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MILITARY PERSONNEL POLICIES AND MILITARY FAMILY READINESS

HEARING

BEFORE THE

SUBCOMMITTEE ON PERSONNEL

OF THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

ONE HUNDRED SIXTEENTH CONGRESS

FIRST SESSION

FEBRUARY 27, 2019

Printed for the use of the Committee on Armed Services

Available via: http://www.govinfo.gov

U.S. GOVERNMENT PUBLISHING OFFICE
45–967 PDF WASHINGTON : 2021

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MILITARY PERSONNEL POLICIES AND MILITARY FAMILY READINESS

WEDNESDAY, FEBRUARY 27, 2019

UNITED STATES SENATE,
SUBCOMMITTEE ON PERSONNEL,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The Subcommittee met, pursuant to notice, at 2:32 p.m., in room SR–222, Russell Senate Office Building, Senator Thom Tillis (Chairman of the Subcommittee) presiding.

Committee Members present: Senators Tillis, McSally, Gillibrand, Warren, and Duckworth.

OPENING STATEMENT OF SENATOR THOM TILLIS

Senator TILLIS. The committee will come to order. Senator Gillibrand, I've been advised by the staff, is on her way, and I thought since I have my opening comments, to make best use of everyone's time, I'll go ahead and start and we'll recognize the Ranking Member when she's here.

Senator Duckworth, thank you for being here. I also know that Senator Scott—this would be his first Personnel Subcommittee meeting—he is actually in Florida for a funeral and looks forward to coming on this committee. I want to welcome Senator Duckworth.

I've told everybody the reason I like this committee is it deals with the business of the Department of Defense (DOD) and it gives us a lot of opportunities to work on military family issues, the business of the DOD compensation, personnel management, and I look forward to working with Senator Duckworth and the returning members and Senator Scott.

Senator Gillibrand, I just got started. About to do my opening statement, and then I'll defer to you.

The Senate Armed Services Subcommittee on Personnel meets this afternoon to receive testimony on military personnel programs and on military family readiness. We're fortunate today to have the Services' personnel chiefs discuss the Department's military personnel programs and the Services' senior enlisted advisors discuss military family readiness.

On panel one, we will hear from Lieutenant General Thomas Seamands, Deputy Army Chief of Staff, G–1; Vice Admiral Robert Burke, Chief of Naval Personnel; Lieutenant General Brian Kelly, Deputy Air Force Chief of Staff for Manpower, Personnel and Services; and Lieutenant General Michael Rocco, Deputy Marine Commandant, Manpower and Reserve Affairs.

General Rocco, I was trying to think of what your call sign was, but I think we'll hold off on that one. I think you shared it one time.

I'll introduce the second panel when we transition to their testimony.

The topics we'll discuss today are vital to the effectiveness of the All-Volunteer Force. A complex global security environment requires DOD's military personnel programs and policies to be agile, adaptable, always capable of responding to uncertain threats we face. To sustain our military into the future, these programs and policies must appeal to our Nation's best and brightest.

We also cannot lose sight of the importance of the military families who support our troops every day. Military families face uncommon stressors and challenges unlike those of their civilian counterparts. The Subcommittee must understand military families' concerns, such as military spouse employment and unemployment, inadequate childcare, and unsafe housing conditions.

If I may, just for a moment, depart from my prepared statement. We had the hearing on housing recently. I've spoken with the Secretary of Army, Secretary of the Navy, and Chief of the Army just last night, and I have meetings scheduled with many others. But what we saw reported is simply unacceptable. So while this committee will oftentimes talk about the longer-term strategies, the authorities within the NDAA [National Defense Authorization Act], there's a very clear expectation on our part that we figure out what the short-term remediation strategy is for the despicable situation we find some of our military families in today. I know that there's no daylight between any of us in the room on that issue. It's a matter of priority and execution.

We want to work diligently to ensure Military Services provide the support that families need. The readiness of our Armed Forces, and ultimately, our Nation's security, depends on it.

Finally, I look forward to hearing from the personnel chiefs about their efforts to improve recruitment and retention of military personnel, improve military personnel and family readiness, prevent sexual assault and harassment, reduce servicemember and family suicides, combat domestic violence and child abuse, enhance childcare services, and improve employment opportunities for military spouses. I hope the senior listed advisors on the second panel will describe what they are doing to improve the quality of life for military families and take care of our enlisted troops who comprise the vast majority of the military.

I want to thank all of the witnesses for being here today and I look forward to hearing your testimonies.

I'd also like to let everybody know, as I said earlier, that Senator Scott, who is very excited to be on the Personnel Subcommittee—he's sort of a business geek like me—regrets that he is not here, but he will be at our next hearing.

With that, I'll turn it over to Ranking Member Gillibrand.

STATEMENT OF SENATOR KIRSTEN GILLIBRAND

Senator GILLIBRAND. Thank you so much, Senator Tillis, for your leadership and for this posture hearing. I join with you today in welcoming our witnesses as we receive testimony on the Depart-

ment's military personnel and family readiness programs, which I believe are absolutely critical to our military readiness, from improving the condition of military housing to providing high-quality health care, recruiting cyber warriors who can meet tomorrow's threats, ensuring access to childcare, and eliminating sexual harassment and assault from the ranks, personnel issues directly affect the ability of our servicemembers to focus on their military duties.

I am very concerned by continuing harmful actions taken by the Trump administration against military and civilian personnel alike. Thousands of brave transgender servicemembers continue to serve in our military despite uncertainty in the fate of their careers. The ranking member of the committee, Senator Reed, and I have introduced a bipartisan bill that would permanently lift the discriminatory ban, allowing transgender individuals to serve in our military so long as they otherwise meet Military Service standards, applying the same standard to them as is applied to everyone else.

Our civilian employees who serve critical national security functions and allow uniformed personnel to focus on their military duties have also been under attack. Late last year, the Secretary of the Army announced that he would end childcare subsidies for civilian employees effective this Friday, March 1, plunging thousands of patriotic civil servants into financial uncertainty. Additionally, Congress recently rebuked the President's effort to freeze the pay of civilian employees once again. The 1.9 percent raise was important, but still below inflation. Civilian pay has lagged considerably behind military pay for more than a decade, including a 3-year pay freeze and furloughs despite significant reductions in the civilian workforce. Continued attempts to devalue the service of our civilian workforce only harms morale and decreases readiness.

Separately, I hope each of you watched the hearing held 2 weeks ago by the Subcommittee on the awful privatization military family housing conditions that some of our servicemembers are forced to endure. It is shameful that it takes a congressional hearing to motivate individuals to do the right thing. The Military Services cannot wash their hands of this issue hiding behind deals signed with the private sector to manage these projects. I look forward to hearing more about what you're doing to address those shameful conditions.

Finally, I want to say a word about our second panel, the Services' senior enlisted advisors. I want to say at the outset that I value the service of our enlisted personnel. I remain concerned that more needs to be done to curb sexual abuse within the ranks and to change the culture that enables this conduct. This begins with the noncommissioned officers and leadership, all the way down to the squad level.

I hope you will also tell this Subcommittee what more we can do to support our servicemembers and families, especially our most junior, to ensure their successful service.

Thank you, Mr. Chairman. Thank you to all.

Senator TILLIS. Senator Duckworth, do you have any comments?

Senator DUCKWORTH. Thank you, Mr. Chairman. I think that this is one of those issues that is truly bipartisan.

I do want to thank the gentlemen for coming and that, truly, we cannot unlink or break the link between what we do for our military personnel and their family members in housing and military readiness. Our guys and gals downrange need to be secure in knowing that their family members are taken care of, and we all know that.

So I thank the chairman for having this hearing, and I thank you for being here, and I look forward to hearing your comments and the questioning. Thank you.

Senator TILLIS. Now we'll turn to the witnesses for opening comments. If you can possibly keep them to 5 minutes, we would appreciate it so we can get to questions.

We'll start with General Seamands.

STATEMENT OF LIEUTENANT GENERAL THOMAS C. SEAMANDS, USA, DEPUTY CHIEF OF STAFF, G–1

LTG SEAMANDS. Chairman Tillis, Ranking Member Gillibrand, distinguished Members of the committee, I thank you for the opportunity to appear today on behalf of the men and women of the United States Army. I've submitted a statement for the record, but I'd like to highlight a few things at this time.

Manning the Army is one of the vital components of readiness and is key to our ability to fight and win our Nation's wars. To maintain readiness and shape the future of the Army, we must recruit resilient, diverse individuals of high character to fully man formations while achieving sustainable growth and maintaining high-quality standards. Further, we must recruit in a competitive environment where only about 29 percent of the 17- to 24-year-olds are even eligible to join the Army and only about 8 percent have a propensity to serve in the military.

The Army must also continue to retain the most talented soldiers, noncommissioned officers, and commissioned officers with the experience and skills necessary to meet current and future needs. The Army remains committed to giving all soldiers who can meet the standards of the military occupational specialty the opportunity to serve. We have successfully assessed and transferred more than a thousand women into previously-closed occupations of Infantry, Field Artillery, and Armor.

As the Army works to become more lethal, to enhance both capability and capacity, and to ensure critical support to soldiers and their families, our Department of the Army civilians are an integral partner, and we must continue to size the civilian workforce to meet our current and future demands. The Army Talent Management Task Force is leading the Army's effort to ensure the Army acquires, develops, employs, and retains soldiers and civilians. The Integrated Pay and Personnel System Army, or IPPS–A, will modernize and transform Army human resource processes to change how the Army manages our people. We recently completed a successful test of the system with the Pennsylvania Army National Guard, and this year we will field IPPS–A across the Army National Guard formations.

Thank you for the 2019 NDAA, which provided us great flexibility. We're beginning to use those authorities granted to help determine what future talent-based systems look like. We're trans-

forming business processes and developing innovations to ensure we provide the force that is optimized. To ensure we are organizationally ready for combat, we must sustain the personnel readiness of our soldiers. The Army's improving personnel readiness and employability by strengthening soldiers, improving resiliency skills, and fostering a culture of trust. We believe these actions will enhance unit readiness and cohesion.

The Army remains fully committed to eliminating sexual assault, sexual harassment, and associated retaliatory behavior from its ranks. We recognize that regardless of the progress that we've made, there's much more to be done. Reports of sexual assault and harassment will be thoroughly investigated, and soldiers who commit these crimes will be held appropriately accountable for their actions. Soldiers who are victims of sexual assault will be fully supported and provided recovery services and victim protection.

The Army has reduced the number of non-deployable personnel and improved the overall personnel readiness of the Army. We also continue to reduce the time required for soldiers to process through the Integrated Disability Evaluation System. In addition to taking care of soldiers and their families while they're in the Army, we are committed to ensuring the successful transition as they prepare for life after the Service. The Army's Soldier for Life program conducts strategic outreach and shapes education, employment, and health policies, programs, and services to inspire citizens to serve and create an environment where soldiers transition to be productive veterans of character, integrity, and service as they return to their communities.

Our Army is strong because of the courage and commitment of our soldiers, civilians, veterans, and family members who serve our Nation. People are not in the Army; people are the Army. These men and women who serve our Nation, both in uniform and out of uniform, are our most important asset. For the Army to be ready, our soldiers must be ready.

Chairman Tillis, Ranking Member Gillibrand, members of the committee, I thank you for the opportunity and your generous and unwavering support of our outstanding soldiers, civilian professionals, and their families.

[The prepared statement of General Seamands follows:]

PREPARED STATEMENT BY LTG THOMAS C. SEAMANDS

Chairman Tillis, Ranking Member Gillibrand, distinguished Members of this committee, I thank you for the opportunity to appear before you on behalf of the men and women of the United States Army.

America's Army stands ready today to deploy, fight, and defeat any threat or adversary because of the courage and commitment of the soldiers, civilians, veterans, and family members who serve our Nation. Readiness remains our number one priority. In order to sustain Army readiness, we must ensure that our people are ready, by focusing on first-class programs that provide continued care and resources for soldiers and their families. There is no doubt that personnel readiness is the keystone in the archway of unit and force readiness.

Today, only 29 percent of 17–24 year-olds in the United States are eligible to serve in the Army, and only one in eight has a propensity to enlist in the military, making Army accessions a challenging and resource-intensive activity. Further, America's youth are increasingly disconnected from the military and lack knowledge about Military Service. Individuals who are related to a servicemember make up most of our applicants, with 79 percent of new recruits having a relative who served and 28 percent having a parent who served.

The Army continues to focus on recruiting and accessions in order to responsibly grow end strength. We enlisted ~70,000 Active component (AC) recruits in fiscal year 2018, the largest production since 2011. Despite challenges in the recruiting environment, the Army revised its entry standards last summer in a number of areas, making clear its commitment to "Quality over Quantity." The Army is also on a path to achieve the fiscal year 2019 recruiting missions in all three components. The fiscal year 2019 Active component mission is (tentatively) 68,000, USAR [United States Army Reserve] is 15,600 and the ARNG [Army Reserve/National Guard] is 39,000. The Army is on a glide path to achieve its year-to-date Active Army and USAR recruiting missions. Recruiting is a total Army approach to include: budgeting $450 million in fiscal year 2019 for Active Army bonuses; investing $50 million to add, relocate or improve recruiting centers in more than 200 critical markets; upgrading "goArmy.com"; achieving 100 percent recruiter manning by January 2019 (after adding nearly 800 recruiters in fiscal year 2018); more effectively using social media platforms; and improving advertising to include the development of a new marketing tagline. These investments provide the Army better footing to achieve the recruiting mission for all three Army components.

The Army must continue to retain the most talented soldiers and non-commissioned officers with the experience and skills necessary to meet current and future needs. The AC, USAR and ARNG each achieved their fiscal year 2018 retention missions. Fiscal year 2018 was a historic year for the AC, retaining over 90 percent of our eligible population. The previous record was 85 percent in fiscal year 2017 and the historical average is ~81 percent of a specific year group. Each component is set to accomplish their respective retention missions while maintaining quality standards in fiscal year 2019. These retention achievements support meeting our NCO [non-commissioned officers] requirements in the near to mid-term. These achievements would not be possible without the funding support for incentives granted by Congress.

Our officer corps is a strong, diverse and high-performing force. Army efforts to increase officer diversity resulted in fiscal year 2018 officer accessions being 68.3 percent white and 31.7 percent minority, versus the U.S. population of 25–34 year olds with bachelors or higher degrees being 72.9 percent white and 27.1 percent minority. Fiscal year 2019 officer branching increased racial and ethnic diversity within the combat arms branches, resulting in 29.9 percent minority selections. In fiscal year 2019, the United States Military Academy (USMA) increased to 3.3 percent of their total population in African American cadets assigned to Infantry (IN) and Armor (AR) (32 compared to 19 in fiscal year 2018) and the U.S. Army Cadet Command increased to 1.5 percent (48 as compared to 38 in fiscal year 2018). Additionally, the percentage of Hispanic cadets branching IN and AR grew in both sources of commission to 2.2 percent of their total population. Female representation in combat arms also increased in fiscal year 2019, as the Army is currently scheduled to access 56 women into Infantry and Armor branches in fiscal year 2019, a 28.6 percent increase from fiscal year 2018. The Army will maintain a firm emphasis to integrate diverse attributes, experiences and backgrounds into our officer corps to lead our All-Volunteer soldiers.

The Army strives to continuously improve efforts to assess and train the right soldier for the right job. The U.S. Army Training and Doctrine Command continues to use the Occupational Physical Assessment Test (OPAT), implemented in January 2017, as a physical assessment screening tool for officer and enlisted accessions. Passing the OPAT ensures new soldiers, regardless of gender, can succeed in an assigned specialty and verifies their readiness for training. Longitudinal studies on OPAT are being conducted by the Army Research Institute to measure OPAT's effect on morale, cohesion, and readiness.

Any soldier who can meet the standards of a Military Occupations Specialty (MOS) can be afforded the opportunity to serve in that MOS, regardless of gender. To date, the Army has successfully accessed and transferred more than 1,000 women into the previously closed occupations of Infantry, Armor, and Field Artillery.

Currently, 83 female officers are assigned to Infantry or Armor positions at Forts Hood, Bragg, Carson, Bliss, and Campbell. In 2019, assignments will expand to Forts Stewart, Drum, Riley, Polk, and Italy. Additionally, the Army has transferred, trained, and assigned female NCOs into both Infantry and Armor specialties. As part of a multi-year effort to open other assignments to female soldiers, as many as 500 women currently serve in every Active Brigade Combat Team in the Army down to the company level. To date, 24 women have completed Ranger School and two officers are assigned to the Ranger Regiment. The Army continues its long-term studies on gender integration and continues to use a standards-based approach to increase the diversity in all our units.

The Army could simply not take on its mission of fighting and winning our Nation's wars without its talented civilian workforce. Civilians serve across the institutional Army and around the globe. Civilians provide continuity and enable the Army to free up soldiers for service in the operational Army. About 22 percent of the Army's total personnel are civilians. Since 2011, the Army has drawn down the civilian workforce by about 15 percent. As military end strength increases, the Army may need to increase the capabilities of the civilian workforce to support our soldiers and their families. Department of the Army civilians are key enablers of our readiness and operational capabilities. As the Army looks to become more lethal, enhance both its capability and capacity, and ensure critical support to the solider and their families, our Department of the Army civilians are an integral partner, and must be right sized to ensure that part of our workforce can meet current and future demands.

In an effort to enhance our prevention efforts and gain positive, synergistic effects, we've combined the Army Sexual Harassment/Assault Response and Prevention Program (SHARP) Office with the Army Resiliency Directorate. This merger not only aligns the Army with the Department of Defense and sister services, it also supports our goal of developing ready, resilient soldiers of character who are able to fight and win our Nation's wars. Through the consolidation of the SHARP and resiliency directorates, we're realizing efficiencies in functionality, especially with regard to our prevention, policy, and research mission areas. Additionally, we're able to provide command teams with common initiatives and tools to help them realize and reinforce healthier organizational climates, which we believe is essential to the Army's first priority—readiness.

To ensure we're organizationally ready for combat, we must sustain the individual readiness of our soldiers. The Army is improving personnel readiness and deployability by strengthening soldiers, improving resiliency skills, implementing the new Army Combat Fitness Test (ACFT), new deployability standards, and fostering a culture of trust. We believe these actions will enhance unit cohesion—one of the intangibles of organizational readiness.

We are continuing our efforts to provide commanders and leaders increased visibility of their readiness with improvements to the Commander's Risk Reduction Dashboard (CRRD) Increment 2. This tool gives commanders visibility of their soldier and unit risk history, trends, and factors impacting personal readiness. The Army is working to field CRRD Increment 2 to the "Total Army" starting this year.

In the past year, we successfully fielded "Engage," which provides soldiers with skills to recognize and enable bystander intervention and improve unit cohesion across formations. Research indicates that soldiers lack the expertise to successfully and routinely execute professional interventions. "Engage" encourages engagements across a wide variety of situations to enhance communication with peers, subordinates and supervisors.

The "Not in My Squad" initiative, developed by the Sergeant Major of the Army, continues to empower squad leaders to establish healthy unit climates and encourage bystander intervention. Research has determined that squad leaders have the greatest impact on units, the individual soldier and the organizational climate.

"Engage" and "Not in My Squad" are now used at 27 Ready and Resilient Performance Centers across all components of the Army. We have certified master resiliency trainers who are embedded in company-level formations and train soldiers on 16 resilience skills that focus on sustaining personal readiness and optimizing human performance.

The U.S. Army remains fully committed to eliminating sexual assault, sexual harassment, and associated retaliatory behavior from its ranks. Reports are thoroughly investigated, and soldiers who commit those crimes are held accountable for their actions. All victims of sexual assault are fully supported and provided recovery services and victim protection.

Prevention, while providing professional comprehensive response when these incidents do occur, remains a top priority for the Army. We continue to focus our resources to reduce sexual misconduct across all components of the Army, while encouraging those who have experienced unwanted sexual contact to come forward. In fact, we're anticipating the third straight year of increased reporting, which reinforces our belief of increased confidence in the chain of command and our response system.

We recognize that regardless of the progress that has been made, more work must be done. For example, the recent report on Service Academies Gender Relations (SAGR) survey shows an increase in prevalence since the last time the survey instrument was administered in 2016. We attribute some of the increase in estimated prevalence to better awareness of the behaviors that constitute sexual assault and sexual harassment. However, our leaders at the U.S. Military Academy have been

working the past 18 months on revamping the school's prevention program prior to the SAGR survey results. As a result of a bottom-up review, they've revised the Academy's curriculum to better address some of the concerns cadets expressed about the sexual assault/sexual harassment prevention program. Additionally, reporting increased at USMA for the fifth straight year. We previously made changes to facilitate the ease of reporting for cadets and are encouraged by the fact that they trust the leadership at USMA and are confident in the Academy's response system. We are looking forward to the service academies national discussion on this issue at Annapolis in early April.

First-line leaders are foundational to the Army's primary prevention efforts regarding sexual assault, sexual harassment, and associated retaliation. Army leaders must set and enforce standards, practice healthy relationships, and set the conditions to prevent sexual misconduct from occurring. We will continue to build a climate of trust that respects and protects the dignity of every team member, and ensure individuals are skilled in problem identification and effective in early and proactive interventions that reduce all types of misconduct.

Suicide remains a complex national problem that the Army works to resolve as do the rest of the Services. The Army Senior Leadership remains very concerned with the high number of deaths by suicide over the past 2 years and have mandated a more rigorous implementation of initiatives and command emphasis across all components of the Army. We have better awareness of the demographics for most of our deaths being males in the ranks from private first class through staff sergeant who have a combination of relationship, financial, work-related, and behavioral issues. Potential reasons for the recent Active component increase include: recruits entering service with low resilience to adversity coupled with poor coping and communication skills; the need for maximized leader and peer visibility of the soldier personal issues just mentioned; and lastly, the difficulty in screening for all past behavioral health histories of potential recruits. With this increased awareness, Army Senior Leadership has mandated a more rigorous implementation of initiatives and command emphasis across all components of the Army. Army is seeing a significant increase in suicide ideations. Potential reasons for this low follow through rate are: 1) Stigma reduction—soldiers becoming increasingly comfortable seeking help; 2) Effective behavioral health care and follow-up; and 3) Increasing bystander intervention.

In 2019, the Army will conduct a pilot at select locations intended to test the following new initiatives: leader tools designed to improve visibility, improve soldier communication with complex and sensitive subjects, and provide soldiers a better self-assessment; surging capabilities to train and educate soldiers on resilience skills designed to improve individual coping mechanisms and make resiliency an Army core competency; and renewed partnering with external agencies such as the VA [Department of Veterans Affairs], Center for Disease Control, leading universities, and research institutions to examine and potentially implement new initiatives to help reduce suicides across the Army and entire Joint Force. If these prove beneficial we expand them to the entire force.

This Army continues to work to decrease the stigma associated with seeking behavioral health care, and we are seeing some positive results. Behavioral health encounters for the Total Army grew from approximately (900,000) in fiscal year 2007 to approximately (2.25 million) in fiscal year 2017, indicating greater trust in the system. Soldiers required 65,975 fewer inpatient bed days for all types of behavioral health conditions in 2017, as compared to 2012.

Further, the Army provided more timely care to soldiers. For example, according to the 2017 DHA [Defense Health Agency] Healthcare Effectiveness Data and Information Set, 94 percent of all soldiers hospitalized for a behavioral health condition received a follow-up appointment in a clinic within seven days, which far exceeds the national average. The practice of embedding behavioral health personnel and substance abuse disorder providers within combat units provides soldiers with more comprehensive care.

Total Army non-deployable personnel reduced by ¯86,000 or 8 percent from June 2016 to December 2018 (¯153,000 or 15 percent to ¯67,000 or 7 percent). The current 7 percent non-deployable rate is a result of aligning Army reporting with the current DOD Instruction and with command emphasis at all levels. Beyond reducing the number of non-deployables, the published policies (DODI 1332.45, Retention Determinations for Non-Deployable servicemembers, and Army Directive 2018–22, Retention Policy for Non-Deployable Soldiers) are establishing a culture change. While policy revisions have proven to aid in increasing deployability and lethality, additional Army initiatives have and continue to provide positive results. The establishment of the Commander's Portal for Medical Protection System integrated essential medical readiness information in one easy-to-use application, giving commanders (or

his/her designee) the ability to quickly review soldiers' deployability status. In short, the Commander Portal significantly increased visibility of factors influencing soldier medical readiness. To further increase deployability, the Army established the Holistic Health and Fitness Program (H2F), which is a paradigm shift to a proactive injury prevention strategy. This program represents a comprehensive, integrated and immersive health and fitness system of governance, personnel, equipment, facilities and leader education that maximizes readiness and deployability through the reduction of injuries, attrition and associated costs. The program fosters more resilient soldiers who are better prepared to conduct their wartime mission. While we continue to monitor the impacts of recent policy revisions and established initiatives, we are confident we're trending in the right direction, as evidenced by the increased readiness in our Brigade Combat Teams.

