching point for attacks against our homelands.

Mr. VELA. The Army is looking to grown by nearly 5,000 soldiers. Given the U.S.'s planned drawdowns in the Middle East and potentially in other parts of the world, what is the purpose of growing the Army's active force?

General MILLEY. I defer to the Department of the Army to provide the appropriate response.

QUESTIONS SUBMITTED BY DR. ABRAHAM

Dr. ABRAHAM. You have made it clear that you are fully committed to building a fleet of 355 ships or larger. However, in order to get there, the Navy is going to have to fundamentally reshape itself around smaller ships that can be more quickly bought than the large, exquisite designs the service now relies on. Would these ships, which you've indicated would be "lightly manned," be the Medium and Large Unmanned Surface Vessels for which the Navy is currently seeking proposals or is there potential for other smaller ships to be incorporated into the Fleet mix?

Secretary ESPER. I have charged the Deputy Secretary to conduct a comprehensive review of the Navy's future fleet force structure. The results are due back to me this summer. It is my intention to be transparent with the Congress regarding the methods, progress and results of this review. See the attached letter for more details.

Dr. ABRAHAM. You have also mentioned that your office would be taking a leading role in bringing Congress to the table on a new Fleet design. Can you elaborate on how you plan to include interested Members of Congress in this process?

Secretary ESPER. It is my intention to be transparent with the Congress on the methods, progress, and results of the comprehensive shipbuilding review the Deputy Secretary is leading. See the attached letter for more details.

Dr. ABRAHAM. You have stressed that "the United States must have an expanded and healthy industrial base with modern shipyards" and that you "think we can actually expand the number of shipyards in the United States ... to ensure adequate capacity." How do you plan to integrate new shipyards into the Navy's shipbuilding industrial base?

Secretary ESPER. The total number of shipyards in the United States, and the subset of that total that is actively engaged in the construction and depot maintenance of battle force ships for the U.S. Navy, has historically fluctuated over time. U.S. shipbuilding growth prospects have recently and convincingly changed, however. The newly emergent threat of great power warfare on the high seas is driving more investment into American shipbuilding. Existing shipyards (for example Newport News and Electric Boat) are making large capital investments into what is very clearly a strategic business opportunity. We also have foreign orders for surface combatant warships in our shipyards for the first time in decades. For ship depot maintenance, we are also working to grow capacity by certifying new shipyards and their facilities to support Navy work. Furthermore, the Coast Guard and the Maritime Administration are in the early stages of new recapitalization programs.

This growth is not being ignored by corporate America. As companies invest in new and/or expanded technologies, capabilities, and production facilities, the Navy will welcome those that competitively earn their way in, to join the defense industrial base. Competition will decide which firms and facilities earn a place in U.S. naval shipbuilding and depot maintenance.

QUESTIONS SUBMITTED BY MR. KELLY

Mr. KELLY. Recruiting is a challenge, those on non-deployable status are increasing and suicides continue to affect service members across the military and veteran community. The Department has had 16 Under Secretaries for Personnel and Readiness, acting or otherwise, since 2008. Do you think we are experiencing a personnel crisis within DOD? What are the key metrics you're using to determine personnel readiness?

I am curious about recruiting, injury rates, non-deployable status and suicide numbers across the services and how they compare to historical trends.

Secretary ESPER. Recruiting: The recruiting market is cyclical through history and we are currently in a challenging period. The Department closely monitors the Services ability to achieve its recruiting goals both in terms of quantity and quality. Quality is measured along two dimensions the first of which is the percentage of new accessions that have at least a high school diploma or equivalent (Tier 1) credential or higher and the second is the percentage of new accessions who score a 50 or better on the Armed Forces Qualification Test. The Department's benchmark for these metrics are 90 percent and 60 percent respectively. Currently, all Services and Components are at or above the DOD benchmarks in terms of quality. Most Services/Components continue to achieve their quantity mission and those that are behind have a plan to be back on track before the end of the fiscal year. We will continue to monitor recruiting efforts as each strives to maintain its authorized end strength.

Injury rates: The safety of our troops is one of the Department's highest priorities. Currently, mishap fatality rates and Class 'A' mishap rates are key metrics used to track the safety of the Department. However, the Department also tracks Military Injury rates. These Military Injury 'Lost Time' Case Rates are based on medical treatment data. Service member 'lost time' injuries are more severe injuries, resulting in hospitalization and/or time away from work, or 'lost time'. The rate for 'lost time' injuries declined in the most recent four fiscal years, from a high in FY2016 at 3.33 to a low in FY2019 at 2.67, showing that there are fewer severe injuries, resulting in fewer lost time cases. From FY2008 to FY2019, the DOD averaged 3 lost time military injury cases per 100 Service members per fiscal year.

Non-Deployability Status: the Services have implemented policies and procedures to reduce their non-deployable populations and thereby improve overall personnel readiness. They are making steady progress toward achieving the Department goal of no more than 5% non-deployable across the force.

- As of 31 January 2020, the Department was at 5.36% non-deployable personnel (-114K).
- In January 2019, the Department's non-deployable rate was 5.41%.
- In January 2018, the Department's non-deployable rate was at 13.9%.

Suicide: Sadly, suicide rates in civilian populations have increased over time, and the military is showing similar trends over the last five years. Last year, the Department released its first-ever Annual Suicide Report for Calendar Year 2018, which reflects our commitment to transparency and accountability in efforts to combat this tragedy. Because there is no one 'fix', we are committed to addressing suicide comprehensively by targeting areas of greatest concern—including young and enlisted members and National Guard members—and supporting military families.

One of our focus areas is increasing access to care, especially for those who are geographically isolated. We are partnering with the Department of Veterans Affairs to increase Reserve and National Guard members' accessibility to mental health care through VA Mobile Vet Centers during drill weekends. We are also working with the National Guard Bureau to support its implementation of the Suicide Prevention and Readiness Initiative for the National Guard, which examines protective factors, risks, and promising practices related to suicide and readiness in the National Guard. Lastly, we have also developed a joint program evaluation framework to better measure program effectiveness across the Military Services.

QUESTIONS SUBMITTED BY MR. CISNEROS

Mr. CISNEROS. Though there have been improvements in diversity in the officer ranks since the military became an all-volunteer force after 1973, there is still disproportionate demographic representation in the officer ranks. Mr. Secretary/General Milley, what specific steps is the Department taking to recruit and retain minority officers, so our officer corps better reflects the U.S. general population demographics?

Secretary ESPER. The Department of Defense (DOD) remains fully committed to ensuring our military reflects the great nation we serve. We strive to make DOD a workplace of choice that is characterized by equity, inclusion, and the vast diversity unique to the United States. Our efforts to attract and sustain a force of diverse talent and experience are an intrinsic part of recruiting, employing, developing, and retaining our workforce.

From Fiscal Year 2008 to Fiscal Year 2018, DOD has made advancements in the representation of talented minority and female Service members across the officer corps as well as the enlisted force. Representation of racial minorities among DOD

officers and enlisted has increased. With regard to the senior grades, while there are many factors that contribute to its composition, increasing minority and female representation at the senior grades requires a strong leadership pipeline of diverse candidates. Our efforts are focused on recruiting and retaining the talent we need to maintain this diverse pipeline, but we recognize there is more to be done. Military recruiting efforts are designed to have a broad reach to attract diverse talent. The Military Services have developed robust and focused marketing and advertising campaigns and continue to enhance key partnerships with community leaders and other influencers to generate interest in, and inform youth of, the benefits of military service across minority and female populations. The recruiting commands and officer accession recruiters, including Reserve Officers' Training Corps and Military Service Academy recruiters, also engage in outreach efforts tailored to reach under-represented groups. As DOD continues to build on its efforts to cultivate a diverse and inclusive workforce, we must continue to draw upon the widest possible set of backgrounds, talents, and skills to maximize our warfighting capability, adapt to address new threats and challenges, and take advantage of new opportunities—strengthening the lethality and readiness of the Total Force.

QUESTIONS SUBMITTED BY MS. HOULAHAN

Ms. HOULAHAN. I understand the DOD provides scholarships, such as the Information Assurance Scholarship Program, to recruit and develop tech talent.

Has this program been effective? What is the retention rate of personnel who receive these scholarships?

Secretary ESPER. The Fiscal Year 2018 National Defense Authorization Act changed the name of the program from the Information Assurance Scholarship Program (IASP) to the Cyber Scholarship Program (CySP). At present, the program is producing quality students that are educated to meet DOD Cyber mission requirements. Over the life of CySP program, the Retention Rate of the CySP Recruitment Scholarship is 96%. (Around 523 of 547 scholarship recipients were able to complete their service obligation). The factors that contribute to this high retention rate are:

- Upon graduation, students are offered full-time employment with various components and agencies across the DOD.
- Students are required to work for the DOD a minimum of one year for each year of scholarship support they receive. On average students have a two-year service obligation.

Ms. HOULAHAN. China is attempting to surpass the U.S. as the world leader in technology by 2030. There is no bright line between Chinese military and civilian technological development. Here, of course, we have a different relationship between government and industry—recently, President and CEO of Aerospace Industries Association, Eric Fanning, testified before our Future of Defense Task Force: “Sometimes it has been hard for the innovation taking place in industry to find its way to our military in the field. Government must better adjust to private sector developments rather than force those developments to fit its needs.”

What legislative or resource constraints are inhibiting greater cooperation with industry? What do you think about the idea of creating an inter-agency coordination body that would be responsible for developing and fostering innovation in our national security industrial base?

Secretary ESPER. Ship building is a good example of an industry that could benefit from great government cooperation. Due to the small commercial market in the U.S., most large shipyards in America are specialist naval builders. A strategic legislative initiative to strengthen merchant marine and merchant shipbuilding policy would be required to grow a significant commercial market in the U.S., which in turn would provide better opportunities to develop and transition innovation in this sector.

QUESTIONS SUBMITTED BY MR. BACON

Mr. BACON. Multiple studies show the U.S. isn't prepared for large-scale medical emergencies or biological attacks. In the 2020 NDAA we authorized DOD to collaborate with HSS, DHS, and the VA to create a civil-military partnership to develop a more robust emergency medical surge capability for our country. This is of interest to Omaha because the UNMC is a center of excellence for Ebola—now coronavirus, and we want to do more. Do you have the right authorities to go forward? What else do you need?