The readiness of Regular Army (RA) Brigade Combat Teams (BCTs) has doubled since June 2016, when only 12 of 31 or 39 percent of RA BCTs achieved the highest state of personnel readiness. As of December 2018, 24 of 31 or 77 percent of RA BCTs continued the trend of improved overall personnel readiness. The increased personnel readiness is attributable to the collaborative efforts of Army Senior Leader emphasis and an engaged medical community.

The Army remains committed to efficiently evaluating potentially ill and injured soldiers in the Integrated Disability Evaluation System (IDES), returning fit soldiers to duty or assisting unfit soldiers in transitioning to civilian life. Improving trends in case processing times demonstrate the Army's resolve. Average processing times continue to drop and are down to 198 days for non-Active Duty soldiers and down to 201 days and for Active Duty soldiers. Processing times were impacted during fiscal year 2018 due to information technology (IT) migration activities involving our separate Medical Evaluation Board and Physical Evaluation Board case processing applications merging into a single disability case processing application. Per Secretary of Defense Directive, we continue to strive towards achieving a new 180-day IDES processing goal, effective 1 October 2019. As of now, the IDES non-deployable population remains steady at approximately 10,000.

The Army is undertaking a comprehensive reform of the Officer Personnel Management System to ensure we match the knowledge, skills, and behaviors of each soldier to the right position, optimizing both in order to dominate in land combat against any adversary. The Army Talent Management Task Force is leading the Army's efforts to shift from an industrial-age personnel distribution system to an information-age market-based talent management model that deliberately manages our soldiers and civilians based on optimized placement in positions that capitalize on their unique talents. The task force oversees initiatives to ensure the Army acquires, develops, employs, and retains soldiers and civilians with the diverse talents required for the current and future force.

The 2019 NDAA provided us great flexibility and we use the authorities granted in it to help determine what a future talent-based system looks like. For example, the Army direct commissioned four captains and has plans to direct commission at least 12 more officers this fiscal year, including a major. Implementation of merit-based promotions are scheduled to begin in July with the Army competitive category major promotion board. Under the Talent Assessment Program, the Army piloted a battery of talent assessments and plans to expand the program to all junior captains attending the captain's career courses starting this summer.

Talent assessments are not new to young officers. In fact, many of the second lieutenants entering the Army today are products of talent-based branching. The program was first piloted at West Point in 2012 and expanded to ROTC [Reserve Officers' Training Corps] in 2016 and OCS [Officer Candidate School] in 2018. Cadets undergo a battery of assessments that inform their branch choice and determine if it is a good fit for both the branch and the individual. An unexpected outcome of talent-based assessments is that it changed cadets' behavior over time as cadets became more aware of their own talents and more informed about branches.

In January, the Army Talent Management Task Force held a planning conference with 183 representatives from more than 80 organizations across the Army. The outcome of that conference was a series of initiatives that the Army will use to understand, assess, experiment, and implement a new talent management system—a system that when appropriate, includes spot promotions, opting out of promotion boards, and a new alternate promotion authority. Bridging the gap between the current and future system requires a regulated marketplace, integration of holistic assessments, and flexible career paths. We are currently running multiple pilots to test and gather lessons learned. For example, Assignment Interactive Module Version 2 (AIM 2) is conducting marketplace matching between officers designated to move and available assignments. Moving to an Officer Talent Management System will require fundamental changes in Army culture—changes we're already see-

ing with the adoption of the AIM 2 marketplace and talent-based branching. The Army is transforming its business practices and developing innovations to ensure we provide a force that is optimized to fight and win our Nation's wars.

The Army has seen an increase in officer retention in fiscal year 2018, retaining 89.0 percent of the Army competitive category captains and 94.4 percent of majors compared to 87.7 percent and 92.8 percent, respectively, in fiscal year 2017. Overall, the Army retained 91.7 percent of all officers in fiscal year 2018. Since 2016, there has been nearly a 2 percent officer retention increase. Approximately 76 percent of officers are staying at least one year past their Active Duty Service Obligation (ADSO) (USMA 68 percent / Scholarship ROTC 75 percent-largest category / Non-Scholarship ROTC 85 percent / OCS 76 percent)

Over the next several years, the Army's continued use of market-based, talent based branching-integrated with initiatives to redesign promotion selection processes-will help us retain talented officers. We will recognize high performing officers and be able to manage them accordingly with the authority to make order of merit promotion list adjustments. Additionally, the use of opt-out provisions will offer flexibility for promotion consideration. Our analysis of the broad alternate promotion authority will allow us to develop additional initiatives; and together, the use of the new authorities granted in the fiscal year 2019 NDAA will help the Army transform its business practices and develop personnel management innovations that ensure we provide a force optimized to fight and win our Nation's wars.

Taking care of soldiers and their families while they are in the Army is just one part of our commitment to ensuring their successful transition. We never forget we must continue our efforts to prepare our soldiers for transition in the community as productive veterans.

The Army's Soldier for Life program conducts strategic outreach and shapes education, employment, and health policies, programs and services to inspire citizens to serve and to create an environment where soldiers transition to be productive members of society. The program connects private and public organizations to transitioning soldiers and spouses looking for educational and employment opportunities.

For fiscal year 2018, the Army's Veterans Opportunity to Work (VOW) Act compliance increased from 88 percent to over 90 percent—the Active component at 91 percent (+1 percent), ARNG at 91 percent (+5 percent), and USAR at 82 percent (+3 percent). We continue to enhance our policies and procedures for transitioning soldiers and have ensured commanders understand that they must ensure their soldiers attend VOW Act-mandated briefings. It is in the Army's and our Nation's best interest to ensure soldiers transition successfully back into our communities. Further, according to data from the Department of Labor, in 2018 Soldier for Life—Transition Assistance Program (SFL–TAP) efforts assisted in reducing the unemployment rate for veterans that joined the Army after September 11, 2001, to less than 4 percent (3.8 percent) for the first time, with the lowest amount of unemployment compensation for veterans in 17 years. Between fiscal year 2011 and fiscal year 2018, SFL–TAP efforts have contributed to an 82.2 percent decrease in total Unemployment Compensation for Ex-servicemembers (UCX) payments ($514.6 million to $91.4 million). The fiscal year 2018 UCX invoice is the lowest since fiscal year 2001 ($89.8 million).

We have invested a tremendous amount of resources and deliberate planning to preserve the All-Volunteer Force. People are the Army . . . these men and women who serve our Nation, both in uniform and out of uniform, along with their families, are our most important asset. For the Army to be ready, our soldiers must be ready. The Army will not sacrifice readiness or quality as we continue to grow. Chairman Tillis, Members of this committee, I thank you for generous and unwavering support of our outstanding soldiers, civilian professionals, and their families.

Senator TILLIS. Thank you, General Seamands.

Admiral Burke.

STATEMENT OF VICE ADMIRAL ROBERT P. BURKE, USN, DEPUTY CHIEF OF NAVAL OPERATIONS, N–1

VADM BURKE. Chairman Tillis, Ranking Member Gillibrand, and distinguished Members of this Subcommittee, thank you for the opportunity to be here today and update you on your Navy's personnel programs.

We continue to grow the Navy's manpower commensurate with the force structure for the Navy the Nation Needs. We are simulta-

neously working to restore full manning to our existing fleet. This year we will grow the Navy by 7500 people and another 5100 next year. Fleet wholeness continues to improve, as evidenced by steady progress in improving fleet manning and closing gaps at sea. Even as we grow the Navy at an aggressive pace, we still have work to do, and our success is directly tied to our collective commitment to consistent and full funding.

Finding the right people is as important as making numbers. The war for talent is real, and competition is increasing. We continue to make our overall recruiting goals—the highest in decades—mostly due to our recruiting transformation efforts, innovative use of social media, and by shifting our "Forged by the Sea" advertising campaign predominantly to the digital markets. A combination of our Sailor 2025 programs, surgical use of retention bonuses aided by predictive analytics, and other policy levers resulted in 2018 showing the largest enlisted retention improvements in a decade. This is critical, as it has allowed us to begin to establish the deep bench of experienced journeymen needed to develop that next generation of masters.

Despite the overall improvements in retention, we continue to face challenges in a few specific fields: nuclear, aviation, cyber, Navy special warfare, and advanced electronics. Our Sailor 2025 initiatives continue to expand and get high marks from our sailors. This program will continue to be a critical force multiplier going forward. The underlying transparency and the flexibility it provides directly and positively impacts our sailors' stay Navy decision.

We greatly appreciated the increased DOPMA [Defense Officer Personnel Management Act] flexibility this committee championed in the fiscal year 2019 National Defense Authorization Act. We are already putting each of the new authorities to work, and we look forward to reporting our successes to you in the near future. But as important as the programs themselves is the manner in which we deliver our personnel services. There's a saying: "You recruit a sailor, but you retain the family." Although we enjoy many excellent benefits because of the great work you do here, sailors and their families still live with less than they deserve in some cases. Sailors should be able to count on the correct and reliable pay all the time. We ask them to move frequently, a tough thing for families to do. We need to make it as seamless as possible for them, take away the avoidable frustrations by making the process simple, reliable, and customer service-friendly. That's what it'll take to show that we truly care and that we value their service as well as what they bring to the fight.

Our Manpower, Personnel, Training, and Education (MPT&E) transformation efforts get at this exact point. Our last several years of efforts were spent setting the foundation to get to the finish line, and in 2018 we began launching the first of many new capabilities into the hands of our sailors. This past September, we launched MyNavy Career Center, delivering enhanced 24/7 personnel, pay, and training customer service, just like a modern banking or insurance call center. That call center exceeded industry benchmarks for customer service its first week of operation, and it continues to do so today. MyNavy Portal is our new, online one-stop personnel shop, and it offers a multitude of self-service options

including online knowledge tools and a rapidly-expanding set of HR transactions, freeing up time for sailors to focus on war-fighting missions and families.

In January, we began the move to MyNavy Portal Mobile, piloting use of commercial cloud systems without use of their Common Access Card. By the end of this calendar year, our sailors will be doing most of their personnel business from their smartphones, and their pay issues will be largely a thing of the past. The admin associated with a permanent change of station move will be an afterthought so that families can concentrate on what matters. Challenges remain, and we still have a great deal of work to get to where we need to be if we are going to be truly competitive, but we are on a good path.

I thank you for your support of these efforts and for your unwavering commitment to the men and women of the United States Navy and their families, and I look forward to continuing our partnership and to your questions. Thank you.

[The prepared statement of Admiral Burke follows:]

PREPARED STATEMENT BY VICE ADMIRAL ROBERT P. BURKE

INTRODUCTION

Chairman Tillis, Ranking Member Gillibrand, and distinguished Members of the Personnel Subcommittee, thank you for the opportunity to appear before you today to discuss our Navy's most important strategic asset, our people.

READY AND CAPABLE GLOBAL NAVY

For over 240 years, the U.S. Navy has been a cornerstone of American security and prosperity. In an increasingly globalized world, the Nation's security is ever more dependent on the Navy. People are the strength behind every organization—the talent in our workforce is our most critical differentiator in a world complicated by numerous security threats. Today's workforce is very different from that of previous generations, changed by national trends in family, education and work dynamics. We are building a larger fleet with new operating concepts, which requires people of diverse backgrounds and experiences, critical thinking skills, and the mental agility to operate across the spectrum of change that lies ahead while addressing the needs of the modern workforce, including an innovative personnel system, equally agile and flexible, and ready to meet the challenges and uncertainty of a great power era.

To compete for talent and dominate in the maritime domain, we must apply cutting-edge human resources management practices and technology, and as importantly, continue our efforts to become a customer-experience-driven organization that shows, through action, that we value sailors and their families. We must consistently take care of them as they endure lengthy deployments, often in harm's way, and with prolonged family separations. Sailors deserve and rightly expect to be treated as valued members of the team, or they will go elsewhere. All of those antiquated things we ask sailors and their families to endure about today's industrial-age systems send a signal that we do not value them as intelligent technology-oriented members of the Navy family. To remain a ready and capable global Navy, we must complete ongoing efforts to transform the Navy personnel system, as soon as possible.

COMPETING FOR TALENT

Economic trends have a significant influence on the workforce. Under good economic conditions, America's youth have more options at their disposal, challenging Navy's ability to meet recruiting requirements as potential candidates explore alternative employment opportunities. This past year, the U.S. economy experienced its strongest growth since the recession of 2008, resulting in significant expansion of employment opportunity in an ever-tightening labor market. National forecasts predict regional labor shortages in the working-age population among critical occupational categories, e.g., computers, mathematics, and healthcare. Economic trends reflect the difficulty private sector employers are experiencing in filling job vacancies.

The proportion of firms with unfilled jobs, and the proportion of vacancies for which there are few or no qualified job applicants, have increased to historically-high levels. The number of employees choosing to leave their jobs has also escalated, making private sector retention increasingly difficult.

The labor market, especially among blue collar and service employees from which we draw most of our enlisted workforce, is experiencing extremely low unemployment and high wage growth. That segment of the workforce is declining as increasing numbers of youth in our target market attend college. Our competitive pay and benefits package may be the most significant factor buffering us from the impacts of this shift in the economic environment. Additionally, the demographic diversity of the workforce is increasing. These environmental factors are the foundation for understanding our workforce and how to manage talent. Labor market conditions may entice sailors in certain critical skills to leave for the civilian job market. So, through predictive analytics, we are taking preemptive action to retain key labor skills by adjusting enlistment and retention bonuses ahead of need. We have also increased the number of recruiters and enhanced our marketing and advertising efforts through our new "Forged by the Sea" brand and a digital recruit prospecting strategy.

END STRENGTH AND BUDGET GROWTH

The Navy is recruiting and retaining the talent needed for our growing fleet, and Sailor 2025 and MPT&E transformation efforts vital to delivering and sustaining *The Navy the Nation Needs.* Our Navy personnel team plays a pivotal role in executing the direction outlined in the new National Defense and National Military Strategies, particularly in ensuring readiness and lethality, and reforming business practices and systems to achieve greater performance and affordability. *Design 2.0 for Maintaining Maritime Superiority,* announced in December, details Navy's implementation plans in support of these strategic documents.

We are arming our talented workforce with a modernized, agile and flexible personnel system, ready to meet the challenges and uncertainty of an era of emerging great power competition. We are growing our ranks to support shipbuilding, modernization, and aircraft procurement authorized in the National Defense Authorization Act for fiscal year 2018 (FY18 NDAA), as we work towards building the Navy the Nation needs. Sustaining the larger Fleet requires continued investment in people and reliable steady funding. We are aggressively working to complete the MPT&E transformation effort to simplify management and curtail personnel costs for Navy military manpower. Similarly, our Sailor 2025 initiatives are critical to recruiting the best sailors up-front. To accomplish this mission, we will offer better talent-matching, greater career flexibility, modernized and portable training delivery, better life/work balance, and pay and incentives that keep pace with market forces. These factors will lead to higher retention and a leaner, more sustainable personnel footprint.

ENLISTED FORCE MANAGEMENT

MPT&E transformation has delivered initial capability into the hands of sailors and their families, heralding a new era in Navy personnel management that offers world-class customer service. We are demonstrating that we value sailors and their families by designing every personnel process and policy with a sailor-centric approach.

We have implemented several initiatives to address enlisted fleet manning shortfalls, including adjusting High Year Tenure (HYT), increasing enlisted accessions, modifying Physical Fitness Assessment (PFA) separation policy, and aligning sea tours with service obligations. We established a new distribution policy to improve supervisory manning levels at sea and other operational units by transferring 1,100 chief petty officers to operational units and restored the Sailor Early Return to Sea (SERTS) policy to reduce sea duty vacancies in pay grades E4–E9. Our Targeted Reentry Program (TRP) pilot identifies select sailors for expedited return to Active Duty by eliminating burdensome reentry processes, enhancing Active and Reserve component permeability. New pilot programs influence sailors to stay Navy, through an Advancement-to-Vacancy Selection Board that spot advances enlisted sailors into priority billets, and by offering a performance-based Selective Reenlistment Bonus premium for sailors in certain ratings who meet key performance marks.

Enlisted Recruiting

Over the past 2 years, we increased our annual enlisted accession goal by approximately 5,000 recruits, to meet growing fleet manning requirements. We achieved 100 percent of our Active component (AC) accession goal in fiscal year 2018. We

have now met the goal for 137 consecutive months. We fell short in Reserve component (RC) non-prior service and prior service accessions, and Active and Reserve New Contract Objective (NCO). Record AC retention means fewer separating sailors available to affiliate in the Selected Reserve contributing to slight RC under-manning. While manageable, this shortfall is indicative of the changing environment.

We are improving the efficiency and effectiveness of our recruiting organization through realignment, transformation, workforce improvements, and policy reform. "Street to Fleet" has been realigned under the Force Development pillar, led by commander, Naval Education and Training Command, creating synergy and unity-of-effort throughout the recruiting and training pipeline. This allows us to better identify talent needs and performance indicators up-front, reducing attrition and increasing retention, thereby lowering the demand for new recruits. We are focusing on talent acquisition while aligning our workforce based on individual skill sets to maximize productivity. In fiscal year 2018, we transitioned four legacy Navy Recruiting Districts (NRD) into Navy Talent Acquisition Groups (NTAG) and subordinate Talent Acquisition Onboarding Centers (TAOC). This new model eliminates the "middle layer" of the NRD and associated overhead and bureaucracy, while improving overall recruiter performance output by 25 percent.

We are streamlining processes, through digital improvements in interactions with the civilian population and processing new leads, and we began a targeted and digital-focused marketing and advertising campaign under our new brand "Forged by the Sea." Digital prospecting allows recruiters to leverage messaging tools on the Navy.com website and other social media to start initial conversations with prospective recruits, increasing the number of recruiting prospects, and reaching diverse markets, while lowering costs-per-lead—the most efficient marketing and advertising campaign in Navy's history.

We added 200 recruiters in fiscal year 2018 by mobilizing Reserve sailors, and will add 200 more in fiscal year 2019 while extending over 400 sailors on recruiting duty for 6 to 12 months. We increased incentive pay for top-performing recruiting teams and advancement opportunities for top-performing sailors, and are working on a plan to advance high-performing sailors who volunteer for recruiting duty. We increased the amount, number, and types of enlistment bonuses and tailored packages to a prospective recruit's needs to more effectively and efficiently target incentives.

We eliminated obsolete accession policies and improved others that excluded a potential source of talent. We expanded opportunity by aligning Armed Forces Qualification Test scores and age limits with the other Military Services and contemporized certain medical waiver criteria based on societal norms (e.g., ADHD [attention deficit/hyperactivity disorder], eczema, allergies). These types of changes resulted in nearly 8,300 additional sailors in fiscal year 2018, who otherwise would not have been able to serve, or who were influenced to join by greater job opportunities.

The net effect of these changes, most of which originated with deck-plate recruiters, has been staggering. The table below compares the difference in recruiter force size (boots on ground recruiters) and budgets, for fiscal year 2018 and fiscal year 2008, the last time we had an Active component enlisted force recruiting mission of this size. What is particularly noteworthy is that, despite significantly less funding, the Navy Recruiting Team made the fiscal year 2018 goal by May 2018, middle of the third quarter.

Navy Recruiting — FY08 Compared with FY18

	FY08	FY18
Active Accession Mission	38,419	39,000
Beginning of Year Delayed Entry Pool	18,855	18,384
Production Recruiters	4,600	3,200
Total Obligational Authority (O&MN) ($K)	$ 341,986	$ 177,677
Marketing and Advertising ($K)	$ 190,375	$ 48,824
Enlistment Bonus ($K)	$ 101,705	$ 29,988

Enlisted Retention

Retention of every capable sailor remains a vital element of our growth strategy. We increased retention across all pay grades in fiscal year 2018, by applying a range of force management tools, and are maximizing retention efforts for proven performers to meet growing mission requirements. A fairly steep growth trajectory imposes some challenges for all ratings and skills. While overall enlisted retention in fiscal year 2018 was the highest seen in many years, critical skill communities, such as nuclear field, special warfare, advanced electronics, aviation maintenance, and information technology require focused retention efforts including targeted reenlistment bonuses. Special and incentive pays continue to play a vital role in retaining sailors in high-risk, high-demand, and/or high-investment skill sets and we are proactively managing force structure growth to man new units to operational requirements. Monetary incentives remain an integral part of our retention strategy, including our new pilot program that adds a merit-based component to enlisted retention bonuses.

We are refining force management policies by reducing the number of circumstances in which commanding officers must make individual force management decisions, while expanding sailor choice for reenlistment or lateral conversions into other career fields. Efforts to date have yielded positive retention results, although some, e.g., easing High Year Tenure gates, offer immediate gains that will decrease over time. We have also expanded reenlistment and rating conversion opportunities, resulting in unprecedented retention and numbers of conversions under the Reserve component to Active component program. Shortfalls among high-demand critical skills in fiscal year 2018 were mitigated through conversion of 1,163 Reserve sailors to the Active component.

OFFICER FORCE MANAGEMENT

Competition remains keen as we continue using every force management lever to recruit top talent into our officer corps, train them with cutting-edge technology and techniques, and retain their expertise in which we have heavily invested, to preserve our competitive advantage in the maritime security environment. In addition to our Fleet Scholars Education Program (FSEP), Tours with Industry (TWI), and merit-based retention incentives, we immediately began development of programs to implement officer personnel management reforms enacted in the John S. McCain National Defense Authorization Act for fiscal year 2019, including:

- expansion of constructive service credit to recruit civilian candidates with education, leadership, and experience credentials for leadership roles in cyber and engineering duty officer fields,
- expansion of spot promotion opportunity to designated O–5 and O–6 billets,
- executing merit promotion authority to incentivize top performers,
- retention of certain control grade officers with targeted skills in aviation, acquisition, engineering duty officer, and attachés beyond traditional statutory limits,
- relaxation of the requirement that original appointments be granted only to individuals able to complete 20 years commissioned service by age 62.

Beginning with the fiscal year 2021 promotion board cycle, we plan to exercise promotion deferment authority to afford greater flexibility to top performing officers whose competitiveness might otherwise suffer due to participation in career-broadening and education opportunities encouraged by the Navy, e.g., Rhodes and Olmsted Scholars, and Tours with Industry. We appreciate congressional support for enactment of these provisions and look forward to updating you on our progress as we leverage these vital transformational force management tools.

Officer Recruiting

We continue to see strong interest in commissioning opportunities through the U.S. Naval Academy (USNA) and Naval Reserve Officers Training Corps (NROTC) program, as the number of highly qualified applicants vastly exceeds the number of available appointments. We continue to attract the finest applicants and graduate well-rounded, technically competent leaders for commissioned naval service. While overall officer accession goals were met in fiscal year 2018, the market continues to be challenging in certain designators, e.g., Judge Advocate General's Corps within the Active component, and Medical Corps in the Reserve component.

Officer Retention

While officer retention is sufficient to meet milestone requirements in most officer communities, meeting our demand signal among aviation warfare officers in specific type/model/series platforms, nuclear-trained surface warfare officers, submarine offi-

cers, and naval special warfare (NSW), specifically Navy SEALs [sea, air, and land teams], remains challenging. We continue to apply and refine a combination of monetary and non-monetary incentives to address retention among these groups.