Secretary ESPER. At this time, the Department has the right authorities to go forward and no additional requirements have been identified. Section 740 of the Na-

tional Defense Authorization Act for Fiscal Year 2020 authorized the Department to conduct a pilot program on civilian and military partnerships to enhance interoperability and medical surge capability and capacity of the national disaster medical system (NDMS). The Department has approved and is in the process of beginning the pilot project. It is anticipated this project will take 5 years to complete. A report on the findings will be provided to Congress no later than 180 days after the project is completed.

Mr. BACON. Do you have the funds necessary to recapitalize the nuclear triad? What level of risk are you accepting with ground based strategic deterrent (GBSD) ICBMs?

Secretary ESPER. Yes. Efforts to sustain and modernize the nation's nuclear deterrent are the Department of Defense's (DOD's) top priority. As such, DOD is prioritizing full funding for nuclear enterprise modernization and sustainment. The President's Budget Request for FY2021 is consistent with this prioritization. The Air Force strategy for GBSD is to pursue a low risk, technically mature, and affordable total system replacement of Minuteman III to meet Intercontinental Ballistic Missile operational requirements through 2075.

Mr. BACON. I hear concerns from military veterans on the direction of senior level professional military education. Their concerns are about a standardization of all the SDE programs, which risks losing their traditions and specialties each has brought over the years. Chairman, what is your philosophy on SDE and programs like the National War College, Eisenhower, and four service schools?

General MILLEY. There is no effort underway to standardize War College (SDE Joint Professional Military Education Phase II) as described. Title 10, specifically section 2155, provides guidance applicable to all JPME II programs. CJCS Officer PME policy further articulates Desired Leader Attributes and Joint Learning Areas that are applicable, but the achievement of these fundamentally pivot on the individual mission statements of the various War Colleges, which vary in purpose, while retaining a common scope of strategic education. As we prepare our rising leader cohort to achieve intellectual overmatch against adversaries, "one size" does not fit all.

Mr. BACON. Do you foresee a time when we may have to reconstitute a 24-hour airborne nuclear alert capability like we had with the LOOKING GLASS that was ended 20 years ago?

General MILLEY. Our nuclear forces must be capable of adopting a readiness posture appropriate to a variety of geopolitical circumstances. We continually evaluate the sufficiency of that posture to ensure the effectiveness of U.S. deterrence and assurance and our ability to respond effectively if deterrence were to fail. If I believe a change is needed, I will provide my best military advice to the Secretary of Defense and the President.

QUESTIONS SUBMITTED BY MR. BANKS

Mr. BANKS. Section 904 of the FY20 NDAA asked for an assessment of the Chief Management Officer position. Secretary Esper, can you please elaborate on the benefits of the CMO position since its creation in 2018? Additionally, to maximize the efficiency of the position, would you recommend granting the CMO any additional authorities in the FY21 NDAA?

Secretary ESPER. Yes, the required review is being conducted under the auspices of the Defense Business Board at my direction. The DBB is uniquely qualified to perform the review insofar as it brings the varied perspectives of individuals who have significant business leadership experience and understand best business practices as well as leaders from academia and those with prior defense-related experience.

As you know, the Chief Management Officer (CMO) position is new, having been created in the 2017 NDAA, and the position has only been occupied by a Senate confirmed nominee for 9 months. It was created as an incremental step in response to prior efforts to promote institutional reform within the Department. Those prior efforts had limited success, I believe in part because the prior DCMO position lacked the necessary authority to mandate reform throughout the Department, and in part because the role had been filled by individuals who lacked the private sector business transformation experience mandated by the 2017 NDAA. The elevation of the role to the number three position in the Department has had a significant positive impact on the ability to produce results.

The CMO has become a vital position in the Department both in its role driving reform and through my recent amplifying guidance on the role of the CMO on 6 January 2020 that codified the CMO's responsibility for the business functions of

Defense-Wide (DW) organizations. I have directed the CMO to serve in a capacity equivalent to that of a service secretary in managing the Defense-Wide organizations, which includes the Fourth Estate. Among other responsibilities, this includes the CMO consolidating what was previously 10 fiscal guidance documents into a single POM build.

The Deputy Secretary provided supplemental guidance on 24 January 2020 directing a bottom-up (i.e., clean sheet, DWR 2.0) review of selected DAFAs. The CMO will lead an assessment of the roles and responsibilities outlined in the agency's charter/organization chart, identify origins by statutory, regulatory, or policy and recommend adjustments as part of the FY2022–FY2026 POM Submission.

The CMO has worked to institutionalize lasting cultural change by making processes, budget requests, and governance structures more efficient and streamlined, resulting in validated savings of \$6.5B in FY19 as well as programmed and budgeted future savings of \$7.73B in FY20 and \$9.06B in FY21.

Along with the other reform savings the CMO has realized, the CMO played a key leadership role in the first Defense-Wide Review which identified \$5.7 billion savings across roughly 50 Defense-Wide organizations. This reinvestment will realign towards lethality and readiness priorities.