Naval aviation's inventory and accessions (tactical, maritime, and rotary wing combined) remain sufficient to meet operational requirements. However, declining pilot retention in some Active and Reserve communities, especially strike fighter (VFA) and electronic attack (VAQ), continues to present serious challenges to aviation long-term health. Low affiliation of maritime patrol (VP) aviators due to platform transition uncertainty, and high turnover rates within Fleet Logistics (VR) caused by commercial airline hiring, remain a concern in the Reserve component. Challenges in retaining mid-grade and senior aviators continue to be primarily rooted in lack of flight hours, tactical training, and progression of qualifications associated with aircraft material readiness challenges, quality of life dissatisfiers, especially in non-fleet concentration areas, and the perception of a broadening pay gap with the commercial airline industry.

Aviators seek more career path flexibility and opportunities for personal and professional development, and flexible, merit-based monetary incentives competitive with the civilian sector. In March 2018, we announced substantial across-the-board improvements in aviation bonuses for department head and command, and aviation incentive pay, applying a holistic approach that synchronizes targeted increases in flight pay and bonuses in a mutually-supportive fashion to coincide with major aviation leadership milestones. These changes show early promise in improving retention and significantly increased take-rates in areas such as the command bonus.

We have expanded access to career-enhancing opportunities to improve flexibility in the naval aviation career path, e.g., graduate school and fellowships, Tours with Industry, and the Career Intermission Program. This past year, we leveraged authorities enacted in the fiscal year 2019 NDAA and implemented the Professional Flight Instructor (PFI) Program that allows select pilots and naval flight officers to serve continuously as flight instructors as an alternative to the traditional sea/shore rotational career path, affording greater assignment stability and rewarding experiences through developing our newest naval aviators.

The combination of existing aviation-specific incentives and Sailor 2025 officer personnel reforms are expected to slow, and ultimately reverse, the trend of aviators choosing to leave the Navy after their initial commitment. Sustained support for readiness enabler accounts, including flight hour and aircraft spare parts accounts, is critical to improving the quality of aviation service in the near term. This support, coupled with personnel initiatives, should address most of the critical issues causing aviators to leave the Navy.

We are refining the NSW Officer Bonus to increase take rates and improve retention, and expanding eligibility to alternate career paths to improve inventory at pay grades O–4 and O–5. We are also consolidating Jump, Dive, and Demolition pays into a single Skill Incentive Pay.

Submarine and surface warfare (nuclear) communities are using monetary and non-monetary incentives to retain their best talent. Monetary incentives include retention bonuses for officers willing to commit early to future service and special duty pays for challenging nuclear billets. Recent changes to conventional (non-nuclear) surface warfare officer department head retention bonuses, among our first to add merit components, continue to provide adequate retention.

SAILOR 2025

Attracting and retaining the best sailors in an increasingly competitive talent market requires continued flexibility and transparency in policies and practices. Sailor 2025, a dynamic set of over 50 initiatives, is a roadmap to improve personnel programs by providing choice and flexibility. Sailor 2025 is modernizing personnel management and training policies and systems to more effectively identify, recruit, and train talented people and manage the force while improving warfighting readiness. The modern, innovative, information technology infrastructure we are building will improve how we recruit, train, and retain talent, more accurately and efficiently assign talent, better design and account for compensation packages, and generate a system that affords greater flexibility and permeability. Sailor 2025 is built on a framework of three pillars, a modern personnel system, a career learning continuum with modernized delivery methods, entitled Ready, Relevant Learning (RRL), and career readiness, that is shaping resilient, tough sailors bolstered by a family support network, which fosters a career of service.

Personnel System Modernization

The first pillar, "Personnel System Modernization," is wholesale modernization of our entire personnel system. We are creating flexible policies and additional career

choices and empowering commanding officers with tools to retain the best and brightest sailors. We continued to implement programs in fiscal year 2018, including primary/secondary caregiver leave, O5/O6 Selective Early Retirement Board, Targeted Re-entry, and Reserve component (RC) to Active component (AC) Fast-Track programs. We are also expanding "Detailing Marketplace" pilot initiatives, overhauling the performance evaluation system, modernizing advancement examinations coincident with rating modernization and achieving greater AC–RC permeability.

Ready Relevant Learning

The second pillar, "Ready, Relevant Learning" (RRL), is a holistic approach to training our career enlisted force, which will accelerate learning for faster response to rapidly changing warfighting requirements in increasingly dynamic operational environments. Legacy training does not take full advantage of existing and emerging technology for knowledge-transfer. Skills acquired during accession pipeline training atrophy due to delays between receipt of training and on-the-job performance, increasing the burden on the fleet and potentially compromising operational readiness. We are using the science of learning to transform the current training model to modern training solutions delivered at the point of need, better prepare sailors to operate and maintain equipment at its technological limits, and meet rapidly evolving warfighting requirements. This will occur across three lines of effort: (1) career long learning continuum, (2) modern delivery at the point of need, and (3) integrated content development.

We are approaching the end of the first stage of the career long learning continuum line of effort, known as Block Learning, which divides existing accession-level training content into smaller blocks moved to real-world points of need in a sailor's career, shortening initial accession training and sending sailors to the fleet sooner. Block Learning uses existing content as we reengineer training to meet future RRL training continuum objectives. We have completed Block Learning analysis and approved changes for all 54 ratings—44 executing training in block delivery construct, 3 projected to implement in fiscal year 2019, and 7 designated to move directly into the second line of effort, i.e., modern delivery at the point of need.

The second RRL line of effort leverages emerging learning technology to more efficiently deliver training at the point of need, i.e., the waterfront or operational unit. Applying science of learning principles makes training more effective, efficient, and available by leveraging technology to provide online training tools, including virtual reality and interactive "apps," at the time and place needed, thereby reducing the necessity and costs of returning sailors to retrain at legacy brick-and-mortar schoolhouses. We have completed modernization requirements-development for 2 ratings and 23 more are scheduled for completion in fiscal year 2019. Eighteen additional ratings are undergoing requirements with development to be delivered at a later date. We continue to identify and align IT capabilities to support delivery of modernized content ashore and afloat. We are on track to deliver modernized content in September for our first rating, Operations Specialist, to be followed by two other ratings in fiscal year 2020.

We have entered the third line of effort: integrated content development, solidifying the fleet's role in defining training requirements and validating analysis that aligns training content and delivery methods with fleet needs. An RRL Integration Board provides a framework to offer strategic guidance, approve major implementation and phasing decisions, and address resourcing requirements. An RRL Training System Program Manager (TSPM) staff is responsible for planning and acquisition of RRL training content and hardware and monitors program cost, schedule and performance. These governance and program oversight initiatives align stakeholder efforts and resolve seam issues to ensure program success.

Career Readiness

The third pillar, Career Readiness, will remove barriers to continued service and improve work-life balance, health, and wellness. We will enhance career readiness by better developing leaders and removing obstacles that negatively influence a sailor's decision to stay Navy. We are more powerful and lethal when we leverage the talents and strengths of the workforce and instill an environment in which all are valued and respected, a force multiplier. We have incorporated the One Navy Team concept into leader development to make our force more diverse, inclusive, resilient and competitive, equipped, and ready to deter war and protect national security. In fiscal year 2018, we updated the Naval Leadership and Ethics Center curriculum in support of Navy-specific unconscious bias education and training.

MANPOWER PERSONNEL TRAINING & EDUCATION TRANSFORMATION

This past year, we made significant headway in our transformation journey to holistically modernize the MPT&E enterprise. MPT&E transformation is vital to combat current and emerging threats, deliver global lethality, and maintain maritime superiority. Ultimately, Navy will benefit from a more agile, adaptive, and better-trained force, ready to meet an increasingly complex mission. We achieved critical milestones toward our vision and future state.

In September, we launched MyNavy Career Center (MNCC) beta, delivering enhanced personnel, pay, and training customer service. Sailors access tiered-service delivery with 24/7 customer support for phone and email queries and transaction requests. MyNavy Portal self-service options offer online knowledge tools and a select set of HR [human resources] pay and personnel transactions, freeing up time for sailors to focus on warfighting missions and families. This year, we will achieve another MNCC milestone with our Initial Operation Capabilities (IOC) launch, which will bring new customer relationship management and telephony technology combined with numerous process improvements. Ultimately, sailors and families will be able to conduct HR pay and personnel business online in the same secure manner in which they currently transact with banks and insurance companies.

We established a Results Delivery Office (RDO) and assigned Business Design Owners (BDOs) to matrix our organization and accelerate transformation. This past year, RDO and BDOs partnered to identify opportunities to enhance the sailor experience and improve HR services to meet the needs of sailors and their families, including:

- an interactive, customized My PCS Checklist, and Lean Orders to improve the Permanent Change of Station (PCS) move experience, and a forthcoming PCS app for easier, smartphone access to orders, submission of travel claims and other improvements;
- a Performance Evaluation transformation coaching tool to provide immediate performance feedback and clearer understanding of career development opportunities;
- a "competition counter" into Career Management System—Interactive Detailing (CMS–ID) that provides greater transparency and helps sailors evaluate opportunities; and
- three prioritized solutions to provide additional opportunities and greater clarity in support of Credentialing, Apprenticeships, and Voluntary Education (CAVE).

Progressing towards a single, secure Navy Pay and Personnel (NP2) system, MPT&E Field Test 1 (FT1) prototype achieved its objective of demonstrating 60 percent of a sailor's "Street-to-Fleet" HR requirements using a Commercial-off-the-Shelf (COTS) system with no more than 10 percent customization. We launched a Rapid Prototype Pilot (RPP) to begin building a Treasury Direct Disbursement (TDD) and pay capability for Active and Reserve sailors by December 2020.

Completing our new operating model, we stood-up an Enterprise Support group and developed an MPT&E Comprehensive Analytics Strategy and Roadmap that defines the steps needed to integrate state-of-the-art analytic methods into MPT&E enterprise business processes. This will improve our ability to man the fleet with the right sailor, in the right place, at the right time, and provide leadership with modern, predictive, and prescriptive analytics tools.

Delivering transformed, 21st Century, worldwide, 24/7 personnel services and training to Active and Reserve sailors and their families is incumbent on the ability to operate and interact in the commercial cloud. In 2018, working closely with DOD cyber security experts, we began prototyping numerous cloud-based capabilities, to provide a full production, secure, MPT&E system-of-systems in a commercial cloud environment.

This year of execution and progress, combined with ongoing Sailor 2025 and Ready Relevant Learning efforts, has moved us from planning to delivery of new capabilities and solutions, steering MPT&E to a more sailor-focused organization. Sailors are beginning to see the benefits of improved transparency, connectivity, and customer service. Fleet leaders are beginning to see faster translation of personnel and training needs to action, with access to more accurate data about how those needs are being met. I am confident our proven methodology and significant investment in stakeholder engagement with key partners will enable us to continue gaining velocity in transformation in the coming year.

TAKING CARE OF SAILORS AND NAVY FAMILIES

Family Framework/Support Programs

The Navy Family Framework reinforces the role families play in mission success and enhances support for families by improving support programs, improving communications and spouse training, expanding our education network, conducting meaningful command leader engagement and reinforcing family connection with the Navy and its core values of honor, courage, and commitment.

Informed by feedback from world-wide spouse engagement sessions, we are developing a mobile application to identify, consolidate, and standardize information into one authoritative source. We also conducted 36 *Live Well* webinars, available online, on managing the unique demands of the military lifestyle, while installation commanders led over 150 all-hands calls and 100 town hall meetings to engage Navy families. A Governance Board was established to advise leadership on policy and efforts to ensure ready and resilient families. The Family Employment Readiness Program assists military spouses in obtaining employment and maintaining a career, particularly as they are impacted by changes in the economy, labor market conditions and military lifestyle. Navy is currently developing plans for implementing reimbursement of spouse licensure fees authorized in the fiscal year 2018 NDAA.

Lack of accessible, affordable childcare continues to be an important family readiness issue. Despite current shortfalls, we continue to invest heavily in meeting the childcare needs of sailors to ensure they are always mission ready, aware that their families are well cared for. We have added 7,000 childcare spaces in the last decade and have extended hours of operation where needed. MilitaryChildCare.com is operational, allowing families to view available military childcare world-wide, request childcare at any DOD location and obtain anticipated placement time based on the family's priority. It will become a "one stop shop" for available childcare resources, raising awareness of available resources, enabling a family to better plan for a move, and allowing for earlier placement on waiting lists, thereby reducing wait times during transition. We are exploring partnerships with organizations to expand childcare availability, which would benefit other organizations as well as Navy families in fleet areas with long waiting lists. Because most sailors don't reside near extended family, the family network used by the general population is unavailable to sailors. There is a nationwide shortage of childcare, and a projected 1.4 million civilian space shortfall in locations where most Navy demand resides.

Navy morale, welfare, and recreation programs provide core fitness and recreation for sailors and families to enhance quality of life and encourage life-long positive and healthy leisure pursuits. As part of Sailor 2025, we extended hours of operation at fitness centers and child development centers in response to demand from sailors and families, which positively influences decisions to stay Navy and improves our ability to meet fleet readiness requirements.

To make the Navy a truly family-friendly service, we have to do much more. Career paths that support life-work balance over the long-haul, in part made possible by recently enacted officer personnel management reforms, will be part of the mix. Finally, Navy culture must change. We must take the long view where a sailor's family needs are at stake. This culture change is being hammered home through a combination of training at officer and enlisted leader development courses and a number of policy changes.

Culture of Excellence

The Culture of Excellence campaign is an integrated, holistic approach at preventing destructive behaviors, from suicide and sexual assault to excessive use of alcohol, leveraging behavioral science and analytics, and aimed at promoting signature behaviors rather than focusing on behavior at the point of failure. It focuses on behaviors that reinforce mission effectiveness by instilling toughness, trust, and connectedness to achieve warfighting excellence. Connectedness, mental toughness, and trust that promote healthy life choices and help-seeking behavior, and skills that facilitate them, e.g., communication, conflict resolution, resiliency and problem-solving skills, guide our primary prevention efforts targeting three key focus areas:

- Defining problems using human factors analyses and predictive data analytics to understand sailor needs and providing necessary support. For example, we are beta-testing a Commander's Risk Mitigation Dashboard (CRMD) prototype to assess unit readiness levels and predict future readiness and performance. We continue to expand use of embedded mental health providers, deployed resilience counselors, and chaplains to support leaders in addressing identified challenges. Use of non-uniformed counselors which serves to de-stigmatize counseling are showing great promise.

- Identifying primary prevention touchpoints for behavioral learning across the career continuum using avatar-based training adapted for sailors at career milestones, or when facing life changes or other behavioral health challenges.
- Implementing evidence-based policies, programs, practices, and processes that address the full spectrum of behaviors, are continuous and balanced, and supported by Navy leadership. We are conducting a pilot that targets sailor behavioral health e.g., Rational-Thinking and Emotional-Regulation through Problem-Solving (REPS) Training, at Recruit Training Command, which promotes mental fitness by addressing problematic thoughts, emotions, and behaviors to help cope with emotional distress.

Our Culture of Excellence Governance Board, led by the Chief of Naval Operations, meets regularly to advance priorities, align resources, and promote a full spectrum of positive behaviors to maximize sailor potential. Proven programs, such as the Navy Alcohol and Drug Abuse Prevention program, continue to support enhanced fleet, family and sailor readiness, while the "Keep What You've Earned" campaign fosters improved decision-making regarding alcohol consumption, offers alternatives and educates about the consequences of poor decision making.

CONCLUSION

The Secretary of the Navy has established priorities that center on people, capabilities, and processes, which we will achieve through speed, value, results, and partnerships. Readiness, lethality, and modernization drive these priorities. The Navy the Nation Needs demands that we produce outstanding leaders and teams who learn and adapt faster than our adversaries. We are charged with ensuring that every sailor and unit maximizes their potential and is ready for decisive combat operations. MPT&E transformation and Sailor 2025 are the primary vehicles by which we are delivering this mandate. I look forward to working with you as we continue shaping our Navy to meet these challenges. On behalf of the men and women of the United States Navy, thank you for your unwavering support.

Senator TILLIS. Thank you, Admiral Burke.

General Kelly.

STATEMENT OF LIEUTENANT GENERAL BRIAN T. KELLY, USAF, DEPUTY CHIEF OF STAFF FOR MANPOWER AND RESERVE AFFAIRS

Lt. Gen. KELLY. Chairman Tillis, Ranking Member Gillibrand, and distinguished Members of this Subcommittee, thank you for the opportunity to appear before you today to talk about our airmen—Active, Guard, Reserve, and civilian.

America's airmen—your airmen—remain "Always There" as part of the joint team providing global vigilance, reach, and power in the defense of the Nation. The Air Force's top priority is to build a lethal and ready Air Force capable of executing our National Defense Strategy assigned missions. At its core, building a lethal and ready Air Force is about people, making our airmen our most important asset.

We appreciate the support that you provided in the fiscal year 2019 National Defense Authorization Act for continued end-strength growth to 690,500 Total Force airmen. This growth is accelerating our readiness recovery and will provide lethal airmen to protect and defend our Nation.

This past year, we focused the resources you provided on our front-line pacing units, the 204 operational squadrons that are required in the opening days of a peer fight. Prioritizing the resources you provided has us on track to have 80 percent of the pacing units fully ready by the end of fiscal year 2020, approximately 6 years faster than we originally projected.

Readiness is foremost about having the right number of capable airmen. Despite an increasingly competitive market for talent, our

Active Duty, Reserve, and Air National Guard are all on track to meet our overall fiscal year 2019 recruiting goals, totaling nearly 57,000 new airmen.

Given the increasing recruiting challenges, we also appreciate the Congress' support of special and incentive pays, which are a critical component, complemented with nonmonetary incentives to maintaining and improving retention. The fiscal year 2019 President's Budget included $1.2 billion for special and incentive pays, allowing the Air Force to retain highly skilled airmen. As you are aware, our aviators are one of our most stressed career fields. The Air Force ended fiscal year 2018 with a total force pilot shortage of nearly 2,000, with slightly more than half of that shortfall falling within our fighter inventory. We appreciate the Congress' support for increasing the pilot annual cap and monthly incentive pays, which we believe had a positive impact.

Besides monetary incentives, the Air Force is focused on improving the quality of life and quality of service. As one example, we added this year flexibility into our officer assignment process by leveraging technology through our new Talent Marketplace assignment matching system. We believe the increased transparency and improved member input will be a positive retention influence. In our vital enlisted force, we continue to make the system more agile, more transparent and simple, to focus on and drive performance. Two recent examples include the changes we made to our weighted airman promotion system and adjustments to our high year of tenure limits.

The Air Force is also committed to transforming the way we develop, promote, and retain our officer corps. We thank the Congress for our increased DOPMA authorities we received this past year. We are in the process of utilizing both early promotion and constructive credit currently to fill inventory gaps and are working to incorporate several other new authorities that you provided as part of our overall talent management transformation.

Our Air Force civilian employees stationed across the globe share the same responsibility to our Nation as the men and women in uniform. Having a high-quality force and being able to recruit and compete for top civilian talent is also essential to readiness. With your help, we also increased support to airmen and families to improve resiliency and retention. We increased funding to expand childcare for airmen on base to those needing expanded care outside of normal duty hours and to provide offset fees to support over 4500 children who use off-base childcare.

We are deeply committed to the prevention of interpersonal violence on all fronts. Sexual assault is a crime that negatively affects airmen and families, erodes unit cohesion, and violates the sacred trust we have to take care of airmen, America's sons and daughters. The Air Force remains steadfast in innovating, evolving, and strengthening our sexual assault prevention and response efforts through evidence-based approaches. Recent findings at our service academies continue to show that despite substantial efforts, we must do more. While these findings are both disheartening and frustrating, they are also unacceptable, and we remain fully committed to eradicating this negative behavior. While the vast majority of cadets and airmen adhere to our expectations for ethical be-

havior, there is no place in our academy or our Air Force for those who do not.

We are also committed to achieving zero suicides, the leading cause of death among Active Duty airmen. We support a culture, and our programs are moving us to a place, where leaders at all levels reinforce the notion that seeking help is a sign of strength and airmen need not go it alone.

Chairman Tillis, Ranking Member Gillibrand, and members of the subcommittee, thank you again for the opportunity to appear before you and represent our incredible airmen and their families. Your airmen stand ready and fully understand the responsibilities to the joint force and Nation. I'm honored to be here alongside my colleagues, and I thank you for your continued support and I look forward to your questions.

[The prepared statement of General Kelly follows:]

PREPARED STATEMENT BY LIEUTENANT GENERAL BRIAN T. KELLY

INTRODUCTION

Chairman Tillis, Ranking Member Gillibrand, distinguished Members of this committee, thank you for the opportunity to appear before this committee to talk about our airmen, Active, Guard, Reserve, and civilian. America's airmen remain "Always There" providing global vigilance, reach and power to protect and defend our Nation.

BUILDING A LETHAL AND READY AIR FORCE

Great power competition provides the central challenges to U.S. prosperity and security. To face these challenges, the United States Air Force must compete, deter, and win across the five priority missions of the National Defense Strategy:

- Defend the Homeland,
- Provide a safe, secure, and effective nuclear deterrent,
- Defeat a powerful conventional enemy, while we
- Deter opportunistic aggression, and
- Disrupt violent extremists in a cost-effective manner.

To accomplish this, we must continue to develop and build a lethal and ready Air Force. At its core, building a lethal and ready Air Force is about people. Our airmen (military and civilian) and their families are our most important asset.

End Strength

The Air Force appreciates the support for continued end strength growth to 690,500 Total Force airmen in the fiscal year 2019 National Defense Authorization Act. We are meeting our projections to reach the desired state across our Active and Reserve components. The growth you have authorized is accelerating our readiness recovery and will provide more lethal airmen to protect and defend our Nation today and tomorrow. This past year we focused the resources Congress provided on our pacing squadrons, the 204 operational squadrons required in the opening days of a peer fight. More than 90 percent of our pacing squadrons are ready to "fight tonight" with their lead force packages—the first airmen to deploy at the beginning of a conflict. Overall resourcing within our pacing units is up 24 percent. When we include their follow-on forces, these pacing squadrons are on track to reach 80 percent readiness before the end of fiscal year 2020, 6 years faster than originally projected. As our front-line squadrons meet their readiness goals, we are also working to ensure the remainder of our operational squadrons reach the 80 percent readiness mark by 2022.

The National Military Strategy directs a balanced "boxer's stance" of military readiness, and our operational pacing squadrons form the clenched fist of American resolve. But a fist is nothing without the power of the body—our supporting squadrons—behind it. While readiness indicators are moving in the right direction and Active military manning in most squadrons averages 97 percent, manning across our supporting units and in some high demand areas remains at lower levels. Undermanned units create fragile readiness where units have single points of failure, higher operational tempos, and limit a commander's ability to mitigate readi-

ness impacts caused by periodic non-availability of airmen. Without continued end strength growth, our gains in readiness will be slowed and the Air Force will find it increasingly difficult to compete, deter, and win against near-peer competitors and across a wide spectrum of priority missions.

The Budget Control Act still threatens to disrupt the progress we are making. A return to sequestration would erase the gains we made over the last 3 years and inflict substantial damage to our programs. In 2013, in the wake of sequestration, we were forced to stand-down one-third of our combat flying squadrons. We cancelled large-scale exercises and lost over one million work-hours of depot maintenance. To maintain operational capability, we also reduced our total force size by nearly 30,000 airmen resulting in the loss of valuable experience. Recovery from these actions is lengthy, but your support over the last 3 years has been extremely helpful. Any return to the Budget Control Act will not only arrest the gains we have made, but will also likely add to current readiness recovery timelines.

Recruiting and Accessing

Readiness is first and foremost about having the right number of capable airmen within your Air Force. Today only 29 percent of 17 to 24 year old men and women in the United States are eligible to serve and only one in eight have a propensity to serve in the military. Despite this, the Regular Air Force achieved its fiscal year 2018 enlisted (29,450) and officer (Line—4,039) accession goals. The Air National Guard achieved 92 percent of their enlisted goal (10,529), but met their end-strength target by exceeding their officer goal (968) and maintaining high retention. The Air Force Reserve achieved their combined enlisted and officer goal of 8,450.

The fiscal year 2019 Air Force Active Duty enlisted recruiting goal is 32,300. Thus far, we have met 21 percent of the overall goal and have identified recruits with projected future dates for basic military training that will take us to 51 percent of the goal. The fiscal year 2019 Air Force Reserve combined officer and enlisted recruiting goal is 8,650 with 35 percent already met. The fiscal year 2019 Air National Guard combined officer and enlisted recruiting goal is 10,378 with 32.6 percent already met. In summary, Active Duty, Reserve and Air National Guard are on track to meet overall fiscal year 2019 recruiting goals.