In regards to additional authorities which the CMO needs, I am completing a robust review of the OCMO organization in accordance with Sec. 904 which will set forth recommendations for legislative or administrative actions required to maximize efficiency of the organization. I will share my recommendations with the Committee following an opportunity to evaluate the report.

QUESTION SUBMITTED BY MS. SHERRILL

Ms. SHERRILL. Secretary Esper testified that “Congress matters.” I was glad to hear that viewpoint from the Secretary especially given the conduct of this administration and this Department of Defense. The testimony that has been presented to this committee in the past, particularly regarding sending troops to the border and the recent reprogramming of funds, suggests that your Department might have a different opinion. I sincerely hope that we can expect better from our Department of Defense in the coming year.

Having served in our Navy, I know firsthand how difficult it can be for our soldiers and sailors in the field when they are unable to carry out crucial missions because of exigencies outside of their control. Understanding that those exigencies often necessitate flexibility, Congress has delegated to the Department a limited ability to reprogram funds.

This arrangement only works when there is a level of trust between the Department of Defense and Congress. The actions of this administration and this Department have severely diminished that trust.

As noted by my colleague, Ms. Slotkin, Secretary Esper is the first confirmed Secretary of Defense to move money out his own budget, contrary to the will of Congress. I am deeply concerned about the precedent being set by the Secretary's submission to the Administration's political agenda, and what implications that precedent might have for our national defense in the future.

As Congress moves into the budgeting process for the Department of Defense for Fiscal Year 2021, what assurances can Secretary Esper offer that the Department will not reprogram funds contrary to the expressed will of Congress, or, to paraphrase Ranking Member Thornberry, again substitute the judgment of the Department for the judgment of Congress?

Secretary ESPER. The Department will support all lawful direction provided by the President. The President directed the Department of Defense (DOD) to support the Department of Homeland Security (DHS) at the southern border, and we are using the authority Congress has given the Department to do so, including the authority provided by 10 USC 284 to block drug smuggling corridors. The border barrier construction support that DOD is providing to DHS this year will allow DHS to fulfill the President's border security policy promise. Aside from costs associated with U.S. Army Corps of Engineers oversight, we do not foresee that DOD will be asked to support DHS border barrier construction next year.

QUESTION SUBMITTED BY MR. WALTZ

Mr. WALTZ. On Afghanistan, I think the concern from Ms. Cheney, myself, and others is that signal that we are prepared to draw down and withdraw from Afghanistan, could cause a fracturing of the government, by extension a fracturing of the army, which to me is the canary in the coal mine with the ethnic tensions, and es-

entially put us back to 2001. Do you believe that the Taliban has the capability, assuming they have the will to enter into a peaceful political process, to enforce the agreement and keep al-Qaida and ISIS at bay, where we have struggled, the coalition has struggled, now the 300,000 man Afghan has struggled, in the wake of a withdrawal?

General MILLEY. The United States continues to provide training, advice, and assistance to Afghan National Defense and Security forces (ANDSF) to improve their capacity to counter terrorist threats in Afghanistan. At the same time, we have entered into an agreement with the Taliban in which the group committed to “prevent any group or individual, including al-Qa’ida, from using the soil of Afghanistan to threaten the security of the United States and its allies.” On the battlefield, the Taliban continue to conduct operations to regain territory from ISIS-Khorasan. In 2019, the Taliban’s operations contributed to CT pressure that caused ISIS-Khorasan to withdraw from Nangarhar Province and the Taliban is now positioned to pressure ISIS-Khorasan’s presence in Kunar Province. We continue to monitor Taliban compliance with its counterterrorism commitments. We remain skeptical of the Taliban’s willingness to take substantive action against al-Qaeda due to the long-standing relationship between the two groups, which is why we will closely monitor and verify the Taliban’s commitment.

QUESTIONS SUBMITTED BY MS. HAALAND

Ms. HAALAND. I understand the Department zeroed out the Operational Energy Capability Improvement fund this year. That fund has been used as seed money to test operational energy initiatives that extend range and lethality by increasing fuel efficiency. While the focus is on readiness, the higher fuel efficiency means using less fossil fuels and lowered Greenhouse gas emissions. These programs have a 76% success rate in showing cost savings that frees up O & M funds for other uses. Despite evidence showing fuels as a significant logistical hurdle, the Department continues to under-invest in solutions to those problems. What is the Department doing to ensure that our plans, posture, and program investments are energy and logistics informed? And what is the Department doing to speed up base resiliency efforts to expand renewable energy?

Secretary ESPER. Energy is an essential enabler of military capability and the Department depends on energy resilient forces and facilities to achieve its mission. Regarding fuel and logistics, the Department is establishing a baseline of current and planned fuel infrastructure investments and revising the policy governing bulk fuel storage to support the global integration and prioritization of Department resources. In addition to completing the first Department-wide wargame focused on energy in August 2019, the Department also is integrating energy constraints into Service wargames to reflect the contested operating environment likely to affect plans and operations.