While we have been able to meet most of our recruiting goals, we are keenly aware of a growing competition for talent and expect the recruiting environment to be more challenging. The Air Force is committed to improving how we recruit and prepare airmen to succeed. With your support, we have added 159 new recruiters and our budget for operating, advertising and marketing has increased by 85 percent since fiscal year 2017. To assist in predicting career interest for potential recruits, the Air Force uses a survey on its official website titled Air Force Work Interest Navigator (AF–WIN), which has generated over 50,000 leads to date—an average of 460 surveys per day.

We met and are on track to achieve our total recruiting goals, however, we have had challenges in some specific skill sets. For a number of years, we struggled to recruit significant numbers of airmen qualified for special warfare programs. This past year we established a new training group and new recruiting squadrons focused on critical warfighting career fields such as special warfare airmen, explosive ordinance disposal (EOD) and survival, evasion, resistance, and escape (SERE). So far this year, we have seen early success in meeting our monthly goals for special warfare airmen but have slightly missed our targets for EOD and SERE airmen in 3 of the last 4 months. We expect to make those goals up later in the year.

We are fully committed to the integration of women into combat positions, have increased targeted marketing to further attract female recruits, and placed female cadre within these training units. Prior to 2016, 99 percent of our Air Force's positions were already open to women to include flying combat aircraft, which opened in 1993. Since that time we have had multiple female fighter wing commanders, a female 4-star combatant commander, and currently have a female 4-star commander at Air Mobility Command. Since January 2016, when we opened the last eight special warfare related specialties, 100 percent of Air Force occupations and positions have been open to women, including removing previous gender based assignment restriction for 22 closed positions serving with the Army/Special Operation Forces (SOF). The percentage of Active Duty women serving in both combat-related and flying roles is 13.7 percent (9,027). Finding qualified volunteers for special warfare career fields, both males and females, continues to be challenging. The training programs are demanding and require higher and broader levels of physical fitness to meet the demands of the occupationally specific, operationally relevant tests. The average historical attrition rates for both males and females ranges from 40–90 percent depending on specialty; consequently, we do not foresee large numbers of females in operational units in the near term. To date, ten female airmen have en-

tered into special warfare training but none have yet to qualify and graduate. Currently, we have one female in Tactical Air Control Party (TACP) training with a potential graduation date later this spring.

We also appreciate the authority Congress provided allowing us to award constructive credit, which we are applying to recruit officers in very competitive cyber career fields. In our successful pilot program, we selected two highly skilled enlisted candidates who have cyber master's degrees. We recruited them from within the Air Force to expedite the assimilation of these candidates into the cyber warfare officer corps. Their experience, exemplary records, and top leadership recommendations all support use of constructive credit and allowed us to advance them to positions filling key holes in our officer inventory. We are working parallel efforts to recruit cyber talent from industry and academia using the same constructive credit provisions.

Funding for enlistment and accession bonuses as well as scholarships are also key when competing for top talent. In the fiscal year 2019 President's Budget, Congress supported an increase of $18 million in Reserve Officer Training Corps scholarship funding allowing us to offer additional scholarships for targeted skill sets in STEM [Science, Technology, Engineering, and Math] related career fields.

Retaining Airmen and Families

While the Air Force is experiencing generally high retention rates in both the officer and enlisted corps—90 percent of enlisted Air Force Specialty Codes (AFSC) are stable or trending up on retention over the last 12 months with historical numbers closer to 80 percent, and 98 percent of officer AFSCs are stable or trending up versus a historical average of 90 percent—the aggregate success sometimes masks pockets of retention challenges. For our enlisted force, we have lower retention for cyber; space; nuclear security; maintenance in some mid-to-high skill levels; intelligence, surveillance and reconnaissance (ISR); and special warfare among mid-to-high skill level airmen. For our officer force, retention continues to be challenging among our pilots, combat systems officers, some medical specialties, and has begun emerging in our air battle managers. These trends are generally more acute in our mid-grade officer ranks.

We appreciate Congress' support of special and incentive pays which are a critical component, complimented with other non-monetary incentives, to maintaining and improving retention. The fiscal year 2019 President's Budget included $1.2 billion for special and incentive pays allowing the Air Force to target critical skill shortages. These special and incentive pays assist in compensating airmen for hazardous duty or high demand skill sets critical to our warfighting excellence. With the existing competitive recruiting market, retention becomes even more essential to having a lethal and ready force.

We are particularly grateful for Congress' support of aviation incentive and bonus pays. To ensure we are making the best use of our aviation bonus authorities, we continue to use a business case model targeting payments based on four main criteria: manning levels, retention trends, cost to train for a particular weapons system, and the length of time to train.

The Air Force ended fiscal year 2018 with a total force pilot shortage of 1,937. Shortfalls in the fighter pilot inventory are the most acute. Aviation bonus take rates are important leading indicators of future retention rates. After 4 straight years of steady decline, the overall take rate for the aviation bonus stabilized and went up slightly from 44 percent in 2017 to 45 percent in 2018. The take rate for fighter pilots increased by 9 percent, from 35 percent to 44 percent, and bomber pilots went up 7 percent, from 46 percent to 53 percent. Unfortunately, we saw a decrease in our largest category, mobility pilots, where the take rate went down from 44 percent to 38 percent. Overall we are below the retention target of 65 percent needed each year and within each pilot category to sustain a healthy inventory.

Monetary incentives are one small piece of our retention portfolio. The majority of the retention portfolio is in fact non-monetary and is focused on improving quality of life, quality of service, and mitigating operational tempo. Earlier this year we expanded the high year of tenure limits for senior airmen, staff sergeants, and technical sergeants to retain technical skills and experience. We also reduced the number of forward deployed 365-day assignments by 20 percent from the last fiscal year and are projecting to reduce that number an additional 38 percent in fiscal year 2020, utilizing reach back or shortening tours to help stabilize the operational tempo for our airmen. We are also adding flexibility into the officer assignment process by leveraging technology to improve our assignment matching system.

After researching industry best practices, we implemented an information technology solution known as "Talent Marketplace." Talent Marketplace uses an algorithm, based on the Nobel Prize-winning National Medical Residency Matching Program, to assist in matching officers to available assignments. This algorithm takes

into account the officer's assignment preferences and the hiring manager's ranking of officers being considered to produce a preliminary match.

While Talent Marketplace provides an automated "scientific" match at the beginning of the process, it then assists the Air Force Personnel Center assignment teams in applying the "art" to finalize the process. This two-pronged process approach of "science" and "art" assists with transparency in the assignment process and enables improved talent management. We are working Talent Marketplace expansions into our enlisted force, joint assignments, and for advertising and filling 365-day extended deployments. We believe the increased transparency and improved member input will be a positive retention influence.

Having a lethal, agile, and flexible force, capable of winning in any environment, goes beyond solely the overall size of the force. It also encompasses looking after airmen's mental and physical well-being and ensuring we take care of their families so they can focus on the mission. Airmen must be able to withstand, recover, and grow in the face of stressors and changing demands.

Exceptional Family Member Programs

More than 34,000 total force airmen have dependents enrolled in the Exceptional Family Member Program. Because retention of these skilled airmen is critical to readiness, we are improving support to our program. We increased monthly respite care hours from 12 to 40 hours per child for more than 2,900 children. To help educate and provide information, we established a quarterly Facebook Live webcast connecting to more than 100,000 family members. We also formally trained 57 of 99 installation-level family support coordinators in fiscal year 2018 and will train the remaining coordinators in fiscal year 2019, all with an eye toward improving the quality of life and service among this population.

Child and Youth Programs

Airmen cannot be ready and effective if they are worried about their children. In fiscal year 2019, with Congress' support, we increased child and youth funding by $39.6 million for a total of $100.2 million to help ensure we continuously recognize and resource the child and youth program's impact on readiness and retention. With this additional funding, we are (1) expanding childcare for those needing childcare outside of normal duty hours, (2) providing fees to support 4,500 children annually who must use off-base childcare, and (3) funding youth resiliency camps. The funding increase also includes 119 additional civilian childcare positions across the Air Force, supplies, closed circuit television repairs, and national youth partnerships such as Boys and Girls Clubs and 4–H. We still have a gap between available on-base childcare demand and capacity but have improved our ability to provide suitable alternate accommodation.

Recharge for Resiliency

Increasing the resiliency of our airmen and families is another key component to having lethal and ready airmen. Our Recharge for Resiliency Program, which provides airmen and families an outlet to decompress and adjust after returning home from deployment, continues to grow. In fiscal year 2019, we expanded Recharge for Resiliency to support the Chief of Staff's initiative to improve squadron vitality. The expansion program provides unit leaders the ability to deliberately plan activities designed to improve unit cohesion, resilience and readiness using Morale, Welfare, and Recreation capabilities specifically linked to desired cohesion effects. We will phase this program in across the total force over the next several years. In fiscal year 2019, installations began hiring staff to lead this resilience charge. Our first 40 of 77 Community Cohesion Coordinators (C3) received initial training in January and are now starting their local programs.

FOUNDATIONAL READINESS IMPERATIVES

The Air Force's core values—*Integrity First, Service before Self, and Excellence in All We Do*—are the foundation of all airmen performance. They define our culture, who we are as a force, and are the basis of the Care Solutions we consider foundational readiness imperatives.

Personal Violence Prevention and Response

Interpersonal violence and suicide are counter to our culture and our core values. These actions negatively impact victims, the bereaved, and their units. As a result, unit cohesion, mission effectiveness, and ultimately Air Force readiness are threatened. We are deeply committed to the prevention of interpersonal violence on all fronts from sexual assault, child maltreatment, domestic violence, and workplace violence. We are dedicated to a strategy with the ultimate goal of never losing another

airman to suicide. Should these acts of violence occur despite our prevention efforts, we are committed to providing victims of violence the care they need as well as caring for individuals and units left grieving after a suicide death.

Suicide Prevention

Suicide is the leading cause of death for Active Duty airmen. Suicide has devastating effects on individuals, families, units, communities, our readiness, and our Nation. Statistically, both individuals and units that experience the loss of an airman to suicide are at higher risk for suicide themselves. While total force suicide rates in the Air Force have remained constant over the past 5 years, about 110 total force suicides per year, we are not satisfied. One suicide death is too many. The Air Force is dedicated to a comprehensive, leadership-driven strategy with the ultimate goal of supporting airmen and their families early with a robust support network and never losing another airman to suicide.

The Air Force is pursuing bold immediate, mid-term, and long-range suicide prevention initiatives for the total force that focus on connections between individuals, units and Air Force family; protections in environments, services, and policies; detection of risk in individuals and units; and equipping total force and family members to mitigate risk and increase resilience. These initiatives highlight cutting edge suicide prevention efforts, such as computer-based learning for suicide risk detection; the most current suicide treatments; a dashboard with suicide prevention tools for leaders; and time-based prevention, an initiative designed to separate someone who is thinking about committing suicide from the most lethal means (i.e. free volunteer storage of personally owned firearms). Taken together, we believe these innovations have the potential to decrease the number of airmen who commit suicide.

We need leaders at all levels to help reinforce the notion that seeking help is a sign of strength and airmen need not go it alone. One such effort is Task Force True North, which increases connections and help-seeking in higher risk units. While suicide is a difficult and complex issue and requires complex solutions, it is preventable and the Air Force remains committed to achieving ZERO suicides.

Task Force True North

We are continuing our evaluation of Task Force True North at four bases, under a beta test for initiatives that bring resources closer to our airmen and drive a culture that accepts, embraces, and normalizes help-seeking behavior. Through a comprehensive approach that includes embedding mental and physical health resources directly into units where our airmen work, live, and interact, we believe we can improve readiness and optimize airman performance by engaging our airmen and their families early, increasing help seeking behavior and decreasing negative behavior outcomes. We continue to analyze data from our beta test and will be working to scale the successful approaches across the force.

Sexual Assault Prevention and Response (SAPR)

Sexual assault remains a serious national problem. It is a crime that negatively affects airmen and their families, erodes unit trust and cohesion, and ultimately undermines the Air Force's lethality and mission success. It is counter to our core values and goes against our culture of dignity and respect. The Air Force remains steadfast in innovating, evolving, and strengthening our sexual assault prevention and response efforts, including refining and expanding access to victim advocacy services, engaging leadership, and holding offenders appropriately accountable. Any occurrence of sexual harassment and assault is corrosive to our ability to train the leaders of character that our Air Force and our Nation need.

The Air Force is committed to advancing victim care throughout the Department of Defense. We continue to collaborate with the Department of Defense and our sister services on policies and resources that enhance victim support. Of note is the upcoming implementation of the Catch a Serial Offender Program (CATCH), offering victims who opt for a restricted report an opportunity to provide information on the accused and/or incident for potential identification of serial offenders. Implementation of CATCH is expected Department-wide in 2019.

Last month, the Department provided Congress with the Annual Report on Sexual Harassment and Violence at the Military Service Academies, academic program year 2017–2018. As already discussed by the superintendents and Service leadership, the most recent survey found the overall estimate of past-year prevalence of unwanted sexual contact increased for cadets and midshipmen compared to rates measured in 2016. At the Air Force Academy, sexual assault reports have gone down from 33 to 29 since the 2016–2017 report, while the estimated past-year prevalence of sexual assault against women increased from 11.2 percent to 15.1 percent. Estimated prevalence of sexual assault against men did not change statistically. The survey also showed that 46 percent of women at the Academy have experienced sex-

ual harassment. These findings are unacceptable, and the fact that they exist despite many efforts is disheartening and frustrating. We must do more at both the Academy and throughout our Air Force to change the culture and eradicate this unacceptable behavior. These results are not reflective of the standards to which we hold ourselves, nor do they exemplify our core values. The overwhelming majority of our Academy cadets and the airmen within the force adhere to our expectations for professional and ethical behavior. But for those who do not, there is no place for them in our academies or our Air Force. Again, the findings from this year's report are not acceptable. We will continue to search for solutions, increase our review of over a decade's worth of data, and make positive progress in this ever-changing mission space.

BUILDING OUR NATION'S AIR FORCE FASTER AND SMARTER

In this era of near-peer competition and the rapidly evolving technological and multi-domain environment in which the Air Force operates, we realize our talent management system must also evolve to be more agile, responsive, transparent, and effective at empowering and driving performance. These attributes are the bedrock for increasing lethality and developing exceptional leaders. They are also the filters we use to evaluate the effectiveness of new reforms or initiatives.

Performance Management

Hiring, developing, retaining, and managing workforce talent is a top priority. We need agile, responsive military and civilian personnel management systems to ensure that the Air Force wins the war for top talent. Ultimately, Air Force readiness depends on having the right total force team—military and civilian—in place.

Enlisted

Over the last several years, we have evolved our enlisted performance system incorporating feedback from the field and garnering trends from industry. Our evolution has focused on making the system more agile, more transparent, and simple, to focus on and drive performance as we strengthen the readiness and professionalism of our vital enlisted force. One recent example is our initiative to go to a "board only" process, removing the Weighted Airmen Promotion System (WAPS) test for promotion to the grades of master sergeant, senior master sergeant, and chief master sergeant. This change ensures duty performance is the most important factor in evaluating promotion to the next higher grade. Another significant policy allows senior noncommissioned officers who complete an associate's degree or "higher level degree from a nationally or regionally accredited academic institution" to be eligible for promotion and senior rater stratification or endorsement consideration. This adds agility for our airmen freeing them up to advance their skills and education in ways that best suit their needs and personal time.

Officer

Air Force success in carrying out the National Defense Strategy requires us to have an officer corps which can adapt, innovate, and demonstrate agility in dealing with today's complex security environment. The Air Force is committed to transforming the way we develop, promote and retain our officer corps in order to meet that task head-on. We appreciate the additional Defense Officer Personnel Management Act (DOPMA) authorities given to us in the fiscal year 2019 National Defense Authorization Act. We are planning to utilize several, including "early promotion" and "lateral entry" to fill inventory gaps. We are also looking at incorporating other authorities such as promoting officers based on order of merit, permitting officers to opt out of promotion consideration, and alternative promotion for designated career fields as part of our overall talent management transformation. Our officer evaluation system has not seen significant changes since 1988 and our current Line of the Air Force promotion competitive category structure has not changed since the founding of our Air Force in 1947. We are currently working to make adjustments to the Line of the Air Force competitive category structure, including holding a recent mock board to explore options. This restructure, coupled with the increased flexibilities provided by Congress give us the ability to create more agile development paths and better match the officer inventory to actual requirements which is vital to increasing readiness and lethality.

Civilian

Another key component of our force are the more than 204,000 Department of the Air Force civilian employees stationed across the globe. The civilian workforce shares the same responsibility to our Nation as the men and women in uniform. Working in over 600 occupations and professions, the civilian workforce underpins

the Air Force. Civilian engineers work in research labs and social workers help children acclimatize to new environments. Civilians are physicians treating airmen and their families. They are cyber security experts on the front line guarding against hackers, police officers, aircraft mechanics, nuclear physicists, mathematicians, human resources professionals, electricians, and rocket scientists among many other occupations. At home and abroad, to include deploying to combat zones, our civilian members work shoulder to shoulder with their military counterparts. Having a high quality force and being able to recruit and compete for top civilian talent is an essential aspect of our total force and critical to our readiness. As such, we are thankful for all the previously granted congressional authorities for civilian hiring. They have recently enabled us to bring on talent in critical career fields much faster than before. However, legislative relief has resulted in 66 different civilian personnel systems within the Department of Defense, more than 60 classification systems, and more than 45 new hiring and related authorities since fiscal year 2010. This complexity drives administrative burdens and costs. It forces the Air Force to focus too much on being compliant instead of focusing on winning the war for civilian talent. We are partnering with our sister services and the Department of Defense to identify legislative proposals which will enhance the civilian personnel system.

Digital Transformation of the Air Force Talent Management Portfolio

The Air Force has made great strides in modernizing our talent management portfolio to provide airmen a cutting edge digital experience. We have transitioned applications to our new cloud environment. This will allow us to consolidate 120 independent systems into 8 cloud platforms. We have migrated all Talent Management applications to the cloud from the Langley Data Center and are scheduled to close the San Antonio Data Center in September 2019, sending over 30 systems into the cloud—2 years ahead of schedule, saving money. We are the first in the Department of Defense to establish a rapid prototyping process for new human resource capabilities, allowing us to fast-track software development for the cloud using agile methods. We acquired Okta for identity and access management enabling secure login using mobile devices without a Common Access Card (CAC)—another first in the Department of Defense. We will not stop until we empower our airmen with a mobile user experience, with seamless access, transparent processes, self-service, and autonomous support.

Air Force Integrated Personnel and Pay System

The Air Force Integrated Personnel and Pay System (AFIPPS) will enhance our already fully operational personnel system for all three components, Active, Reserve, and Guard, by integrating payroll. We are currently in the development phase of AFIPPS. Full development is on schedule to be completed in February 2020. This timeline will give the Air Force the opportunity to test the new system and train airmen on the new procedures to ensure the transition to AFIPPS will be seamless for the total force. In January 2021, the Air Force will have a fully integrated personnel and pay system, auditable and regulatory compliant, which will resolve existing pay issues airmen experience today.

CONCLUSION

Resilient and ready airmen, both military and civilian, are the bedrock of the Air Force's readiness and lethality. Your Air Force is evolving to *compete, deter, and win* with unmatched power through the air, space, and cyber domains. We must ensure our airmen have the resources, training, and tools to meet these demands. We are committed to prioritizing and resourcing what is most important and look forward to partnering with Congress in our endeavors to protect and defend our great Nation. I thank you for your continued support of your Air Force—those in uniform, our civilian professionals, and the families that support them.

Senator TILLIS. Thank you, General Kelly.

General Rocco.

STATEMENT OF LIEUTENANT GENERAL MICHAEL A. ROCCO, USMC, DEPUTY COMMANDANT FOR MANPOWER AND RESERVE AFFAIRS

General ROCCO. Chairman Tillis, Ranking Member Gillibrand, distinguished Members of the Subcommittee, thank you for the opportunity to be here today.

Marines are the foundation of the Corps. They are recruited, trained, educated, and retained to win our Nation's battles. They are smart, resilient, fit, disciplined, and able to overcome adversity. All marines are war-fighters; they are lethal, and they are ready. To ensure the continued health of the Corps, the recruiting and retaining of high-quality women and men is my number one priority.

This year, the Corps will once again meet our recruiting mission, while at the same time exceeding all quality goals. Over 99 percent of our recruits are in the top education tier. The Corps is also on pace to meet our retention goals this year; however, this is a continuous challenge because of the strong civilian market. This is particularly true for cyber, intelligence, aviation, and many other critical high-tech occupations. To be good stewards of the money you provide us, we narrowly target our incentive pays and bonuses to these occupations. These bonuses are vital to our retention effort, and we appreciate your continued support for them.

The Marine Corps is an objective, standards-based organization. We want the best marines, female or male, and have refocused and refined our outreach to ensure we bring awareness of what it means to be a marine to a larger audience. This has paid dividends. Five years ago, the Marine Corps was 7.3 percent female. We are now 8.6 percent. In fiscal year 2018, female accessions were over 10 percent of the population, and we are on that same trajectory this year. Additionally, females are represented in all previously-restricted occupational fields. We need the best our Nation offers, and we are getting them.

Once we make a marine, our responsibility is to be there to help when life's challenges arise. Marines take care of their own, on and off the battlefield. Unfortunately, we have seen an increase in marine suicides last year. Suicide is a very complex issue that impacts our whole Nation. We know that relationship, financial, and legal issues are factors, but not always. We know that transitions or simply being on leave can be a factor, but not always. Suicide is a tragedy. It is a permanent solution to a temporary problem; permanent to the marine, permanent to friends, to the Corps, and most importantly, permanent to the family who must endure that pain. Through various programs throughout the ranks, we urge all marines to reach out for help when they need it. Marines need to know we are there for them.

Sexual assault prevention and response is another area to which we are 100 percent committed. Sexual assault is a crime and violates everything the Marine Corps stands for. We saw a rise in reports last year. The vast majority are unrestricted reports, which is encouraging because we believe marines feel empowered to report, have faith in their leadership, and are confident we will hold the offenders accountable.

Lastly, I want to ask for your support for Camp Lejeune, Marine Corps Air Station New River, and Marine Corps Air Station Cherry Point, all of which were severely damaged by Hurricane Florence several months ago. We still have almost 500 buildings that are severely damaged and cannot be occupied. The cost to repair these facilities is over $3.5 billion. We cannot fix this urgent problem without your help.

I am proud to represent the men and women of character—the few, the proud—who have taken up the challenge of being a marine. By keeping unwavering focus on our marines and their spouses/families who support them, we can continue to keep faith with the honor, courage, and commitment they have unselfishly given. I look forward to answering your questions. Thank you.

[The prepared joint statement of General Rocco and Sergeant Major Green follows:]

PREPARED JOINT STATEMENT OF LIEUTENANT GENERAL MICHAEL A. ROCCO AND SERGEANT MAJOR RONALD L. GREEN

INTRODUCTION

Chairman Tillis, Ranking Member Gillibrand, and distinguished Members of the Subcommittee, it is my privilege to appear before you today to provide an overview on Marine Corps personnel.

Since our founding in 1775, marines have answered our Nation's call, faithfully serving the American people and maintaining a standard of military excellence. Your Marine Corps is, and will continue to be, our Nation's expeditionary force in readiness. We are warfighters who are ready to rapidly respond to crises around the globe to ensure the continued security of the American people and to protect the interests that underpin our Nation. Marines will be *always faithful* to the trust which the American people have vested in them.

OUR PEOPLE

Mission first, people always. Marines are the foundation of the Marine Corps. They are the Corps' most critical resource, and always have been. Your marines are recruited, trained, educated, and retained to win our Nation's battles. They are smart, resilient, fit, disciplined, and able to overcome adversity. Recruiting high quality youth and retaining those whose past service and future potential continues to make the Corps stronger are our highest priorities; they ensure we remain no better friend and no worse enemy.