At our installations, the Department is pursuing Energy Resilience Readiness Exercises (ERREs), also referred to as black-start exercises, to identify risks, vulnerabilities, and gaps that degrade the mission. In addition, the Department has implemented an Installation Energy Planning (IEP) process that requires all installations to identify critical energy security and resilience gaps, and to develop plans to close them using a holistic and technology agnostic approach. This approach enables implementation of the most cost effective, resilient, cybersecure technology solutions, which could include renewables.

Ms. HAALAND. In FY2020 Congress appropriated \$50 million dollars towards the Defense Community Infrastructure Program. The program aims to provide grants to state and local governments to improve and expand infrastructure that enhances the military value, resilience, and quality of life at a military installation and surrounding community. To date, the Department has yet to release guidance or details about the process by which communities will be able to propose projects and compete for funding under the program.

Will you commit today that the Department will support the program, and can you tell us a timeline for the implementation of this program?

Secretary ESPER. Yes, the Department supports this program. I anticipate the public roll-out of this program shortly, with timelines intended to ensure the appropriated funds are fully obligated prior to September 30, 2020, when funds expire if a grant is not awarded; and, the Office of Economic Adjustment will brief the program to the Committees upon its execution.

QUESTIONS SUBMITTED BY MRS. TRAHAN

Mrs. TRAHAN. Secretary Esper, in your written testimony, there is very little mention of the people who serve our nation in the Department of Defense. No matter the organization, our greatest resource is human capital. It is our responsibility to ensure that our active duty service men and women are properly resourced and taken care of. What investments has the Department made in the last fiscal year to combat the rise of suicide rates among our service members? How is the mental health of our civilian and military personnel being prioritized to accomplish the mission?

Secretary ESPER. The Department believes that our suicide prevention efforts must address the many aspects of life that impact suicide, and we are committed to addressing suicide comprehensively. The Department is focused on fully implementing and evaluating a multi-faceted public health approach to suicide prevention that targets our military populations of greatest concern—young and enlisted Service members, and members of the National Guard—and continue to support to our military families. Specific initiatives include:

- **Young and Enlisted Service Members:** We are piloting an interactive educational program to teach foundational skills early in one's military career to help address life stressors, and to enable these individuals as they progress in their career to teach others these skills under their leadership. We will also teach young Service members how to recognize and respond to suicide "red flags" on social media—to help Service members recognize how they can reach out to help others who might show warning signs.
- **National Guard Members:** National Guard Service members face unique challenges in comparison to their Active Component counterparts, including geographic dispersion, significant time between drill activities, access to care, and healthcare eligibility. We are seeking ways to expand access to care and promote help-seeking behavior, for example through formal partnerships, such as with the Department of Veterans Affairs (VA) to increase National Guard members' accessibility to readjustment counseling services through VA Mobile Vet Centers during drill weekends. The VA mobile teams provide support services such as care coordination, financial support services, and readjustment counseling, including facilitating support to Service members who are not eligible for other VA services. We are also working closely with the National Guard Bureau (NGB) to better understand this unique and critical force, and assist in identifying unique protective factors, risks, and promising practices related to suicide and readiness in the National Guard. For example, we fully support their efforts to implement the new Suicide Prevention and Readiness Initiative for the National Guard (SPRING). This comprehensive initiative leverages predictive analytics and improved reporting protocols to allow NGB to pioneer a unified approach to data-driven decision-making and suicide prevention.
- **Measuring Effectiveness:** The Department has developed a joint program evaluation framework to better measure effectiveness of our non-clinical suicide prevention efforts. This evaluation will inform retention of effective practices and elimination of ineffective practices.
- **Military Families:** We are equally committed to the well-being of our military families. The Calendar Year (CY) 2018 Annual Suicide Report was the first time the Department published suicide data for our military family members. This is an important step forward. These results integrate data from both departmental data sources and the most comprehensive U.S. population data available—the Centers for Disease Control and Prevention's National Death Index. The Department estimates there were 186 military spouses and dependents who died by suicide in CY 2017, which is the most recent data available on military family members. Suicide rates for military spouses and dependents in CY 2017 were comparable to, or lower than, the U.S. population rates after accounting for age and sex. The Department will continue to work to effectively capture military family suicide data and report out on this important information in a transparent and timely manner, reporting on these data each year. We continue to pilot and implement initiatives focused on increasing family members' awareness of risk factors for suicide—to help our military community recognize when they are at risk so they seek help. We continue to develop initiatives on safe storage of lethal means (e.g., safely storing medications and firearms to ensure family safety), as well as how to intervene in a crisis—to help others who might show warning signs.
- **Mental health of our civilian and military personnel** continues to be a top priority for the DOD. To accomplish the mission, our direct care Mental Health providers include: Active Duty, Government Civilian, and Government Con-

tractor personnel totaling more than 6,000 health care professionals. DOD Mental Health providers includes psychiatrists, psychologists, mental health nurse practitioners, licensed social workers, and licensed registered nurses. DOD is currently assessing the state of our Mental Health care and Mental Health services including an evaluation of recruiting and retention efforts. We aim to capture information to help illustrate the state of the MH workforce in order to recommend a strategy to improve health care services and health care delivery, and better recruit and retain MH providers.

QUESTIONS SUBMITTED BY MR. GOLDEN

Mr. GOLDEN. Secretary Esper, in a written answer as part of your Senate confirmation hearing, you stated the following:

Question: In February 2018, then-Secretary of Defense Mattis 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.” If confirmed, would you continue to support the CCLTF, ensuring that it is properly resourced for mission accomplishment?

Answer: Yes. Having served as both an Infantry Officer and as Secretary of the Army, I am well aware of the unique challenges our squad-level infantry formations face if we are to achieve close combat overmatch against peer competitors. As Secretary of the Army, I worked with the CCLTF and, if confirmed, I will continue the direct and close relationship between the Secretary and this task force to ensure it is properly resourced and supported for mission accomplishment.

Question: What is your view of the value of the CCLTF in advancing the Department’s implementation of the 2018 NDS?

Answer: This unique organization is an invaluable tool for the Secretary because it brings a focused expertise that provides timely recommendations and solutions that can be taken for action now. The cross-functional nature of the CCLTF increases coordination of effort department wide, but most importantly it is an oversight mechanism for the Secretary ensuring follow through on decisions.

Earlier this month you 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.”

What is your reasoning behind this restructuring, and are you concerned that this move will sacrifice Marine Corps small unit training and readiness?

Secretary ESPER. The original mandate that created the CCLTF, to include the extension, envisioned from the very beginning there would be a transition. My intent was always to maintain the Joint and Cross-Functional nature of the CCLTF by continuing to include USMC and SOCOM personnel within the task force. The exact nature of a future transition is currently being reviewed by Secretary McCarthy and I anticipate his recommendations on the best way to continue to ensure the readiness of our small unit close combat formations across the Joint Force. The Department’s commitment to address the “90/4/1” paradigm must be enduring in nature and that is why I asked the Secretary of the Army to look for feasible restructuring or transition of our efforts.

Mr. GOLDEN. Since May 2019, the U.S. has deployed over 14,000 troops to CENTCOM. Yet our National Defense Strategy calls for a “2 plus 3” formulation of two primary threats posed by China and Russia and three secondary threats posed by Iran, North Korea and Violent Extremist Organizations. I understand that prioritization does not imply exclusivity, but should we be concerned that this surge in personnel in CENTCOM will come at the cost of preparedness in INDOPACOM?

Secretary ESPER. Since the increase in tensions with Iran beginning in May 2019, I have approved the deployment of an additional 20,000 forces to the Middle East to improve regional defenses, deter Iranian aggression, and maintain response options. These deployments have been critical in managing the risk of potential Iranian escalation, supporting Department of Defense (DOD) regional partners, and messaging U.S. resolve. I conduct regular reviews of the scope and duration of these deployments to ensure DOD effectively balances crisis-driven requirements with DOD’s focus on the National Defense Strategy (NDS) priorities and readiness. DOD and the NDS are sufficiently flexible to respond to emerging crises while also maintaining a focus on great power competition and high-intensity warfighting capability.

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by Iran, North Korea and Violent Extremist Organizations. I understand that prioritization does not imply exclusivity, but should we be concerned that this surge in personnel in CENTCOM will come at the cost of preparedness in INDOPACOM?

General MILLEY. There are adequate forces in the Central Command Area of Responsibility to deter Iran. However, if deterrence breaks down, the Joint Force will analyze the situation and take the necessary action to achieve the security objectives relative to Iran. These decisions may or may not include additional force allocation. Force posture is but one of the tools the Joint Force leverages to compete and achieve NDS Priorities. Within the construct of the NDS, the Joint Force constantly evaluates the force posture within each Combatant Command and remains prepared to allocate forces based on the global threat situation, Commander's request, and Service considerations.

QUESTIONS SUBMITTED BY MS. SPEIER

Ms. SPEIER. Contraception is critical for military readiness, family planning, and treatment of health conditions such as endometriosis. Women make up more than 17 percent of all active-duty and reserve members of the Armed Forces and are half of all beneficiaries of the TRICARE program. According to DOD estimates, 95 percent of all women serving are of reproductive age. Under TRICARE, active-duty service members have contraceptive coverage without cost sharing, but many non-active duty service members and family dependents have to pay copays for birth control. Out-of-pocket costs for birth control can be an insurmountable barrier for service members. The total cost of a long-lasting method such as an IUD can exceed \$1,000, and even a few dollars out of pocket can put care out of reach for military families.

1. Under the Affordable Care Act, which does not extend to TRICARE, all FDA-approved contraception and any related education and counseling must be covered without cost sharing. Do you agree that service members and their families deserve the same level of coverage and care as the civilians they fight to protect, and so should not be subject to cost sharing for contraception?

Secretary ESPER. Our Active Duty Service Members (ADSM) and their families (ADFM) have coverage that is comparable to and exceeds that which is offered to civilians. ADSMs do not have copayments when they obtain prescription contraceptives at Military Medical Treatment Facilities (MTFs), network civilian pharmacies, or through TRICARE Mail Order. However, we recognize that ADFMs do have copayments when they obtain prescription contraceptives outside of the MTF. These are usually between \$7 and \$13, but can be up to \$50 or higher, depending on the pharmaceutical chosen by the beneficiary and her physician. While preventive services are covered at no charge for all TRICARE beneficiaries when obtained by a network provider, if additional services are sought outside the preventive care visit (e.g., IUD insertion), there may be an additional copay for the visit, depending on the beneficiary's plan. While these copayments are established by statute, we are continually evaluating alternatives to improve the TRICARE benefit and to encourage the use of high-value services.