End Strength

We thank Congress for the increased end strength authorization to 186,100 in the fiscal year 2019 National Defense Authorization Act, and for the full-year Defense appropriation. During this time, the Marine Corps operating forces continue to average a deployment-to-dwell ratio of 1 to 2. This tempo is not sustainable over the long term; our optimal deployment-to-dwell is 1 to 3. Our marines want to deploy, serve our Nation, and protect our country from threats overseas, but we owe our marines and their families the appropriate time to reconnect with family, refocus, learn from their most recent deployment, and train for the next deployment or contingency. In the near-term, we have made the decision to fund modernization and recover our readiness to continue to ensure our marines are fully equipped for today's conflict. However, we must continue to work towards a 1 to 3 deployment-to-dwell.

Recruiting

Unique to all Services, all recruiting efforts across the Marine Corps—officer, enlisted, regular, Reserve, and prior-service—fall under the purview of a single entity, the Marine Corps Recruiting Command. Operationally, this provides us with tremendous flexibility and unity of command, facilitating efforts to meet accession requirements.

Last fiscal year, we successfully achieved all enlisted and officer recruiting goals for both the Active and Reserve components, and we expect to do the same again this year. We also will exceed all quality goals. The Department of Defense requires 90 percent of enlistees to have a high school diploma or equivalent (Education Tier 1), and 60 percent of enlistees to belong to Mental Groups I–IIIA (mental aptitude). Last year, the Marine Corps achieved 99.9 percent for Education Tier 1, and 71.2 percent for Mental Group I–IIIA. We expect to be at or near these levels at the end of fiscal year 2019.

While only 8 percent of new Marine Corps recruits receive an enlistment bonus, these incentives are critical to enable us to ship new recruits at the right times to balance recruit loads at the recruit depots and meet school seat requirements. We

appreciate Congress' support for these priority programs that assist our contracting high quality Marine recruits.

To meet future challenges in the current recruiting environment, it is imperative that we maintain our high standards both for our recruiters and those who volunteer to serve in our Corps. Recruiting quality young individuals translates into higher performance, reduced attrition, and improved readiness for the operating forces. Our actions, commitment, and investments in recruiting today ensure a high state of readiness in our Corps tomorrow.

Retention

As the Marine Corps manages our force, we work to retain the very best available marines capable of fulfilling our leadership and operational needs. This is accomplished through a competitive career designation process for officers and a thorough evaluation process for enlisted marines, both of which are designed to measure, analyze, and compare our marines' performance and accomplishments. However, there is a continuous challenge to keep high-quality marines in the service, especially in a competitive civilian job market.

Marine Corps retention models, systems, policies, and processes emphasize consistency of leadership, personnel stability, and sustained readiness across the force. Officer career designation incorporates a board system that enables leaders to examine officer records and accomplishments. After designation, the promotion process continues the evaluation of Marine officers. It is a primary tool by which we retain only the best and most qualified marines.

For enlisted marines, a tiered rating system takes into account a number of quantifiable performance factors and includes inputs from both immediate and more senior leaders. It helps to set achievable goals for marines as they compete for retention. After initial reenlistment, the evaluation and continued retention of high quality enlisted marines is supported by a detailed and continual performance evaluation system which is fully integrated with the promotion process. Those marines with the best proven performance are retained and promoted.

Always striving for improvement, we are working to modernize our performance evaluation system for our junior enlisted marines in the ranks of private through corporal by updating our legacy proficiency and conduct ratings system with an automated Junior Enlisted Performance Evaluation System (JEPES). When implemented, this system will be integrated into our current automated performance evaluation system used to evaluate sergeants and above and all officers. This result will be an even more detailed and objective evaluation of our junior marines that leverages our information technology to compare scored performance entries common to all marines. This will provide leaders a broader and more detailed baseline from which to evaluate future potential, reinforcing our efforts to retain the best and most qualified marines.

Incentive pays remain critical to our retention effort, allowing the Marine Corps to fill hard to retain positions, such as cyber security technicians, special operators, and counter intelligence specialists. Similarly, Selective Reenlistment Bonuses allow us to shape our career force by targeting critical military occupational specialties (MOSs) and supporting lateral movement of marines to these MOSs. Overall, these incentive pays help us recruit and retain the best marines, especially for critical skills. Retaining qualified marines in these skills keeps your Marine Corps lethal and prepared to overmatch our adversaries. At only one percent of our Marine Corps personnel budget, these pays provide return on investment many times over.

We are open to, and always assessing, new ways to recognize and reward excellence in the Corps to ensure quality remains high and retention strong. For example, the Marine Corps plans to use the authority for promotion boards to recommend officers of particular merit be placed higher on the promotion list. We continue to evaluate the other officer management flexibilities provided in the fiscal year 2019 NDAA for implementation within the Marine Corps.

Reserves

Your Marine Corps Selected Reserve is fully manned at its authorized end strength of 38,500, and our Reserve unit personnel readiness stands at its highest level in a generation. Unit Reserve personnel readiness continues to increase from 71 percent in 2013 to over 84 percent today, with significant improvement in both enlisted and officer force management.

Our comprehensive manpower management plan provides full-service support to our Reserve officers and staff NCOs throughout the Selected Reserve for their career management. This is a talent management initiative that will help our NCOs, staff NCOs, and officers move between commands to enhance their development and military career goals.

Our officer manning success has also been driven by bonuses and incentives to attract more marines from the Active component. In addition, our Reserve Officer Commissioning Program has produced 1,247 lieutenants for the Marine Corps Reserves since its creation in 2006. As a result, our ground company grade officer manning has increased from 21 percent in 2007, to 72 percent today.

Your Marine Corps Reserves continue to mobilize Selected Reserve marines under the 12304b mobilization authority for pre-planned training missions in support of combatant commander requirements. Approximately, 2,460 Reserve Marines are scheduled to deploy during this fiscal year. We thank Congress for its support for Reservists mobilized under 12304b by extending pre- and post-deployment health care, and extending high deployment allowance and non-reduction of pay benefits.

Blended Retirement System

The new Blended Retirement System (BRS) went into effect on January 1, 2018, and the 1 year BRS opt-in period closed at midnight on December 31, 2018. In 2018, approximately 142,000 marines registered their choice to remain in the legacy retirement system or opt-in to BRS. Of the 142,000, approximately 93,000 marines (65 percent) opted into the BRS. Also, approximately 21,000 new marines were automatically enrolled upon entering the service in 2018. In total, 114,000 marines are now covered by BRS and that number will continue to grow steadily as more marines enter service. Further, while the primary opt-in period ended, there are marines who were unable to register their retirement system decision due to special circumstances. They will be given more time to enroll into the BRS, resulting in additional growth in the total number of opt-in marines.

The BRS is a significant change from the legacy retirement system and, while it confers a portable monetary benefit on the large majority of marines who do not reach retirement eligibility, we remain concerned on the potential changes to the retention behavior of the force, and will continue to closely monitor retention for impacts.

Marine Corps Integration

Marine Corps integration is progressing very well. Female marines are now represented in all previously-restricted occupational fields. Our Marine Corps Integration Implementation Plan (MCIIP) assesses the impacts of integration through unit readiness and lethality, individual marine health and welfare, and overall service talent management. To support this outcome, the service is developing metrics to monitor retention and other career progression trends that may provide insights for the service's long-term health and readiness.

Since 2015, 188 female marines have earned a previously restricted MOS through entry level training. In fiscal year 2018, 64 female marines earned their MOS and the population of those holding a previously-restricted MOS increased 66 percent. Additionally, fiscal year 2018 ended with 407 female marines serving in previously restricted units, a 55 percent increase from the past fiscal year. Clearly articulated and codified gender-neutral standards have enhance our ability to match the best and most fully qualified marines with the most suitable military occupations while maintaining the lethality of the Marine Air Ground Task Force (MAGTF). The Marine Corps has not and will not lower standards as we continue to place emphasis on combat readiness and effectiveness of the force.

Civilian Marines

Our civilian marines support the mission and daily functions of the Marine Corps and are an integral part of our Total Force. They exemplify our core values; they embrace esprit de corps, teamwork, and pride in belonging to our Nation's corps of marines. Serving alongside our marines throughout the world, in every occupation and at every level, our civilian appropriated-funded workforce remains by far the leanest of all services, with a ratio of one civilian to every ten Active Duty marines.

Approximately 95 percent of our appropriated funded civilians work outside the Washington, DC, beltway at 57 bases, stations, depots, and installations around the world. Sixty-nine percent are veterans who have chosen to continue to serve our Nation; of those, 18 percent are disabled veterans. Our civilian non-appropriated funded workforce steadfastly continues to provide vital support to our marines, Reserve marines, their families, and our wounded, ill and injured.

We thank Congress for providing full year funding for our civilians. It has provided a measure of predictability for them this year, which improves morale, while also aiding in recruiting and retention efforts to bring top civilian talent to the Marine Corps. Overall, our civilians continue to truly shown themselves as Semper Fidelis by keeping our marines and their families in the forefront. For that, they have my personal admiration.

TAKING CARE OF MARINES AND THEIR FAMILIES

Taking care of marines and their families is a key element of overall readiness and combat effectiveness. The adage "we recruit marines, we retain families" remains as true today as ever. Our comprehensive package of services seeks the holistic fitness and readiness of our marines and families—body, mind, spirit, and social.

Behavioral Programs

The Marine Corps behavioral programs are an integrated community-based service model that includes community counseling, family advocacy, sexual assault prevention and response, suicide prevention, substance abuse, and combat operational stress. We provide world-class prevention and counseling services at each installation, and all of our behavioral programs provide free confidential services offered by licensed counselors. These services are available to individuals, couples, families, and children. During fiscal year 2018, we provided approximately 12,000 assessments and nearly 100,000 counseling hours to marines and their families.

Because many behavioral issues are inter related, the Marine Corps is developing a Marine Corps Primary Prevention Strategy that can be implemented across the Marine Corps to address multiple problematic behaviors. The strategy will focus on establishing a primary prevention capability across the fleet, building skills consistent with primary prevention, and promoting synergy across programs.

To increase awareness of methods for preventing destructive behaviors a communications strategy—"See Something, Do Something"—was developed. This holistic communications campaign includes social media, tip sheets, and videos discussing a multitude of topics that impact marines and their families.

Suicide Prevention

Suicide prevention is one of the Marine Corp's highest priorities; one death is too many. Preventing suicide has proven to be very challenging given the complex nature of the problem, but we are steadfast in our commitment to eliminating it. As our Commandant recently highlighted to all marines, everyone goes through pain, stress, and challenges in service and in life. While marines are tough and resilient, everyone may need help at some point, and your Corps is there for you. Ask for help, get help, and you will recover—we cannot afford to lose one marine!

The Marine Corps does not view suicide prevention as a standalone activity or training. Prevention requires individuals, leaders, units, and the greater community to work together. Tiger teams have been developed to support commands with technical assistance, suicide prevention planning, training on Marine Intercept Program, and assistance with collaboration and agreements with outside services. This includes utilizing university partnerships to develop strategic messaging to the younger generation pertaining to suicide prevention and utilizing diverse resources to promote the value of behavioral and mental health and improving coping capabilities.

The Marine Corps has integrated data from across the force to identify factors associated with suicide. Study findings indicate having a positive drug test and having had a recent legal or disciplinary action are factors associated with suicide. In addition, our Death By Suicide Review Board is in the process of analyzing all deaths by suicide, providing strategic and operational recommendations that address multiple Marine Corps strategic suicide prevention goals.

The Marine Intercept Program is targeted intervention for marines who have experienced a suicidal ideation or attempt. It combines efforts from fellow marines, commanders, installation counselors, and Marine Corps headquarters elements. The program assists marines with a suicide ideation or attempt through care coordination, regular telephone outreach by care managers, development of safety plans, and suicide assessments. The program results in marines receiving assistance faster and keeping their appointments more often.

The Marine Corps DSTRESS Line is a 24/7/365, marine-specific call center providing phone, chat, and video-telephone capability for anonymous counseling for circumstances across the stress continuum. DSTRESS Line callers can discuss stress, anger management, grief and loss, deployment cycles, parent-child relationships, couples communication, marital issues, relationships, relocations, and suicidal crisis as well as other areas of concern. To date, the DSTRESS Line has enabled 45,000 help sessions with marines, attached sailors, and their families, and has helped save 39 marines who were in imminent danger situations.

Sexual Assault Prevention & Response

Protecting marines and preventing sexual assaults are top priorities for the Corps. We are committed to preventing incidents of sexual assault by increasing awareness, providing victim-centered support and intimidation-free reporting, thorough investigation, and accountability for those who commit sexual crimes. Any marine

who comes forward to report a sexual assault will receive support, even if the sexual assault occurred prior to service.

The Marine Corps is conducting specialized training across all ranks to ensure that leaders have a clear understanding of sexual assault throughout the Marine Corps. One of the goals of this training is to promote leadership action within their scope of responsibility, and ensure ownership of their sexual assault prevention plans. For example, our *"Take A Stand"* training for non-commissioned officers (NCOs) focuses on leadership specific to NCO roles and responsibilities and building skills consistent with primary prevention, such as effective communication, empathy, and healthy relationships and interactions.

Command Individual Risk and Resiliency Assessment System

The Marine Corps force preservation process is the formalized method used by commanders to identify individual marine risk factors and to apply holistic risk management measures to improve individual and unit readiness. Each and every day, this process assists leaders across the Corps to identify those in need. However, gaps in knowledge about our marines have historically limited the effectiveness of the effort. To improve the process, we are developing the Command Individual Risk and Resiliency Assessment System (CIRRAS), which will compile individual force preservation data input by small unit leaders, medical officers, and other support staff. By presenting timely, prioritized, actionable information to those who can help marines, and by protecting unauthorized disclosure through strict access limits and cybersecurity, leaders will be better equipped to reduce destructive behaviors in their units. CIRRAS will be initial operating capability in August of this year.

Personal and Professional Development

Our Marine For Life Cycle is a career long process that helps marines prepare for transition to civilian life. The Marine Corps provides a continuum of tangible learning or experienced-based opportunities at nine different action points with specific emphasis at the Marine's first permanent duty station, promotion to corporal, and the Transition Readiness Seminar.

At their first permanent duty station, marines complete the Personal Readiness Seminar within 90 days of arrival to the installation. This seminar provides an overview of personal and professional development services to include voluntary education, career technical/credentialing, personal financial management, and family member employment assistance; the seminar also emphasizes financial readiness awareness.

Approximately 12–14 months prior to separation, or 24 months prior to retirement, marines complete the Transition Readiness Seminar (TRS). The week-long program includes a mandatory standardized core curriculum followed by three two-day track options to align with future goals and aspirations—accessing higher education, career and technical training, or entrepreneurship.

No later than 90 days prior separation, marines meet with their commanding officer for Capstone. During Capstone, the commanding officer will validate whether the marine has met their career readiness standards and ensures the marine's readiness for transition. If a marine does not meet their career readiness standards or have a viable transition plan, a warm handover will be provided to Department of Labor or Veterans Affairs partner agencies for additional post-transition assistance. In fiscal year 2019, Veterans Opportunity to Work Act compliance increased from 56.3 percent in fiscal year 2017, to 91.6 percent in fiscal year 2018, and is currently at 96.4 percent.

The mission of Marine Corps Credentialing Opportunities On-Line (COOL) is to prepare marines for postsecondary education, 21st century careers, and leadership skills in a global economy by helping them receive transferable credit for their military skills and work experience. COOL links marines with civilian certifications related to their military occupational specialties. It is a public website accessible to all current marines, as well as veterans, spouses, potential employers, enterprises, credentialing agencies, and associations. A credential translates Marine Corps technical skills into marketable language recognized by employers. The Marine Corps will pay for examination fees and annual maintenance for enlisted marines to earn civilian/industry credentials closely aligned with their occupational specialty. In fiscal year 2018, 768 COOL vouchers were issued for marines.

Spouse Employment

The Marine Corps Family Member Employment Assistance Program (FMEAP) emphasizes a proactive approach for military spouses and other dependent family members to formulate informed career and educational choices. It provides employment related referral services, career and skill assessments, career coaching, job search guidance, portable career options, and education center referrals and guid-

ance. FMEAP provides coaching and training on interviewing techniques, resume and cover letter writing, the Federal application process, salary negotiations, one-on-one career coaching, volunteering, and entrepreneur business opportunities. In fiscal year 2018 more than 22,000 spouses and family members attended the nearly 600 FMEAP workshops and briefs.

The Spouse Transition and Readiness Seminar (STARS) was created to address the transitional challenges and opportunities specifically for spouses. STARS' goal is to empower military spouses and alleviate stressors such as employment, finance, transition, and education associated with the military culture to ensure a seamless and successful transition for the entire military family back into civilian life. To date, 204 STARS seminars were conducted with 1,630 spouses attending.

The Marine Corps leverages the DOD Spouse Education and Career Opportunities program, which includes Military Spouse Employment Partnership (MSEP)—a partnership where employers agree to offer transferrable, portable career opportunities to relocating military spouse employees. MSEP currently has 360 partners, to include MCCS [Marine Corps Community Services], and has hired over 120,000 military spouses.

Finally, the Military Spouse Career Advancement Account (MyCAA) scholarship provides up to $4,000 for military spouses to pursue licenses, certificates, certifications, or associate degrees necessary for gainful employment in high demand, high growth portable career fields and occupations.

Child and Youth Programs

The Child and Youth Programs (CYP) provides eligible families with high quality, accessible, and affordable programs and services for children 6 weeks to 18 years of age. Services are offered aboard Marine Corps installations and through contractual partnerships. One part of CYP is our Child Development Programs, which include nationally accredited childcare services for eligible children from 6 weeks through 12 years of age. In fiscal year 2018, CDP served 41,385 participants at 14 installations in 66 facilities. For those outside a 15 mile radius of a military installation or on an installation waitlist, we offer Off-Base Child Care Fee Assistance, which provides eligible marines with assistance paying for private childcare. In fiscal year 2018, this program served 1,298 participants across 38 states.

Wounded Warrior Care

The Marine Corps' Wounded Warrior Regiment (WWR) continues to execute our Recovery Coordination Program in support of wounded, ill, or injured (WII) marines and their families, in a manner that greatly facilitates their recovery and upholds our enduring commitment to "keep faith" with those who have incurred life changing impairments in service to our Nation. Regardless of the origin of affliction, our marines require and genuinely deserve access to the comprehensive recovery care available through the WWR.

WWR recovery care coordinators, in coordination with medical providers and unit leaders, help WII marines develop and execute their individual comprehensive recovery plans, which provide the road map for a successful transition. WII marines with complex care coordination needs are assessed for post-separation support requirements. When appropriate, those marines are transferred to a Department of Veterans Affairs (VA) designated lead coordinator prior to their medical discharge to ensure seamless support.

WWR maintains faith with our marines through our district injured support coordinators, who are geographically dispersed around the country and provide one-on-one support as needed, and the Sergeant Merlin German call center, which conducts an average of 5,500 outreach calls each month to Active Duty and veteran marines who have been injured or fallen ill, are combat wounded/Purple Heart recipients, are referred to the Disability Evaluation System, or are on the Temporary Disability Retired List. These calls are conducted on a fixed schedule depending on the purpose of the call and the severity of the marine's condition, which may be very seriously injured (VSI), seriously injured (SI), or not seriously injured (NSI). Outreach calls will continue until the marine's case is suspended or a different calling routine is requested by the marine. In all cases, the Wounded Warrior call center is available to receive calls 24/7, 365 days a year.

Since our WWR was established in 2007, thousands of WII marines and family members transitioning from Active Service have benefitted from a full spectrum of support services that begins with physical recovery needs and increasingly focuses on post-service employment and education opportunities as they heal. Marines and their families, Members of Congress, and the public at large can be assured that the Marine Corps, through the WWR, will continue to expertly provide recovery care coordination support at all times.

Marine Corps Business and Support Services

The Marine Corps delivers many of its quality of life programs via an integrated Marine Corps Community Services construct that combines Morale, Welfare and Recreation (MWR); Marine Corps Exchange (MCX); Warfighter and Family Services; and Child Development Programs. This integrated model is unique within DOD and provides many operating efficiencies, including consolidated non-appropriated fund (NAF) back-office support, e.g., human resources, finance and accounting, procurement, construction, and information technology. Our focus on efficiency continues today with transformation and innovation pursuits, such as a shared services center for all MCCS NAF transactional accounting functions; we are expecting a significant cumulative NAF benefit over a 10 year period.

The MCX is an integral self-sustaining business component of MCCS, delivering products and services in garrison and expeditionary environments, while producing an invaluable NAF dividend to our MWR and family programs. Marines and their families can count on real savings when they shop at the MCX. The 2018 market basket survey showed an average savings of approximately 27 percent. Further, the MCX is proud to employ military family members who represent approximately 34 percent of our workforce.

Transformation and innovation are the fabric of MCCS as we continue to assess and implement new delivery models by leveraging technology, partnerships, and sponsorships. The Marine Corps is also an Active participant in DOD Business Reforms that encompass many of the programs and services within the MCCS portfolio. We are committed to seeking efficiencies across the Department while preserving our highly effective MCCS organization that is best attuned to meeting Marine Corps operational requirements.

CONCLUSION

The marines of our Corps represent the individuals of our Nation who have stepped forward and sworn to defend and protect it. Through recruiting, training, education, and retention of men and women of character who take up our challenge to become one of "the Few and the Proud," we will enhance the quality of our Corps and our overall combat effectiveness. By ensuring that we take care of all marines and their families, we fulfill our responsibility to keep faith with the honor, courage, and commitment they have so freely given.

Our individual marines are our most precious asset. They are proud of what they do. They are proud of the "Eagle, Globe, and Anchor" and what it represents to our Nation. With your support, a vibrant Marine Corps will continue to meet our Nation's call.

Thank you again for the opportunity to present this testimony.

Senator TILLIS. Thank you, General Rocco. I am going to reorder my time to the end and recognize Senator McSally, followed by Senator Gillibrand.

Senator MCSALLY. Thank you, Mr. Chairman. I really appreciate it.

Thanks, gentlemen, for your service and your testimony. Many topics we could talk about, but one that we had talked about a few weeks ago in a full committee hearing related to military family housing and the privatized housing. Some pretty awful and unacceptable conditions that we heard in testimony by a number of families. I can't imagine, as a former commander myself, having anybody in my unit going to work every day or being deployed and having their families back home dealing with some of the conditions that we saw there that are harmful to the health of the family and their children, unresponsive private contractors, and it seems like some disconnects with who's responsible in the chain of command.

Since that hearing, unfortunately—it shouldn't have taken a hearing to be talking about this—some staff from this committee actually made some unannounced trips to Fort Bragg and Norfolk and saw some additional cases there of very bad circumstances for these families that are just unacceptable.

So what are you doing within your authorities to address these issues and immediately get families that are in harm's way in their own homes right now into better circumstances, and what other authorities—what do we need to change here in order to fix this immediately? Because this is just absolutely wrong.

I'll start with you, General Seamands and Admiral Burke, since the two places that were visited were Army and Navy. But it really goes across all the Services.

LTG SEAMANDS. Senator, thanks for your question. I'll tell you, our Nation expects our soldiers to protect the Nation. Our soldiers expect our Army to protect their families.

Senator MCSALLY. Right.

LTG SEAMANDS. Quite frankly, we fell down on the job. There's no excuse for it. It's clearly unacceptable.

What the Army has done, Senator, is within the first 2 weeks, within 15 days, every commander has to have a town hall advertised—in fact, the one at Fort Myers is happening tonight; my wife will be there—to make sure they understand what's going on and we communicate with the families. Within 30 days, a commander from every organization will inspect I think it's about 117,000 sets of quarters, and barracks, 7,000 barracks buildings, across our Army to put eyes on where the soldiers are living to make sure that they're adequate, and if they're not adequate, to raise the flag.

We're also making sure that the families and soldiers who raise issues understand there won't be any retaliation from the contractor or anybody else, that they have the full support of the Army.

Senator MCSALLY. All right. Thanks.

Admiral Burke?

VADM BURKE. Senator, we have a very similar system lined up. Again, we view this as an urgent operational issue affecting not only the trust and confidence of our sailors and their families, but their health, safety, and well-being, just as you've said. They have to be confident—our sailors and their families have to be confident that when they take an issue to us, it's going to be—to their leadership—that it's going to be handled.

This really is a deck-plate leadership issue, and, you know, the fact that this is a relationship between a government agency and a private company should not interfere with that responsibility, and we're stressing that particular point with our leadership.

So commander, Navy Installations Command is the organization that runs that, and our Navy, with the support of CNO [Chief of Naval Operations] staff that I'm a part of, is already reacting and on the job, and we are engaged in actions that are going to increase the oversight of those partners, introduce improved quality assurance of housing operations, follow up on issues, add feedback mechanisms after trouble calls are closed out, focus on the improved customer service, and begin a robust series of engagements. So e-mail, social media outreach, town halls, and home visits by invitation. We're doing a 100 percent contact to the offer of a home visit, which sailors can decline, for Public Private Venture (PPV) homes as well as all government homes. So a 100 percent offer that the sailors can decline.

We'll evaluate, then, and modify as needed the Navy's business agreements with the privatized housing partners so that the agreements are properly structured to incentivize the partners' responsiveness, quality control, and the management oversight and customer service to our sailors and their families, and then make permanent our command's involvement in their feeling of responsibility for dealing with those situations from this point forward. So that 100 percent contact is in place. Just like General Seamands, I was already contacted by my local installation commander and the partner company, and the town halls are going on and those inspections are out in force.

Senator MCSALLY. Thanks. I'm out of time, so if we could grab for the record for the rest of you guys, but the point is it shouldn't have taken a media story—right?—to put all these things in place. Something clearly needs to change so that when it's not in the media, these are sustained care and support of our family members, for our servicemembers, our men and women. I mean, this is just absolutely unacceptable, the situation that many of them have been put in, and the system that we have is not working. So it was broken for us to get to this point.

[The information referred to follows:]

Lt. Gen. KELLY. The United States Air Force is committed to providing safe and healthy housing for our airmen and their families. To address housing concerns highlighted in recent congressional hearings, the Secretary and Chief of Staff of the Air Force directed commanders to complete a 100 percent health and safety review of all Air Force military housing. Each of our wings conducted a health and safety check of our airmen living in privatized, government owned, or government leased housing worldwide. We contacted over 56,000 airmen of which 45,282 were in privatized housing. Approximately 8,100 airmen expressed concerns about their homes with 7,217 of those from members in privatized housing. Installation leadership visits validated 4,760 of those who expressed concern through home visits with 4,478 from members in privatized housing. The Air Force is working aggressively with its project owners to remedy the concerns in privatized housing and has already addressed 1,856 of those concerns. Installation leadership is taking action to correct the remaining 2,622 open issues that we are tracking through confirmed completion. To regain the trust of our airmen and their families in the Air Force's commitment to ensuring the health and safety of their housing, the Secretary and Chief visited the bases that were the subject of greatest concern to residents during the Senate Armed Services Committee hearing. They met with residents, installation leadership and, in some cases, the project owners. We heard voices and we are working diligently to make the long-term changes necessary to ensure our airmen received the quality housing they deserve. The Air Force Inspector General performed an inspection of housing privatization policies, procedures, and best practices used by Air Force installations for handling resident complaints and for protecting residents from potential health and safety hazards and we expect it soon. While the Air Force Inspector General did not find any cases of reprisal, the Secretary and Chief stressed to Wing Commanders the need to ensure housing residents can identify problems without retaliation or fear of reprisal. To ensure the delivery of safe and healthy housing, the Air Force is undertaking the following five lines of effort with its project owners and the other Services to fix the root causes of privatized housing issues:

- Empower Residents—establish a Tri-Service Resident Bill of Rights; develop Tri-Service common lease terms; implement transparent work order process for maintenance; inform residents of AF legal assistance resources available to them, and establish 1–800 resident help number
- Improve Oversight—commit additional Air Force resources to improve oversight and quality assurance checks; improve maintenance metrics; and enhance annual site visits
- Integrate Leadership—restructure performance incentive fees to give commanders a greater role in assessing the adequacy of maintenance services

- Improve Communication—establish resident councils, hire tenant advocates, and revise feedback tools to ensure the voice of the residents are heard by our project owners and commanders
- Standardize Policy—establish policies for addressing health and safety hazards in privatized housing The United States Air Force is committed to providing safe and healthy housing for our airmen and their families and is diligently working to ensure our airmen have the safe, healthy, high quality military housing they deserve.

General ROCCO. The Marine Corps has been working closely with commanders, servicemembers, installation housing offices, and housing partners to ensure that marines know that they are our greatest asset, and that they can expect quality housing and exceptional service no matter where they are stationed. Commanders across the Marine Corps have reached out to marines living in privatized housing, as well as those living in rental properties on the local economy, to ascertain their housing experience and identify trends that need improvement. As of 15 April, the Marine Corps has made virtually 100 percent (99 percent+) personal contact and provided home visits or phone interviews with each marine who chose to accept the visit/call. We have been educating the force on their rights as tenants and reiterating the process for resolving issues, as well as having leaders step in to advocate for residents. We have been tracking individual and aggregate work orders to ensure timely resolution and keep partners accountable, especially in cases that affect health and safety. Additionally, we have conducted town hall meetings, initiated an audit of the PPV housing program, and will be conducting a special survey with residents. We are working with our housing partners to establish more relevant performance and incentive metrics. The Marine Corps strongly supports the roll out of the PPV partners' Mobile Maintenance Apps for servicemembers to easily report and track maintenance. The Marine Corps takes very seriously any issue that affects our marines and families. We are evaluating and instituting systemic process changes to ensure that our Marines receive high-quality housing and best-in-class service.

General ROCCO. Senator, and I know we're out of time, but I'd just like to add for the Marine Corps, the Commandant, we recognize this, and you're absolutely right; it's unacceptable. There was a disconnect. What he's done, and he puts out very few white letters to the command, but it's commanders' business. We've now since made it—we re-attacked it, and it is commanders' business, and we're going to fix it.

Lt. Gen. KELLY. Yeah, just, if I could, Chairman, really quick, because this is such an important issue. You know, this is absolutely commander's business, and our Chief and Secretary put that out and made sure, and we will be finished by this Friday with a 100 percent inspection by every commander across the Air Force, every housing unit, eyes on—personally, eyes on at the commander level. There is no gap between whose responsibility is up. Commanders have responsibility for making sure our airmen and their families are taken care of.

I would just add that one other thing I think is potentially a place to go forward is, I know our Chief and Secretary support a discussion on getting a tenant bill of rights that can help us in discussion with those contractors and privatized housing as we move forward.

Senator MCSALLY. Great. Thanks.

Thanks, Mr. Chairman.

Senator TILLIS. Senator Gillibrand.

Senator GILLIBRAND. Thank you, Mr. Chairman, again.

Thank you for your testimony, thank you for your dedication to protecting the men and women who are serving and for your dedication to these personnel matters that really we care so deeply about.

I first want to ask about this issue of climate. Despite intense support from military spousal hiring programs over the last few years, the rates of unemployment or underemployment for spouses seeking to join the workforce remain too high. Part of the challenge is the frequent PCS [Permanent Change of Station] moves required by Military Service. For many spouses, civilian employment by the Federal Government can be a solution, and Congress has worked to provide DOD with special hiring authorities to ease their employment process.

How are you working to bring more military spouses into the civilian workforce, and when a spouse learns that they'll be moving duty stations, how can they go about locking in a Federal job at their next post before arriving in person?

LTG SEAMANDS. Senator, thanks for your support of our military spouses. A couple things the Army has done recently is to take those people who do child and youth services, childcare, those people who work in the civilian personnel offices and soon to be the DODEA, the Department of Defense Education Agency, and if you are, say, for example, at Fort Riley, Kansas and your soldier moves to Fort Hood, you are streamlined automatically into a new installation into a job like you had been; you're already cleared, all your credentials continue to transfer, to provide the opportunity for those spouses to have limited time without a job, just the transition, not going through the application or recertification process, and we think that's been a very positive step. We think it's the first step in many steps that can be taken to provide enhanced employment opportunities for spouses.

Senator GILLIBRAND. Go ahead. If somebody else wants to add, you can.

VADM BURKE. Ma'am, we have our Fleet and Family Support Centers and our Family Employment Readiness Program that assist military spouses in obtaining employment and maintaining careers as we ask our servicemembers to move. We have a number of programs helping them gain portable careers for military families on the move—starting businesses, job search strategies, networking.

We're also implementing authorities that you gave us in fiscal year 2018 NDAA to offset certification costs. Those will be implemented by June as part of our permanent change of station move app. It'll be integral as part of the permanent change of station move process. But the real challenge is that many professional spouses have certifications that don't translate state to state. That's an area where you could help us with the reciprocity or something that temporarily translates over so they could start working and then regain their certification.

Senator GILLIBRAND. Thank you.

General Kelly and General Rocco, would you submit your answer for the record? Because I just want to do a second topic before my time expires.

[The information referred to follows:]

Lt. Gen. KELLY. There are numerous initiatives to increase job opportunities, quality of positions and ease of transition to positions: New DOD Priority Placement Program (PPP) via Application Based Process. The DOD has initiated an application-based process for military spouses to exercise their priority placement status. This process empowers spouses to actively pursue various employment opportunities

available within the Department and to select when to exercise their preference. The initiative eliminates barriers inherent in the PPP process, such as: limiting the number of skills or positions for which priority candidates are referred; mandatory contact with human resources officers for the purpose of counseling and registering, and the inability for military spouses to be interviewed under the PPP process. The Military Spouse Employment Act, National Defense Authorization Act (NDAA) 2019, Section 573 Modifications to 5 U.S.C. 3330d "The Military Spouse Employment Act" expands the noncompetitive appointment authority to include ALL spouses of members of the Armed Forces on Active Duty not just those relocating or who are spouses of a disabled or deceased member. Per the amendment, eligibility is extended to the spouse of an Active Duty military member and spouse of a 100 percent disabled or deceased member of the Armed Forces. The act dramatically improves eligibility for noncompetitive appointments under 5 CFR 315.612 for the next 5 years. E.O. 13832 complements the legislation by directing the promotion of the non-competitive hiring authority and increasing the jobs available to spouses under this authority. Title 5 United States Code 3330(d) In accordance with the provisions of 5 CFR 315.612, as modified by section 573 of the fiscal year 2019 NDAA, agencies may appoint non-competitively a spouse of a member of the Armed Forces serving on Active Duty who has orders specifying a permanent change of station (not for training), a spouse of a 100 percent disabled servicemember injured while on Active Duty, or the un-remarried widow or widower of a servicemember who was killed while performing Active Duty. E.O. 13832 Promotes the use of the non-competitive hiring authority for military spouses. To the greatest extent possible consistent with hiring needs, job opportunity announcements will consider candidates under this hiring authority in addition to any other hiring authority. Agencies are to actively advertise and promote the military spouse hiring authority and solicit applications from military spouses for positions posted on USAJOBS or any other means the agency wishes to use. Agencies are to report specific statistics related to the military spouse hiring authority to the Office of Personnel Management (OPM) and Department of Labor (DOL) by December 31 of each year.

General ROCCO. Spouse employment is a topic of concern for many Marine Corps families and can be an obstacle for financial security. Permanent Change of Station (PCS) moves impact spouse employment across the Marine Corps in multiple ways. Our family programs offers the Family Member Employment Assistance Program (FMEAP) helps support spouses with effective career and education decisions, by providing job search guidance; career coaching; career and skill assessments; volunteer and portable career opportunities; and Education Center referrals/guidance.

- FMEAP specialists at the installation level work with Information and Referral (I&R) specialists to assist with relocation referrals and to provide information from established Federal, State and local agencies whose programs are available to assist servicemembers and families with making smooth inbound and outbound moves.
- Installations conduct classes to assist spouses and transitioning servicemembers with understanding the Federal hiring process with the Ten Steps to a Federal Job Search class. This class is designed to give an understanding of the Federal selection and hiring process, and assists participants with understanding how to complete a successful Federal job search and provides instruction for Federal resume writing strategies.
- Installations hold job fairs in conjunction with Hiring Our Heroes to assist veterans and families members find employment. Many participating employers have positions in multiple areas and spouses are encouraged to attend at their current duty station to begin the application process.
- FMEAP connects Marine Corps spouses with volunteer opportunities to assist them with establishing career experience throughout their PCS transitions and helps them translate their volunteer experience on their resumes. The program's holistic approach helps supports spouses throughout their marines' lifecycle. The Marine Corps is working to streamline the transfer process for Child Development Center (CDC) employee-spouses who are executing PCS orders. This initiative will have a twofold benefit, helping reduce spouse unemployment due to PCS moves and retaining experienced staff within the CDCs. The Marine Corps is also working to establish a Marine Corps transfer program for military spouses who PCS to new duty stations. Non-competitive military spouse preference is also being implemented. To assist spouses with gaining portable job skills, the Marine Corps participates in the OSD-led Military Spouse Career Advancement Account (MyCAA) Scholarship which provides up to $2,000 per year (maximum of $4,000) for military spouses (Private to Sergeant, Warrant Officers 1 & 2, and 2nd Lieutenants to 1st Lieutenants) to pur-

sue licenses, certificates, certifications or Associate Degrees necessary for gainful employment in high demand, high growth portable career fields and occupations. The Marine Corps participates in the DOD Military Spouse Preference (MSP) Program, which was instituted to reduce the adverse impact on the career paths of spouses of Active Duty servicemembers. Many career fields require state licensing which may not have reciprocity with the new duty station's state licensing regulations. This can cause a delay in the ability of a spouse to begin working and may impact the jobs for which they are eligible. The Marine Corps is collaborating with national veteran service organizations to evaluate the impact of licensing requirements on spouses.

- FMEAP is creating a working group within the Marine Corps and coordinating with the other Service branches to evaluate the feasibility of the language in Fiscal Year 2018 NDAA Section 556, which allows the Services to reimburse spouses up to $500 for licensing fees incurred due to a permanent change of station. The Marine Corps is collaborating with our fellow service branches on the feasibility of implementing this law without an identified source of funding.

In June of 2017, Politico Magazine published a story outlining Russian attempts to specifically influence servicemembers on social media and sow distrust in our political system. Then earlier this month, it was reported that researchers at the NATO [North Atlantic Treaty Organization] Strategic Communications Centre of Excellence used Facebook and Instagram content to instill undesirable behavior in troops during an exercise.

What training are you providing to servicemembers to help them recognize foreign influence efforts targeting them on social media? Whoever has something, go ahead.

Lt. Gen. KELLY. Senator Gillibrand, the Air Force has two programs specifically designed in this area. The first is that basic training for our incoming airmen. They give up their phones and they go through social media training including discussions of training on foreign influence and social hygiene, if you will, social media hygiene. That happens near the end of that basic training, and that's at the point when they get their telephones back.

For the rest of the airmen who are in, there's an annual training event that happens each year throughout the entire force where you go through and do cybersecurity awareness, and these topics are covered.

General ROCCO. Senator Gillibrand, so the Marine Corps' Social Media Accountability Response Team, that's the team that observes social media to ensure that the members are—what they're posting and what is being delivered to their social media posts, we do annual cyber training and annual social media training, and we also have the PAC order, which is a Prohibited Activities and Consolidation order, that has taken all of those things that were disparate in different orders in the Marine Corps and has put it into one order, so now members know exactly what is expected of them.

Senator GILLIBRAND. And related, with my last 20 seconds, we also have had hearings on this specifically about sexual harassment and demeaning personnel members. Can anyone give a report on how that's going in terms of prevention?

VADM BURKE. In terms of online in particular?

Senator GILLIBRAND. Correct, yes, specifically.

Lt. Gen. KELLY. That training for our basic military training discussion on cyber discusses cyber bullying, cyber attempts to coerce, and all those kind of things are a part of that. How that's completely translating into lower rates is difficult for us, but we'll con-

tinue to collect that data, but that's definitely part of the training program that we put in place.

Senator GILLIBRAND. Thank you.

Thank you, Mr. Chairman.

Senator TILLIS. Senator Duckworth.

Senator DUCKWORTH. Thank you, Mr. Chairman.

I want to thank the panelists for attending today's hearing and I look forward to your candor and perspective on personnel policies. You know, we want to assist you in whatever way possible, whether it be resources or authorities.

My first question, gentlemen, is, in many cases where a servicemember reports that they have been the victim of sexual assault, servicemembers can face severe punishment or a less than honorable discharge if they are found to have engaged in some form of collateral misconduct, like underage drinking or fraternization. Punishing victims for collateral misconduct has many negative consequences and it represents a significant barrier to reporting of sexual assault in the military.

Do you agree that collateral misconduct and the threat of punishment for it represents a barrier to sexual assault reporting, and how can such barriers be lowered or mitigated, and would immunity or deferral of action against punishment for collateral misconduct potentially help with increasing the instances of reporting of sexual harassment?

General ROCCO. Senator, that's an important question, and from the Marine Corps perspective, one, commanders do have the ability to defer some of the charges. But to the larger point, I think that's something we can get back to you, as far as from the legal standpoint, on what exactly—the specifics of what can be deferred and what cannot be deferred. But I fully agree. We're agreeable to anything that will increase reporting and expose some of those issues.

VADM BURKE. Senator, ma'am, again, I think it's case dependent, again. But, in general, reporting tends to be independent of what eventually ends up being a method of accountability and the specific charges an individual is going to be held accountable against and those specific charges that end up being the ones that a particular commander—each commander is going to be advised by a trial counsel, a prosecutor, if you will, in civilian terms, that's a specialist in general and in sexual assault prosecution. We're going to use every tool at our disposal to hold that individual accountable so that they don't walk. That's what every commander is going to do.

So if there is a sexual assault-related article that they can be held accountable towards with a reasonable expectation of success, they're going to use that charge. But reporting and then prosecution are two different things, I think, in general. So the reporting I see as unrelated. But I may be misunderstanding your question.

Senator DUCKWORTH. I think you are. What I'm asking is, for the average troop, sailor who is the victim of sexual harassment or sexual assault, one of the things that can happen is that the perpetrator is saying, "Well, yeah, but you were drinking underage. If you report this, you're going to be prosecuted for underage drinking," or "You're going to be prosecuted for fraternization." That threat itself, the validity of that threat will prevent the victim from

reporting. Is there any move towards some sort of ability to lower those barriers, such as immunity or deferral of action, so that the average troop knows even if you are drinking underage, you need to come forward and report, because we're not going to pursue that and you're not going to get an other than honorable discharge because you reported this, not because of the sexual assault reporting, but because of the underage drinking?

Lt. Gen. KELLY. Senator, I'll add in to that discussion, we do think there's a barrier there. We do think that inhibits reporting. So, as General Rocco said, any chance there is to increase the reporting, we're for.

So at our Air Force Academy, for instance, there's already training ongoing with our commanders and folks out there that talk about deferral of punishment and immunity, if you will, maybe not in those words used, but to allow folks to come forward and report knowing that there wouldn't be a—the focus would not be on the acts that occurred by the member, but on the actual perpetrator.

We're trying to bring that into the rest of the force as well, and I do think there is a case-by-case discussion for those kind of things, but we recognize that, and that's ongoing to make sure that we can increase reporting.

Senator DUCKWORTH. Thank you.

I've not very much time left, but if you could answer for the record this question. The greatest fighting force on the planet needs the most talented people. From cybersecurity to medical services, reports indicate that the Services are facing an increasingly smaller talent pool and must compete with a robust job market. This difficulty coincides with increasing demands placed on the U.S. military. Last year, for example, Secretary Mattis established the Close Combat Lethality Task Force, which identified the need to recruit and retain servicemembers specifically for close combat infantry.

How are you adapting your recruiting efforts within this environment to meet the personnel objectives of Department initiatives such as the Close Combat Lethality Task Force, and are there additional authorities or resources that you might require in order to become more competitive within today's job market? If you could do that for the record, I'd really appreciate it. Thank you, gentlemen.

[The information referred to follows:]

LTG SEAMANDS. Recruiting missions will remain challenging based on low unemployment levels and low percentages of young adults (17–24 year olds) meeting Army requirements and having a propensity to serve. We have made significant changes to our accessions enterprise by revitalizing and focusing our accessions force structure, marketing, social media, and information management systems in order to successfully recruit in this market. A synchronized and sustained effort will be critical to meet both end strength and Army Manning Guidance that directs filling our Modified Table of Organization & Equipment (MTO&E) force at 100 percent. We thank Congress for supporting our accessions mission and we do not require additional authorities or resources.

VADM BURKE. Today's job market is having less impact on officer recruiting, which remains strong despite challenges in a few areas, such as Reserve medical officers, than on enlisted recruiting where the greatest impact is in the high-quality market among youth who enjoy many employment alternatives and greater opportunity for post-secondary education. This is exacerbated by the fact that the percentage of 17–21 year-old youth who qualify for Military Service is declining, while the absence of academic ability required for some jobs further limits the pool of eligible candidates. The most difficult programs to fill for Active Duty enlistments include

Nuclear Field, Naval Special Warfare, Information Warfare, and Advanced Electronics/Computer Field. We are adapting our recruiting strategy to attract more candidates to fill the high-quality jobs needed to improve fleet readiness and lethality. Our new marketing and advertising campaign, "Forged by the Sea," targets that market. We have also increased enlistment bonuses for hard-to-fill ratings, offering several bonuses up to the Department of Defense policy limit of $40,000, and increased the number of recruiters, dedicating some to the high-quality market, and providing incentives to all recruiters to attract high-quality applicants. We are also targeting the Centennial generation (born after 1997) who spend far greater time consuming digital media than broadcast or print media. About 70 percent of our media budget is committed to digital and mobile platforms and social media applications—such as Snapchat, Twitter, and text messaging—most commonly used by today's youth. We continue to evaluate the efficacy of our tool kit for competing in the marketplace. As the need for additional resources or authorities is identified, we will include appropriate requests in future President's Budget submissions or Defense Authorization requests.

Lt. Gen. KELLY. Air Force Recruiting is adapting within the employment environment with existing authorities and resources. The Air Force stood up the 330th Special Warfare Recruiting Squadron (330th RCS) headquartered in San Antonio, TX. This squadron is directly responsible for recruiting civilians into special warfare and combat support career fields. Once on Active Duty, recruits transition to the newly developed Special Warfare Training Wing at Lackland Air Force Base, TX for initial skills training. This model was developed to better recruit, develop, and train special warfare and combat support airmen. The 330th RCS's efforts have helped to increase Special Warfare candidate quality, lower attrition as a percentage of accessions, and decrease pipeline cost by reducing wasted resources on candidates with low probability of success. The Special Warfare recruiting effort operates along three lines of effort: Scout, Recruit, and Develop. Scout: Working a pilot contract solution to help identify demographics with high propensity of Special Warfare training success, and exploit relationships with key influencers to raise Special Warfare awareness. Recruit: In November 2017, 96 recruiters were appointed from within recruiting to specialize in Special Warfare accessions. The 330 RCS activated on 29 June 2018, will be fully mission capable in May 2019, and is a direct reporting unit to AFRS/CC dedicated exclusively to Special Warfare accessions. Develop: The Development Contract employs former Special Warfare operators to administer the Physical Ability Stamina Test (PAST), develop candidates physically and mentally and provide go/no-go, whole-person assessment on candidates' suitability to enter training. The 330th RCS employs the SOF truths that "Quality is better than quantity," and "SOF cannot be mass produced." The model ensures that candidates are fully committed, informed, and show resolve prior to shipping to training. Through targeted recruiting and Special Warfare development, the 330th RCS has met shipping goals and raised candidate success through the Course of Initial Entry (COIE) by 200 percent. The Special Warfare community reduced overall accession goals, which has allowed the quality model to build to capacity and foster competition among those awaiting training. All production indicators are trending positively as additional changes are underway. Allowing the current changes to take effect before changing additional variables will determine effectiveness. The Scout pilot will be an unfunded request for fiscal year 2019 and will run for 1–2 years. At the expiration of the 1–2 year pilot, a permanent contract solution will be utilized.

General ROCCO. Today's investment in recruiting provides the Marine Corps with the ability to engage with and recruit the quantity and quality of new accessions needed to meet future operational needs and to improve lethality. Marine Corps Recruiting Command personnel are committed to supporting the institution and reaching out to highly qualified prospects; marketing and advertising are key components to MCRC's mission. With adequate funding and cost-effective lead generation programs directed to address the increasing number of critical audiences, to include our diversity outreach engagements, the Marine Corps ensures it achieves the nationwide awareness required to differentiate the Corps from service and industry competitors. It costs the Marine Corps approximately $11,000 to deliver one recruit to entry-level training and MCRC's total operating budget has remained approximately $200 million for the last 5 years. Resourcing our recruiting efforts appropriately is key to recruiting the high-quality men and women we need and our Nation expects.