Ms. SPEIER. Please update us on the status of implementation of the Defense Health Agency Procedural Instruction (DHA PI 6200.02) on Comprehensive Contraceptive Counseling and Access to the Full Range of Methods of Contraception, issued May 13, 2019. Specifically,

1. Have you collected data on how many women have obtained contraception sufficient for the duration of their deployments and which methods they accessed? If you have collected this data, please provide the results in detail.

2. Are you monitoring service members' access to the full range of contraceptive methods during deployment? If service members are not accessing certain methods, which methods and why?

3. Have you identified any barriers to implementing the DHA PI requirement that providers ensure access to prescription contraceptives for the duration of service members' deployments? Please describe any barriers identified. [p. 12 DHA PI 6200.02]

4. The DHA PI requires all members attending initial officer or enlisted training will "receive comprehensive evidence-based family planning and contraception education on all available contraception methods, including EC, menstrual suppression, and the prevention of common sexually transmitted infections." How is each branch delivering training to service members that meets this requirement? [p.13, DHA PI 6200.02]

5. Please update us on the status of implementation of the clinical counseling requirements set forth in the DHA PI. Are there any barriers to full implementation of these requirements? If so, what are they? [pp. 6–10, DHA PI 6200.02]

Secretary ESPEY. 1. The Department has collected data in the past on contraception use. In November 2017, the Armed Forces Health Surveillance Branch (AFHSB) reported contraceptive utilization data in active duty service women between 2012–2016, including those in deployed settings. While this study did not speak to the sufficiency of contraception access during deployment duration, the Department did conclude the following:

- Permanent sterilization was the most common contraceptive method among deployed servicewomen, especially those in armored motor transport occupations.
- Use of long-acting reversible contraception (LARC), such as IUDs and implants, was 17.9%, with the highest rates among senior enlisted personnel.
- Use of short-acting reversible contraception (SARC), such as contraceptive pills, was 28.0%.
- A total of 163 deployed women (or 0.4%) were identified with a prescription or medical encounter for emergency contraception during deployment.
- These 2012–2016 findings revealed that utilization of contraception during deployment had increased since the prior study of data from 2008–2013. The Department has not collected specific data regarding contraception prescription sufficiency during durations of deployment. More current data collection and analysis is needed in order to review for full compliance with Defense Health Agency Procedural Instruction (DHA-PI) 6200.02. Once completed, we will share the data in detail with the committee.

2. The Department believes servicemembers have access to the full range of contraceptive methods during deployment, and we collect data on the methods used as noted in the 2017 MSMR report cited above. Regarding what methods are not accessed and the reasons why, the 2018 administration of the Health-Related Behavior Survey (HRBS) of Active Duty Military Personnel obtained information on: “Use of family planning methods, including information on which method was used and, if pregnant during the past year of the survey, whether the pregnancy was intended, and whether deployment conditions affected the decision on which family planning method or methods were selected.” Responses to this question should give us more insight regarding why certain contraception methods are selected. We anticipate the results of the 2018 HRBS will be made public within the next few months. The Department also just licensed a Women’s Health Survey that will be in the field in two weeks that will ask about servicemembers’ use of SARC and LARC; any problems with availability; whether or not they have received contraception counseling; and how satisfied servicemembers have been with these services. The Women’s Health Survey will conclude this Fall, and we anticipate the findings to be available by the end of the calendar year.

3. Yes. Although access to the mail-order pharmacy allows access to refill contraceptive medication in most deployed settings, there is not a guarantee that a 6 to 12 month supply of contraceptives, as outlined in the DHA PI, would be available to provide for service members deploying to more austere environments. The MHS Pharmacy does not carry an inventory of contraceptives beyond a four month expiration date.

4. The Department will audit the military Services regarding implementation of the DHA-PT’s requirement that comprehensive evidence-based family planning and contraception education is being conducted by the Services and how they are meeting this requirement.

5. Current efforts have focused on implementing the clinical counseling requirements as part of Service members’ annual Periodic Health Assessment (PHA). The Department does not anticipate any barriers with full implementation of these requirements.

Ms. SPEIER. Contraception is critical for military readiness, family planning, and treatment of health conditions such as endometriosis. Women make up more than 17 percent of all active-duty and reserve members of the Armed Forces and are half of all beneficiaries of the TRICARE program. According to DOD estimates, 95 percent of all women serving are of reproductive age. Under TRICARE, active-duty service members have contraceptive coverage without cost sharing, but many non-active duty service members and family dependents have to pay copays for birth control. Out-of-pocket costs for birth control can be an insurmountable barrier for service members. The total cost of a long-lasting method such as an IUD can exceed \$1,000, and even a few dollars out of pocket can put care out of reach for military families.

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2. Are you monitoring service members' access to the full range of contraceptive methods during deployment? If service members are not accessing certain methods, which methods and why?