I yield back, Mr. Chairman.

Senator TILLIS. Senator Warren.

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

Thank you all for being here today.

So I want to spend a few minutes today talking about an essential program that's run by the Department of Defense that is a critical part of our military readiness. Not many people know this: The Department of Defense runs the largest employer-sponsored childcare program in the Nation. In fact, the program employs 23,000 workers who care for more than 200,000 children. The military childcare program is open to every military family, regardless of rank. It has high standards. It's designed to be affordable for every military family.

So let me just ask, whoever would like to do this, maybe Admiral Burke, why is access to safe, affordable, high-quality childcare a crucial part of military readiness?

VADM BURKE. It's absolutely a part of military readiness, ma'am, because—and it's not a gender specific issue. It's a married couple issue. It's a family issue.

Senator WARREN. Family issue.

VADM BURKE. If you have children and you're deploying, and we have a preponderance of married folks in our service today. It's not a single, you know, servicemembers service anymore, and we have a preponderance of service to servicemembers.

Senator WARREN. Although I take it you also have single parents in the military as well.

VADM BURKE. We do. We do have a cross-section of those as well. Yes, ma'am. But childcare and the ability to deploy is an important factor, and even when you're not deployed, ability to work the long hours that we expect even when you're in a non-deployed status requires childcare.

The fact of the matter is that childcare capacity is a nationwide challenge. Depending on where you're based, and this is not unique to the Navy, but the Navy happens to be in areas that are particularly childcare-capacity challenged—we have our limitations of the amount of capacity that we have to the military through the Navy childcare programs, but those commercial childcare capacities happen to be equally or even more challenged in the areas where our naval stations are.

So it's particularly acute for the Navy. In fact, Navy's one of the main consumers of all of the Department of Defense's childcare capacity because of that reason.

Senator WARREN. So thank you. That's really important.

There are a couple of other questions I want to ask by follow-up, but I want anyone to weigh in who wants to.

An impressive 95 percent of the military's childcare centers are nationally accredited—compare that, by the way, to just 11 percent of nonmilitary centers across the U.S. So I want to ask the question, why does the military put so much emphasis on making sure that childcare accessed by military families is of very high quality?

Lt. Gen. KELLY. Senator, I'll start real quick for the team here.

Senator WARREN. Sure.

Lt. Gen. KELLY. Just take these statistics: Sixty-nine percent of our officers are married. Fifty-one percent of our enlisted are married. We have countless other single airmen who have families. 380,000 family members that we have to take care of. We're retaining families. Readiness for the Air Force is about making sure the

entire family is comfortable and safe so that airmen can focus on their job and focus on what they do.

This last year, we put $40 million more into our childcare programs: 119 new providers, 180 new family day care providers certified to do those things, bought new cameras for those places. It is an investment for us in readiness and capability, and we're going to continue to invest in that area.

Senator WARREN. Quality is a key part of that, keeping that quality up. Anybody else want to add on the quality part?

General ROCCO. Absolutely, Senator.

Senator WARREN. Please, General Rocco.

General ROCCO. They mentioned it, but I'll just reiterate it: It's a family issue. When the family is happy and secure, they're much more apt to work and readiness is impacted in a positive way.

DOD childcare—and you mentioned the numbers—DOD childcare, it's very helpful for the family members to know that they've got quality, affordable childcare on base where their children are protected and secure. At the end of the day, the more we can do to benefit the families, to make them more secure—we expect a lot of our servicemembers; this is the least we can do for their family members.

Senator WARREN. Great. I have one more thing I want to cover with the chair's permission, and that is, when a military parent puts their child in the military's childcare program, they pay only a fraction of the actual cost based on income, and the DOD foots the remainder of the bill.

Why is it so important for the Department that the childcare made available to military families is affordable?

Lt. Gen. KELLY. Senator——

Senator WARREN. Go ahead, General Kelly.

Lt. Gen. KELLY. Again, it's about taking care of those folks and making sure they have access. Given what we ask of the families and given what we provide in compensation, it's important for us to be able to offset that. In addition, even when we have 4500 airmen who have children and don't have capacity on base, we provide offset costs to them so they can afford their off-base childcare. It's just so essential to readiness and so essential to the quality of what we do to get out of our families and for attention we have to do that.

Senator WARREN. Good. I just want to say I think it's great that the child in the military family has access to high-quality care at a price that they can afford, and I'm glad to hear the enthusiasm with which you all discuss this and the commitment that you've made to this. I believe every child in America should have that same kind of opportunity. Last week, I introduced a universal childcare and early learning program so that every child could get access to a program like that, and it's modeled off the program that you have built for the children of military families.

I think your points about readiness are spot on exactly right, but they are the kind of thing that every family feels. Anybody trying to hold down a job to finish an education, to take on tougher work for a promotion, they all worry about their children. They all need access to the kind of care that you're making sure our military fam-

ilies have. So thank you for all you're doing. I hope we can use you as a model and make that available to all of our kids. Thank you.

Thank you, Mr. Chairman.

Senator TILLIS. Thank you, Senator Warren.

I went to the end to allow some of the other members to go.

Senator WARREN. I appreciate it.

Senator TILLIS. This is my opportunity to ask a couple of questions.

First, I'm glad to hear about the progress on childcare. I can't wait until the homes that some of those kids come back to also get a good progress report. I'll take another jab in terms of the military housing issue that we've got to deal with.

General Seamands, you know, we've had some discussions about the end strength numbers. I know you didn't hit your recruiting numbers. I had a discussion last week with Secretary Esper. Give me an idea, first off, I think for the benefit of the group, I know some of the things that you're doing to confront the challenge and build the pipeline, but also give the committee some insights into targets for next year and why you think they're attainable.

LTG SEAMANDS. Senator, thanks for the question. As you say, we did miss the target last year. We are working very hard this year to get after it. We've done a number of things.

One, we've increased the number of recruiters to the tune of about 900 additional recruiters out there across our Nation. We have made the pivot to social media, getting after where the young men and women are instead of where they used to be. We've done a similar thing for the brick and mortar. We've put about $45 million into something that benefits all the Services as we move recruiting stations out of places where they used to be to where the young men and women are today. We've taken the opportunity to give officers the chance to have a second command, like a line command, and then a second command within the Training and Doctrine Command, so they bring that experience from the first command into that organization.

We also have a focus on 22 different cities where the Secretary of the Army and the Army leadership will go out to where the recruiters are and have an event and focus on those areas—in some cases, places we had not used that effectively before—to show the Army brand and encourage young men and women to come in.

It's a tough environment across the board for all the Services. We think this year we'll hit between 68 and 69 thousand recruits, which is about what we hit last year, for our accessions. But this year we had fewer losses, based on the number of people that came in a couple years ago, and so we think the mission should be about 68, 69. We think that the steady, supportable, quality growth in the Army is about 2,000 per year, and we think we can accomplish that in the out-years, moving toward 500,000 as an eventual end strength for the Army.

A tough environment. Our recruiters are doing amazing things out there. We give Recruiting Command a mission, but, Senator, it's not Recruiting Command's mission; it's actually the Army mission. As I fly on commercial aircraft, I talk to the people next to me. When I'm on the Metro, I talk to people. I think everybody in the Army, as well as veterans and retirees, I challenge them to

have the same commitment to bringing future soldiers into our force.

Senator TILLIS. Our TAG [The Adjutant General] down in North Carolina was on the Senate steps today. I saw him trying to build a pipeline of seventh graders from North Carolina, so I can attest to you all trying to do the two hats.

[Laughter.]

Senator TILLIS. General Rocco, it's very seldom in opening statements that you talk about specific geographies as a priority, and you mentioned Camp Lejeune and the 500 or so houses, or buildings, I should say, that are damaged or uninhabitable. Can you just explain again why, you know, this isn't—I happen to be from North Carolina. Why not talk about the need for the supplemental funding and getting the resources in there, why this is critical to the general readiness of our folks down in North Carolina?

General ROCCO. Thank you, Senator Tillis.

Camp Lejeune is our major base on the East Coast. The force generation out of—which is the home of the II Marine Expeditionary Force. So when you talk about readiness and force generation from the Marine Corps perspective, that's well over a third of the generating force generation capability inside the Marine Corps.

Those 500 buildings that I mentioned, it's not PPV, it's not housing. That's a separate issue. That is all the buildings and facilities that the marines use to train with, to train from, to fly aircraft out of, to fix aircraft.

I spoke to a doctor today who just recently—an ophthalmologist who just recently moved her clinic back into spaces. Florence was many months ago, and they've been either not operating or operating out of, basically, trailers, supporting marines, and you know that they're not getting the support that they would get. It's taken that long to just move a clinic, a medical clinic, into spaces that are habitable.

Senator TILLIS. So it's fair to say that regardless of whether you're in Camp Lejeune or across the world, if you're a marine, you consider this a priority for the whole corps, not just for a place that got hit by a hurricane.

General ROCCO. Absolutely. It is not localized—it's North Carolina, but it's not localized. Those marines deploy worldwide. That's why it's a worldwide issue.

Senator TILLIS. Thank you. The other advantage to going last, it seems like I'm being courteous, but I can go over and not have to apologize to anybody.

[Laughter.]

Senator TILLIS. So, General Kelly and Admiral Burke, I want to talk a little bit about some of the personnel changes and offer of the expanded spot promotion authorities, some of the things that we put in the last NDAA. And either tell me about how it's already working or how you expect it to work and produce better results. We'll start with General Kelly.

Lt. Gen. KELLY. Thank you, Senator, for the opportunity, and again, thanks for the support of those DOPMA authorities that you provided to us.

You know, often we create new missions or we create new goals inside the Department; for instance, cyber was an emerging mis-

sion and we created cyber mission teams at our combatant commands. When we did that, there was an instant desire to have experienced and usually mid-grade officers provided in those areas. The DOPMA authorities that you provided help us get after that. Because normally they would say, "How can you get me 300 more 0–4s to fit in that job?" The answer is, "Wait 12 years" normally, "and I'll give you 300 more 0–4s."

Now with the authorities that you've provided to us, what we're moving out and doing is we're using constructive credit to bring folks over. We brought several of our enlisted members over who already had advanced cyber degrees over, able to credit them at a higher rank, bring them into and fill some of those gaps and holes. The same thing with the temporary promotion authorities or early promotion authorities, that we're able to reach in, find holes in places within the inventory where we have shortages, and apply those DOPMA authorities going forward. We see the same things with some of the other ones that we haven't yet integrated but will be doing shortly in the future.

Senator TILLIS. We're looking for feedback to the committee on things that we've learned that we need to adjust or expand, so please keep the suggestions coming.

Admiral Burke.

VADM BURKE. Sir, we've used the merit promotion reorder on our 0–6 and 0–5 boards, which met in January and earlier this month in February. We'll use it in our 0–4 boards in April. Widely popular, the idea of merit and getting promoted and paid a little bit earlier based on what you've done lately rather than your lineal number from way back when.

The constructive credit option and lateral hiring, we've put that into place. Have not used it yet, but for cyber warfare engineers, engineering duty, and a couple of restricted line programs, the "up and stay," as we're referring to it colloquially, but the ability to take a selected oath reason and not have to repeatedly go through a continuation, we used that for a program that our pilots repeatedly said, "Hey, if you could let us fly forever, we wouldn't leave the Navy." So we're calling them on it, and we'll see if they really will.

But we selected 25 aviators that had intended to separate, and in November, we made the selections. They're now flight instructors. That's 25 people that were leaving the Navy. That's 25 fewer first-term naval aviators that I don't have to pull from the fleet now to go make flight instructors that we used that authority for. So helping out with my aviation retention problem directly because of that one.

The promotion deferral, just timing-wise I won't be able to use that until next year, but we're poised to use that for next year. But we're really grateful. We'd like to get some run time with these and report back to you. But I expect to have some really good news for you on all of them.

Senator TILLIS. Very good. Thank you all. We're going to transition to the next panel, and I'm just going to defer the question, but I will tell you, I don't know if you all intend to be around for the next panel, but we were looking at the opt-in rate for the Blended Retirement System that we implemented, and there's a vast dis-

parity, particularly between the Marines, which is close to three-quarter opt-in, and the Army, which is close to one-quarter opt-in. Navy and Air Force it's somewhere in between.

But really want to, with the—I'm giving the next panel an opportunity to think through and answer that question because I think we had some folks with mixed emotions about whether we should even do it. But I'm kind of interested now in the disparity and just want to let you all know that's something that I want to look at because if we need to make adjustments or look at the root causes for why we have a disparity in opt-in rates, and that's something I want to work on this year.

Thank you all for being here, your continued service, and also thank you for the visits and work with our staff.

We're going to move to the second panel. We'll give a couple of minutes to allow the staff to transition.

Gentlemen, thank you all for being here, and thank you for your past, current, and what I'm sure will be future service.

I want to introduce the second panel: Sergeant Major of the Army, Daniel Dailey; Master Chief Petty Officer of the Navy, Russell Smith; Master Chief Sergeant of the Air Force, Kaleth Wright; and Sergeant Major of the Marine Corps, Ronald Green. Thank you all for being here. I am not going to make any opening statement, just transition right to yours.

Sergeant Major Dailey.

STATEMENT OF SERGEANT MAJOR DANIEL A. DAILEY, USA, SERGEANT MAJOR OF THE ARMY

SMA DAILEY. Thank you, Senator.

Chairman Tillis, Ranking Member Gillibrand, distinguished Members of this Subcommittee, thank you for the opportunity to speak on behalf of nearly 2.3 million soldiers, families, and Army civilians who make our All-Volunteer Force the world's premier organization. I'm truly honored to provide an update on the quality of life of your U.S. Army.

The Army is grateful for Congress' support in advancing Army readiness, modernization, and reform. The Army has more units ready than any time in recent history. Army readiness is our number one priority. I am prepared to discuss a number of efforts we have brought to bear as we improve readiness across the total Army. This includes, but is not limited to, extending Infantry One Station Unit Training, increasing Combined Training Center rotations, and implementing the Army Combat Fitness Test.

Our ready Army requires the recruitment and retention of quality personnel, and we are currently on track to achieve our fiscal year 2019 recruiting goals for all three components. In addition, our Army produced historic retention rates of over 90 percent of the eligible population of the Army last year, and we're on track to do the same for this year. The Army continues to build the best possible All-Volunteer Force by selecting the best qualified soldiers capable of meeting the rigors of Army standards. This commitment to standards is clearly demonstrated by the more than 1,000 women serving in our combat arms formations today.

The Army strives to provide an environment of dignity and respect for all servicemembers and is fully committed to eliminating

sexual assault. We recognize that regardless of the progress that we have made, more work still needs to be done. These acts are unacceptable and we will continue to engage leaders at all levels to inspire a culture of commitment to Army values.

To better prepare our soldiers to meet the rigors and demands of a complex and unpredictable world, we have taken a comprehensive approach to health, nutrition, and fitness through programs such as the Holistic Health and Fitness System. Through these initiatives, we will be able to provide soldiers the opportunity to increase their personal readiness and live healthier lives.

Our Soldier for Life initiatives are a critical aspect of Army readiness. This is evident in the tremendous improvements to our transition assistance program, and through our combined efforts, we have made significant investments in professional military education, academic equivalency, the career skills program, individual skills initiatives, and partnerships with industry and academia. As a result, we reduced unemployment compensation, which reached $515 million at its height in 2011, to less than $100 million today. Through our commitment and efforts, I believe we will continue to see a reduction of this over time. These efforts have not just saved money, they've built readiness within the Army and strength in our Soldier for Life programs.

The Army has made significant efforts to improve quality of life based on feedback from the force. These updates intend to help build financial readiness, unburden the PCS process, create efficiency in childcare services, and enhance other critical support services. These changes reaffirm our commitment to providing the best possible support to our people.

Childcare, in particular, is a significant issue, as it is our single largest investment within family programs. The Army is actively working to reduce civilian hiring times and improve the background check and adjudication process to help reduce shortages for childcare providers. We're also working to make it easier for childcare providers to transition from one installation to another without having to repeat the hiring and background check. And as many of our childcare providers are soldiers' spouses, initiatives like these enable us to take care of our children but also provide much-needed employment opportunities for them.

Lastly, I assure you the Army is committed to improving the quality of living in our Army housing. We accept the responsibility for the current state of Army housing, and we will regain the trust of our soldiers and families through immediate, tangible actions that have already begun. We are implementing comprehensive measures to ensure proper oversight, identify unsafe living conditions, and improvement of our work order processes that have immediate results. The Army will improve the authorities associated with the enforcement of our privatized partnership requirements, review existing agreements and policies, and we will ensure that no reprisals against soldiers and families who share their concerns with the chain of command will occur.

The bottom line is the Army is committed, and we will continue to take immediate actions to further protect our soldiers and their families. The senior leadership of the Army leads a daily action team, receiving statuses from across our Army on the progress that

we are making, and we are committed to providing safe, healthy living standards on all of our installations. As the Army continues to balance its priorities for lethality, readiness, and modernization, we must keep our soldiers and their families in mind and maintain the quality of life momentum that we have collectively built.

As always, we thank Congress for your support and your continued investments in our number one resource, our incredible team of soldiers, families, and civilians. I appreciate the opportunity to speak before you today and I look forward to continuing our dialogue. This We'll Defend. Army Strong.

[The prepared statement of Sergeant Dailey follows:]

PREPARED STATEMENT BY SERGEANT MAJOR DANIEL A. DAILEY

INTRODUCTION

Chairman Tillis, Ranking Member Gillibrand, distinguished Members of this Subcommittee, thank you for the opportunity to speak on behalf of nearly 2.3 million soldiers, families, and the Army civilians who make our All-Volunteer Force the world's premiere organization. I am truly honored to provide an update on the quality of life for the men and women of your U.S. Army with whom I so proudly serve.

The Army is grateful for Congress' support for the fiscal year 2018 and fiscal year 2019 appropriations. This funding will go a long way in advancing Army readiness and modernization consistent with the National Defense Strategy. Based on budgetary increases, the Army has more units, more ready, more often than any time in recent years past.

Our budget requests reflect the Army's priorities: grow and maintain a ready high-end force, build our future force through key modernization efforts, continue to take care of our people, and institute reforms that lead the Army to be even better stewards of taxpayer dollars. One of the Army's focused priorities is reform to ensure we are earning the trust of the American people, prudently spending our allocated resources, and aggressively seeking opportunities to improve our efficiency.

In order to provide the assured capabilities necessary for us to deploy, fight and win, we must maintain the requisite personnel and family readiness programs necessary to sustain the Total Army's quality of life. Personnel readiness is critical to the Army's success, and we must continue to provide care and resources from the best programs "Total Army" available to support our All-Volunteer Force.

READINESS

Ready forces ensure that the Army can compete against our adversaries, deter conflict and win decisively. So, it is no surprise my Secretary and Chief continue to emphasize readiness as our number one priority. We build readiness by sufficiently manning, training, and equipping our soldiers.

Building readiness is predicated upon every soldier being able to deploy. We have made strides in reaching that goal over the past year. Unit commanders improved medical tracking, implemented unit injury prevention and physical therapy programs, and established enhanced readiness personnel accounts.

The outcome of these commander-led efforts is more units prepared for war. By focusing our training efforts, we have increased soldier lethality and maintained our competitive advantage in the current security environment.

We have also brought a number of efforts to bear as we rebuild readiness across the Total Army. To develop more lethal, disciplined and resilient soldiers, we added 8 additional weeks to Infantry One Station Unit Training. This will help young soldiers build on combat fundamentals and better prepare them to operate effectively when joining their units.

The Army Combat Fitness Test (ACFT) will be implemented to ensure soldiers are physically fit and mentally tough enough to meet the rigors of combat. We believe it will change the Army's fitness culture, and reduce preventable injuries and enhance mental toughness. Additionally, the ACFT will help further reduce nondeployables, which was at 15 percent in 2015; today, we are at approximately 7 percent.

Thanks to resources provided by Congress, we were able to increase the number of Combined Training Center rotations to over 20 per year. These increased training opportunities, including the doubling of select Army Reserve and Army National Guard units, was key in substantially increasing readiness.

Finally, we've taken great measures to reduce non-essential training and tasks. Secretary Esper consolidated, reduced, or eliminated dozens of required activities, re-allocating a resource we can never replenish—time. This has granted our formations more time to spend building and sustaining combat readiness.

Overall, fiscal year 2017 and fiscal year 2018 authorizations and appropriations enabled readiness improvements in training—we are grateful to Congress for that.

As a result of that support, 28 Army Brigade Combat Teams (BCTs) were at their highest state of readiness at the end of fiscal year 2018, as compared to 19 BCTs at the end of fiscal year 2017. We will continue to train to standard as a means of sustaining those readiness gains.

Barring a significant increase in demand for land forces, coupled with continued stable and sufficient funding, we will remain on track to meet our readiness recovery goals by fiscal year 2022. In order to meet those goals, we will continue to require predictable, consistent funding to maintain the momentum we have built.

MODERNIZATION

The goal of the Army Modernization Strategy, submitted to Congress in 2018, is to increase the lethality of soldiers and units in combat. Through a clear, driven strategy, the Army's modernization efforts have already begun to streamline and accelerate acquisition, while rapidly delivering warfighter capabilities to the force.

The July 2018 establishment of Army Futures Command, our most significant reorganization since 1973, continues to work toward reducing the requirements development process from approximately 5 years to 18 months which will benefit today's soldiers and the future force.

Leveraging Cross Functional Teams (CFTs), we shifted significant science and technology funding to the Army's six modernization priorities. Those CFTs focus on the Army's six priorities of Long-Range Precision Fires, Next Generation Combat Vehicle, Future Vertical Lift, Army network, air and missile defense, and soldier lethality.

Our CFTs have already demonstrated the capability to shave time from anticipated acquisition timelines, allowing us to maintain pace and stay ahead of our potential adversaries. Ultimately, modernizing for tomorrow's fight leads to equipment and vehicles reaching our soldiers and units more quickly, enhancing their lethality to deploy, fight, and win our Nation's wars.

Also part of the Army's modernization efforts, the Integrated Personnel and Pay System-Army, an online human resources system, will provide integrated personnel pay and talent management capabilities in a single system. It provides three capabilities: total force visibility, talent management, and auditability by consolidating over 200 human resources and pay systems.

This is part of our new Talent Management strategy which will match the knowledge, skills, behaviors, and preferences of Army personnel with suitable jobs across the Total Army. By better understanding the talent of the workforce, the Army can maximize soldier's talents to allow the placement of the right soldier, in the right job, at the right time.

Better management of the Army's talent marketplace will yield benefits such as new capabilities, cost savings, and new human capital investments, along with increased productivity. Led by our Talent Management Task Force, established in 2016, this strategy developed a more deliberate Talent Management system that demonstrates our institutional adaptability and our strength as a learning organization.

Through these efforts, Army modernization will improve the impact of every dollar spent, exemplifying our commitment to being good stewards of resources appropriated by Congress.

REFORM

The Army has aggressively implemented reforms to free up time, money and manpower for our highest readiness and modernization priorities. Our reform initiatives empower subordinate commanders to make more effective, timely decisions. Through acquisition reform, scrutinized contract management, and closely monitored contract services, we will increase efficiencies and enhance the impact of every dollar spent.

Through the Army Reform Initiative, we have garnered over 700 ideas to eliminate, delegate, consolidate, or streamline Army policies, programs, and practices. This has saved precious resources for higher priorities.

The Army is also on track to save hundreds of millions of dollars by reducing contract redundancies and improving competition processes.

The establishment of Command Accountability and Execution Review, a senior commander program with oversight from the Secretary and Chief, has optimized the purchasing power of our operating budget. It leverages monthly venues to focus on supply chain, transportation and contract management at multiple echelons. This approach has generated a marked improvement in the efficiency with which we execute the Army's budget.