3. Have you identified any barriers to implementing the DHA PI requirement that providers ensure access to prescription contraceptives for the duration of service members' deployments? Please describe any barriers identified. [p. 12 DHA PI 6200.02]

4. The DHA PI requires all members attending initial officer or enlisted training will "receive comprehensive evidence-based family planning and contraception education on all available contraception methods, including EC, menstrual suppression, and the prevention of common sexually transmitted infections." How is each branch delivering training to service members that meets this requirement? [p.13, DHA PI 6200.02]

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- These 2012–2016 findings revealed that utilization of contraception during deployment had increased since the prior study of data from 2008–2013. The DOD has not collected specific data regarding contraception prescription sufficiency during durations of deployment. More current data collection and analysis is needed in order to review for full compliance with Defense Health Agency Procedural Instruction (DHA–PI) 6200.02. Once completed, we will share the data in detail with the committee.

#2. Servicemembers have access to the full range of contraceptive methods during deployment, and the DOD collects data on the methods used as noted in the 2017 MSMR report cited above. Regarding what methods are not accessed and the reasons why, the 2018 administration of the Health-Related Behavior Survey (HRBS) of Active Duty Military Personnel obtained information on: "Use of family planning methods, including information on which method was used and, if pregnant during the past year of the survey, whether the pregnancy was intended, and whether deployment conditions affected the decision on which family planning method or methods were selected." Responses to this question should give the DOD more insight regarding why certain contraception methods are selected. The DOD anticipates the results of the 2018 HRBS will be made public within the next few months. The DOD

also just licensed a Women's Health Survey that will be in the field in two weeks and anticipates the findings to be available by the end of the calendar year.

#3. The Department of Defense has identified one barrier. Although access to the mail-order pharmacy allows access to refill contraceptive medication in most deployed settings, there is not a guarantee that a 6 to 12 month supply of contraceptives, as outlined in the DHA P1, would be available to provide for service members deploying to more austere environments. The MHS Pharmacy does not carry an inventory of contraceptives beyond a four month expiration date.

#4. The DOD will audit the military Services regarding implementation of the DHA-P1's requirement that comprehensive evidence-based family planning and contraception education is being conducted by the Services and how they are meeting this requirement.

#5. Current efforts have focused on implementing the clinical counseling requirements as part of Service members' annual Periodic Health Assessment (PHA). The DOD does not anticipate any barriers with full implementation of these requirements.

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?

Secretary ESPER. I am committed to a Navy of at least 355 ships. To get there, I think the composition of the fleet needs to change so that we have fewer large platforms, and smaller platforms that are lightly manned, moving to eventually 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. The backlog of shipbuilding built up in FY18–20 allows us to take some risk in FY21, with a lower number of ships requested than originally planned as we address the future composition of the Fleet, and concentrate on improving readiness and lethality of the current Fleet.

Mr. BYRNE. Specifically, the DOD reprogramming action took funding from the Expeditionary Fast Transport (EPF) appropriated in FY20. EPFs are built by Austal which is one of the Navy's mere seven new construction shipyards and employs thousands of my hardworking constituents. The Navy has repeatedly agreed that keeping the industrial base surrounding the Austal shipyard healthy is vital as it explores new opportunities for this versatile and cost-effective yard, particularly as the FFG(X) frigate competition continues. Do you have concerns about the viability and cost effectiveness of the decision to reprogram this ship?

Secretary ESPER. We tried to be very objective in terms of where we took the resources for the reprogramming. The funds were sourced from FY 2020 dollars that were determined to be either ahead of need or excess to need, in other words, not requested in the FY 2020 budget by the Department. The sources were reviewed by the Chairman of the Joint Chiefs of Staff who determined that this reprogramming was not of significant immediate strategic negative impact to the overall defense of the United States.

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?

General MILLEY. A healthy industrial base, including shipyards and the associated workforce, is absolutely critical to achieving the Department's 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. I defer to the Navy regarding impacts of continued efforts to best support workload stability and the shipyard's workforce, while supporting the assertion that we must provide acquisition clarity and stability to our industrial base partners.

Mr. BYRNE. Specifically, the DOD reprogramming action took funding from the Expeditionary Fast Transport (EPF) appropriated in FY20. EPFs are built by Austal which is one of the Navy's mere seven new construction shipyards and employs thousands of my hardworking constituents. The Navy has repeatedly agreed that keeping the industrial base surrounding the Austal shipyard healthy is vital as it explores new opportunities for this versatile and cost-effective yard, particularly as the FFG(X) frigate competition continues. Do you have concerns about the viability and cost effectiveness of the decision to reprogram this ship?

General MILLEY. The Secretary determined that transferring \$3.831 billion to support this DHS request for assistance to block drug smuggling corridors was a higher priority item, based on unforeseen military requirements, and would not adversely affect the military preparedness of the United States. The \$3.831 billion in funding sources are in excess or early to current programmatic needs and were not part of the FY 2020 plan. Specific to the Expeditionary Fast Transport (EPF), funds are excess to current programmatic need. The procurement exceeds the program-of-record requirement. DOD remains committed to building a Navy of at least 355 ships.