The Army is also taking steps to improve business practices and management resources. In fiscal year 2018, we conducted our first full financial statement audit, to include sensitive and classified activities. We are aggressively implementing necessary corrective actions to address auditor findings and ensure the Army is transparent, auditable, and most importantly, accountable to Congress and the American people with timely, accurate accounting information.

PERSONNEL

This year, fiscal year 2019 accession missions are 68,000 for the Active component; 15,600 for the Army Reserve; and 39,000 for the Army National Guard. These missions will be significantly challenging for all three components since only 29 percent of young adults, between the ages of 17 to 24, meet the Army entry requirements to serve without requiring a waiver.

The fact that only 13 percent of young adults have a propensity to serve further complicates recruiting efforts. However, we are on track to achieve fiscal year 2019 recruiting goals for all three components. In order to better address challenges in the recruiting environment, the Army has streamlined its recruiting efforts and resources.

To increase unity of accession efforts and funding, the commanding general for Training and Doctrine Command was designated as the senior responsible official for accessions strategy and goals tied to end strength increases.

We have implemented a new accessions campaign with 22 focus cities, upgraded accessions information technology bandwidth, increased social media through e-gaming venues (e-sports), improved micro-marketing, and produced new advertisements and commercials.

We have also instituted key recruiting initiatives such as increased recruiter strength, more robust training capacity, maximum use of enlistment bonuses, and the improvement, upgrading, and relocation of recruiting centers.

The Army remains committed to quality over quantity and maintaining standards of excellence in order to build a ready force. Our stringent standards exceed Department of Defense requirements, thereby ensuring we are well above their stated guidelines for recruiting. This ensures we are recruiting America's most qualified, talented young people to serve our Nation in uniform.

NUTRITION AND FITNESS

In order to meet the rigorous demands of an ever-changing global environment, where the Army can be called upon to serve under any combat condition, we must ensure our soldiers are prepared. This requires a comprehensive approach to health, nutrition, and fitness using evidenced-based strategies to optimize the ground combat power readiness of each and every soldier.

The Holistic Health and Fitness (H2F) System does this by synchronizing all physical fitness and health initiatives, and legacy systems used throughout the Army. Research demonstrates how performance nutrition, body composition management, psychological and emotional health, and sleep contribute to optimal physical performance.

H2F is composed of five enduring elements: governance, programming, equipment, personnel and leadership education. These elements are essential to the future success of Army readiness; as part of the system, their goal is comprehensive support of the physical, mental and spiritual aspects of soldier readiness.

Regarding nutrition, agencies such as AAFES [Army & Air Force Exchange Services], the Defense Commissary Agency, Army Joint Culinary Center for Excellence, Army Sustainment Command, Medical Command dining facilities, and Installation Management Command, are part of a tremendous group of stakeholders in a coordinated effort called Healthy Army Communities.

The first priority of this effort is to get our soldiers back to eating in dining facilities. Healthy Army Communities is paving the way for consistent and sustainable change across the Army.

The Army has also adopted the Go for Green Program, a DOD dining facility nutrition education program. This nutritional recognition labeling system provides soldiers in the serving line with posters and menu cards for a quick assessment of the nutritional value of menu offerings and food products in the dining facility. The

menu offerings and food items are color-coded with labels providing recommended frequency of consumption based on the impact the food can have on a soldier's performance.

Through these initiatives, and with more predictable funding in fiscal year 2019, we will be afforded the opportunity to provide soldiers with opportunities for healthier food options.

SELECT-TRAIN-EDUCATE-PROMOTE

The Select-Train-Educate-Promote policy, also known as STEP, represents the Army's investment in our soldiers' professional military education through a deliberate, continuous and progressive process. Since 2008, the Army has required master sergeants to graduate from the Sergeants Major Course before attaining eligibility for promotion to sergeant major. On January 1, 2016, we expanded a similar standard for promotion eligibility to all noncommissioned officer ranks.

STEP requires all soldiers to complete the appropriate level of formal military education before being determined fully qualified for promotion to the next NCO rank. This policy has effectively eliminated conditional promotions, and created an organizational framework to develop the next generation of competent and committed NCOs who have been appropriately trained as leaders.

Before we implemented STEP, the Army experienced a backlog of nearly 14,000 Active Duty soldiers eligible for promotion who had not completed the requisite level of NCOES [Non-commissioned Officer Education System]. In short order, we reduced that backlog to approximately 1,800 soldiers. This also improved promotion opportunities for soldiers who were willing to work hard to meet all of the necessary requirements and complete the requisite level of professional military education to become fully qualified.

STEP has clearly demonstrated its value as an investment tool which will allow the Army to continue developing educated and competent NCOs to lead the future force. Through this, and other initiatives such as NCO 2020, America's Army will continue to have the best, most educated enlisted force in the world.

RETENTION

The Army is on a glide path to again exceed its Active component retention mission. Our combined efforts produced historic retention rates of over 90 percent of the eligible population of the Army last year. Through strong, engaged leadership, our soldiers have demonstrated motivation and enthusiasm to serve unlike any time in previous years.

I am confident our retention rate is directly linked to trust in Army leadership, positive quality of life, and moreover, each and every soldier's value of service to America. If this was not the case, we likely would not have 90 percent of the eligible population and 86 percent of the total population re-enlisting to serve in America's Army. Each component is set to accomplish their respective retention missions while maintaining quality standards, and meeting critical NCO requirements.

These achievements would not be possible without the support of Congress. The Army recognizes that part of these achievements is the collective investment we have made in our soldiers, families and civilians over the past 2 years. An important part of our efforts comes with improvements to, and the preservation of, soldier and family readiness programs.

SHARP

The Department of Defense released its annual report on Sexual Harassment and Violence at the Military Service Academies (MSAs) for Academic Program Year (APY) 2017–2018 on January 31, 2019. In alignment with DOD/Army goals, sexual assault reporting at the United States Military Academy (USMA) increased for the fifth straight year. In APY 2017–18, there were 56 reports of sexual assault; 43 unrestricted reports (UR) and 13 restricted reports (RR). This is an increase from 50 reports in APY 16–17. Of the 56 reports, 6 percent were for an incident that occurred prior to their arrival at USMA.

The increase in sexual assault reporting is a result of several deliberate steps USMA took to increase reporting. It is believed these steps are continuing to increase trust in the chain of command and response services.

Disappointingly, past year prevalence of unwanted sexual contact increased from 14.5 percent to 16.5 percent for female cadets and from 1.4 percent to 3.4 percent for male cadets over the previous academic year. This is unacceptable, and we will continue to engage leaders at all levels to inspire a culture of mutual respect, trust and personal commitment to the Army values. We are committed to eliminating sexual assault and fostering a culture of dignity and respect for every soldier.

USMA's approach to improving its culture is part of a long-term and deliberate effort through their leadership development system. West Point remains committed to providing relentless, persistent focus on character development, education, awareness, vigilance, and discipline.

Of those cadets who experienced unwanted sexual contact, 18 percent reported the incident-an increase from 15 percent in APY 15–16. I believe this is a strong indication that our cadets have trust and confidence in their leaders.

USMA is committed to a long-term environment of dignity and respect, and has begun engaging incoming classes this past year to provide them with training about the SHARP [sexual harassment assault response program] program, resources, policies and reporting options, in order to proactively address sexual violence.

For the Army as a whole, we are working from the bottom up by investing in first-line leaders through our "Not in My Squad" (NIMS) initiative, which began about 2 years ago. Research has determined that squad leaders have the greatest impact on units, the individual soldier and the organizational climate.

The NIMS initiative specifically focuses on empowering squad leaders and junior NCOs to build mutual trust and cohesion at the squad and team level. We want squad leaders to accept responsibility for the discipline and standards of their soldiers.

We've spread NIMS across the entire Army to our 27 ready and resilience campuses across our major installations. In the first quarter of 2019, we've conducted 17 workshops with research already showing a return on investment within our ranks. We will continue to invest in NIMS in order to capitalize on our progress toward ridding our Army of sexual assault and sexual harassment.

CREDENTIALING ASSISTANCE PROGRAM

Leveraging our Soldier for Life program has allowed the Army to continue attracting quality recruits by offering credentialing opportunities to earn licenses and certificates for technical training.

Through their Military Service, our soldiers become trusted and experienced professionals who rejoin their community with valuable employment skills following honorable service.

One of their resources to accomplish this is the Army Credentialing Program, which allows them to capitalize on training and development opportunities throughout their military careers.

Through this program, soldiers obtain industry-recognized credentials demonstrating individual competence that contributes to improved capabilities and readiness in our Army and local communities. It also empowers them to serve as ambassadors of the Army in those communities, promotes the hiring of Army veterans and inspires the next generation of soldiers.

The Army takes great pride in enhancing our soldiers' transition to civilian life through innovative ideas such as the Credentialing Limited User Test (LUT). As the first phase of implementation of credentialing assistance, Secretary Esper, based on my recommendation, recently directed a LUT for self-directed credentialing to occur during fiscal year 2019 at Fort Hood, Texas.

With assistance from Under Secretary of the Army Ryan McCarthy, this test began in the first quarter of fiscal year 2019 to validate processes and systems that will administer the program, gauge soldier demand, validate counselor training and forecast future requirements.

The credentials available, as vetted by Human Resources Command, are expected to have minimal pre-requisites or education requirements, will be valuable for post-service employment, and obtainable by enlisted soldiers in their first or second term of service. Currently, all soldiers at Fort Hood are eligible to participate, and there are no restrictions to participation based on rank or component.

Our Army Credentialing Assistance Program provides financial assistance for voluntary, off-duty training and education programs in support of a soldier's professional and personal self-development goals.

The requirements for eligibility and participation are almost identical to those for the Army's Tuition Assistance Program, and participation will be subject to approval by a soldier's chain of command.

Pending the success of the Credentialing Limited User Test, the Army is considering follow-on locations for additional testing, with implementation Army-wide as early as fiscal year 2020.

SOLDIER FOR LIFE

Our Soldier for Life initiatives are critical to the readiness of our Army. This is evident in the tremendous improvements to our transition assistance efforts. From

fiscal year 2010 through fiscal year 2012, the Army spent over $500 million a year on unemployment compensation, peaking in fiscal year 2011 at $515 million.

With a continued emphasis on our Soldier for Life and credentialing initiatives, we are currently at less than $100 million in unemployment compensation today. We've made significant investments in professional military education, academic equivalency, the Career Skills Program, individual skills initiatives, and partnerships with industry and academia. These combined efforts are directly linked to an increase in the individual readiness of our soldiers while increasing their opportunities for service after Military Service.

Our fundamental resolve moving forward is three-fold: develop the world's finest soldiers, enable them to become better citizens, and further strengthen our all-volunteer service. This is the true meaning of Soldier for Life. It means we value our soldiers' service to the Nation enough to ensure that America values their skills when they take off the uniform. I don't want to ask corporations in America to hire our soldiers. I want them knocking our doors down asking us.

FAMILY READINESS

On February 5, Secretary Esper announced a number of Army-wide updates to policies, based on feedback from the force, intended to improve quality of life and ease the burden on our soldiers and their families as they build financial readiness, PCS to and from their next assignments, secure childcare, and obtain many other critical support services.

Through an AUSA-hosted [Association of the United States Army] family forum, and a consolidated webpage, these changes were communicated in real-time to the force, allowing further input, and reaffirming our commitment to providing the best possible support to our people.

These initiatives include procedural changes to spouse employment, home-based businesses, childcare, the parental leave program, spouse credentialing, expansion of Family Readiness Group activities and events, the Exceptional Family Member Program (EFMP), the Total Army Sponsorship Program, and better accountability and quality assurance for the movement of household goods.

Childcare, in particular, is a significant issue, as it is our largest single investment in family programs. The Army is actively working to reduce civilian hiring times and improve the suitability background check and adjudication process for childcare providers, which will help fill vacancies for childcare providers where shortages have a substantial impact.

We have developed and implemented an assignments tools, which makes it easier for childcare providers to transition from one installation to another without having to go through the hiring and background check process again. We also have implemented a provisional hiring process, which allows us to more rapidly onboard applicants with no derogatory information in their FBI [Federal Bureau of Investigation] fingerprint check. We continue to make improvements in our adjudication timelines.

Additionally, Secretary Esper recently signed a memo directing closer management of space available patrons in Army childcare programs, which requires space available patrons to relinquish their childcare space within 30 days when a higher priority patron needs the space. We continue to look at innovative ways to maximize limited childcare capacity. We remain committed to doing all we can to meet our families' needs.

Lastly, the Army is analyzing data from housing surveys sent to families last month, and planning further improvements and significant investment to upgrade 100 percent of Army-owned family housing by the end of fiscal year 2026. Improving Army housing is a top priority for Army senior leaders, and we will remain transparent, as we continue to work with Congress and installation leadership to identify and address concerns.

We have a detailed plan to get all 190 families out of Q4 housing by 2021. Additionally, the Secretary and Chief have directed an environmental hazard screening in Army owned/leased/privatized housing.

They were also charged with consolidating and analyzing findings, and preparing a report of the results addressing concerns related to potential hazards.

The bottom line is, the Army is concerned, and will continue to take immediate actions to further protect our soldiers and their families. Their well-being is paramount, and we are committed to upholding health and safety standards on all of our installations.

PRESERVING BENEFITS AND FAMILY PROGRAMS

One of my biggest concerns is the potential diminishing of benefits and family programs as budgetary decisions are made about the Army's future.

As the Army continues to balance its priorities for lethality, readiness and modernization in a complex environment, we must remain vigilant and flexible to sustain the readiness of families and soldiers. We need Congress's support to fully fund soldier and family programs, and allow our commanders the adaptability to deliver specific programs for specific unit and geographical needs. It is of the utmost importance to not only keep faith with our soldiers, but their families as well, as Army families are the strength of our men and women who serve.

The unique challenges a military family faces requires us to invest and safeguard a wide variety of family programs to ensure their needs are met. In addition to the support from the Army, our local communities and businesses often provide additional services to our families to ensure that, together, we reduce stress on them.

CLOSING

As the Army continues to balance its priorities for lethality, readiness and modernization in a complex environment, we must remain vigilant and flexible in sustaining the readiness of our soldiers and their families. Family readiness is Army readiness, and remains an enduring priority for the Army.

It is critically important that we sustain our world-class soldier and family programs. They are a part of our commitment to our people and their quality of life. We must keep the impacts on them in mind as we make decisions about which people, services, programs and facilities to keep.

That said, we thank Congress for the fiscal year 2019 budget that permits us to continue to guide those changes, improve readiness and make an increased investment in our future Army. That investment starts with the bedrock of our Army—soldiers, their families, and Army civilians. With timely, sufficient, predictable funding, we can continue to build toward our readiness goals, and take care of our Total Army Family.

We are a standards-based organization accountable to Congress and the American people. The only acceptable outcome from our efforts will be a lethal, well-prepared, well-disciplined Army ready to carry out its mission.

I appreciate the opportunity to speak before you today, and I look forward to continuing our dialogue. *This We'll Defend. Army Strong.*

Senator TILLIS. Thank you.

Chief Smith.

STATEMENT OF MASTER CHIEF PETTY OFFICER RUSSELL L. SMITH, USN, MASTER CHIEF PETTY OFFICER OF THE NAVY

MCPON SMITH. Chairman Tillis, Ranking Member Gillibrand, and distinguished Members of this Subcommittee, I am honored to appear before you today on behalf of the dedicated sailors of the United States Navy who serve on our global away team to meet the national security objectives and defend American values and families from all walks of life. Congress is a critical enabler of our Navy team. Through consistent, steady funding, oversight, and support, you empower us to defend America.

Our National Defense Strategy is prominently a maritime one, and as such, our efforts are focused on preparing for the war at sea. The increasingly complex security environment is defined by challenges in the maritime domain, and the Navy the Nation Needs will be critical to our ability to maintain free and open use of the sea as our adversaries and near peer competitors become more of a global presence. We no longer have an expectation that we can operate throughout the world's oceans with impunity. We must become stronger, faster, and effectively build teams that will compete and win the high-end war fight, whether it is at a time and place of our choosing far from home or whether it is in defense of our Homeland closer.

While we have the most capable ships and leading-edge technology, our people remain the greatest advantage against determined adversaries. We must continue to strengthen their technical

competence and foster innovative thinking in our workforce. Through changes made to our Manpower, Personnel, Training and Education enterprise, we are leveraging modern technology and reimagining traditional processes to maximize efficiency and regain our competitive edge. This creates a more agile workforce prepared to prevail in the maritime battle space when necessary.

Attracting and retaining the best sailors is always difficult, as our best and brightest are just as attracted to the private sector. With an unemployment rate in our target demographic at a 50-year low, it exacerbates this challenge and requires continued flexibility and transparency in policies and practices, along with competitive options for compensation.

With regard to retention specifically, we have already implemented a number of important initiatives. We've enhanced our parental leave policy for Active Duty mothers and fathers. We've refined our dual-military co-location processes. We've expanded the Career Intermission Program and increased Active component/Reserve component permeability. This past year, we brought 1,162 reservists back to Active Duty in order to meet manning requirements.

We're focusing on positive behaviors through our four-star culture of excellence governance board, and amending the health and fitness programs that we have has resulted in a full 10 percent of our force moving into the "Excellent" or "Outstanding" categories on the semiannual PRT [Physical Readiness Test] program. These changes have already begun to improve the sailor experience and will find an even greater foothold when more robust information technology comes online as a part of the transformation.

The Chief of Naval Operations often says a stronger family equals a stronger fleet. Fleet and Family Readiness programs enable a resilient and lethal Navy force. We know that a family's quality of life and available services to sustain them are inextricably linked with the servicemember's retention. As we learn more about the challenges of Navy families and the experience in Public Private Venture housing, we are leaning in heavily. We will make 100 percent contact with sailors in government family and unaccompanied housing, and unit level leaders will visit all those who welcome assistance. We are resolved to ensure that sailors remain undistracted by living conditions that may adversely affect the health, safety, and well-being of their families.

Recognizing there is a generational difference in preferred means to communicate, we're leaning into new ways to collect feedback and disseminate information in the place that sailors and their families feel comfortable in. They're demonstrating a strong preference for tools and resources in the digital realm of mobile apps and social media platforms, so in addition to more traditional methods, we're encouraging leadership to engage via live-streaming town halls and other online mechanisms that often provide quicker responses and solutions.

Childcare remains a persistent critical readiness issue for the Navy. Many tend to categorize this as a women's issue, but we have single fathers, single mothers, and dual working couples, and it is more appropriately seen as a family issue. This is a nationwide challenge, but as the Navy has a dominant footprint in some

of the most severely impacted areas, we are the hardest hit, managing an approximate deficit of 8,000 spaces, nearly 54 percent of the overall DOD shortfall. We have expanded the hours and capacity of child development centers and are exploring partnership options in local communities in order to effect gains because we can't afford to lose talented sailors who might believe that the Navy is inconsistent with having a family.

Through sustained commitment to removing distractions, maturing our training and education initiatives, and increased focus on quality of life, we will ensure sailors are ready for the fight. The best ships, aircraft, and technology are of limited value without the best trained and capable sailors to operate and maintain them. Investing in personnel and the systems that sustain them will drive innovation and excellence while retaining our top talent.

We appreciate the efforts of Congress to ensure that we have all that we need to fight and win. We have and will continue to improve fleet readiness and retain our sailors and their families while remaining responsible stewards of the limited taxpayer resources you entrust to us.

Thank you for your steadfast support for the men and women of the United States Navy, and I look forward to your questions, sir.

[The prepared statement of Chief Smith follows:]

PREPARED STATEMENT BY MASTER CHIEF PETTY OFFICER RUSSELL SMITH

INTRODUCTION

Chairman Tillis, Ranking Member Gillibrand and distinguished Members of this Subcommittee, I am honored to appear before you today on behalf of the dedicated enlisted men and women of the United States Navy serving around the world in defense of our national security interests, American values and families from all walks of life. Congress is an integral part of our Navy team. Catalysts of our success through your unwavering support, you empower us to defend our Nation and our national security interests.

As outlined in the 2018 National Defense Strategy, our efforts are centered on preparing for the war at sea. The increasingly complex security environment is defined by challenges in the maritime domain. The Navy the Nation needs demands much in this era of great power competition; we must become stronger, faster and effectively build teams who will compete and win any high-end warfight.

It is crucial we make the shift from bureaucratic roadblocks to innovation highways. Harvesting modern ideas means reimagining traditional workflows to maximize efficiency, leveraging ideas that will give us a competitive edge, and developing a more agile workforce empowered to achieve excellence in everything we do and prevailing in the maritime battlespace when necessary. We must minimize distractions, keeping sailors laser-focused on maintaining our superiority and deterring emerging global threats.

While we have the most capable ships and leading-edge technology, our people have been, and will always be, our greatest advantage against determined adversaries. We must continue to strengthen their technical competence and foster the innovative thinking in our enlisted workforce.

RECRUIT

We strive to recruit the best qualified young Americans, who are interested in pursuing meaningful and altruistic service that benefits our Navy and our Nation. As President John F. Kennedy once said "I can imagine no more rewarding a career and any man who may be asked in this century what he did to make his life worthwhile, I think can respond with a good deal of pride and satisfaction: 'I served in the United States Navy'."

For those who desire to be a part of this longstanding and exceptional tradition, they will find a career characterized by creativity and the strength that comes from working as part of a unified team, dedicated to preserving our freedom.

There are many brave men and women in our communities across America who answer that noble calling even after 17 years of war. In fiscal year 2018, we were successful in achieving 100 percent of Active component (AC) accession goal, which we have met for 137 consecutive months; however, we fell short in our Reserve component (RC) accessions. Our record AC retention this year increased the challenge of recruiting prior service sailors, as there were fewer eligible personnel separating from Active Duty available to affiliate as reservists.

We must continue to recruit talented Americans who are ready to work hard in a demanding field, solve problems, overcome challenges and be empowered to make our Navy a stronger combat ready force. Accordingly, Navy has been working to improve the efficiency and effectiveness of our recruiting organization through realignment, transformation, workforce improvements and policy reform. We are streamlining processes and have established the most efficient marketing and advertising campaign in Navy's history under our new brand "Forged by the Sea." Digital prospecting allows recruiters to leverage messaging tools on the Navy.com website and other social media, increasing the number of recruiting prospects, and reaching diverse markets, while lowering costs-per-lead.

TRAIN

To properly and effectively train the finest sailors in the world, it is of grave importance that our training facilities are the finest in the world.

Additionally, success is directly reliant on providing the precise training at the right and appropriate time, strategically and intermittently throughout a sailor's career. Many skills and knowledge bases atrophy over time when they're not properly maintained through rigorous training and continuous use. Through our Sailor 2025 initiative, Ready Relevant Learning (RRL), we are developing a career long learning continuum to provide the right training at the right time, delivered via modern methods, to enable faster learning and better knowledge retention at multiple points throughout a career. This will help transform our industrial age, assembly line training model into a modern one that ensures our content takes into account evolving technologies.

In addition to focusing on technical training, it is imperative that we continue to hone in on building competence and character through the Enlisted Leader Development Framework. We must forge leaders of strong character, earlier and faster, to build winning teams that will prevail over our adversaries in any environment. Navy is demonstrating a deliberate commitment to grow our sailors personally and professionally throughout their careers. For our enlisted sailors, we have designed a series of formal courses throughout the career continuum. The courses are short duration, high impact adult learning experiences which focus on character, ethics, leadership, the profession of arms, self-awareness, and decision making. Every sailor must be prepared to fight and win. The training, encouragement, empowerment and confidence instilled in them beginning with early days in boot camp will ensure their success. Our E–3s should be smarter, stronger, and more capable than the O–3s of our adversaries.

Investing in training infrastructures, RRL, and cultivating stronger naval leaders will ensure that Navy maintains an enduring competitive advantage over any adversary. Serving in our Navy comes with risk and is inherently dangerous. We must do everything within our resources and constraints to properly arm and train our sailors, so they are well-equipped mentally, physically and emotionally.

A 2017 comprehensive review of basic military training determined that firefighting and damage control training is inadequate. The review recommended that boot camp, a centralized location through which all enlisted sailors must pass, provide Navy Level I Basic Damage Control and Firefighting Certifications. Every sailor must be versed in damage control and firefighting. Each sailor must know how to save their ship, their shipmates and themselves in times of peril. Before reporting to their first ship, every sailor must have experienced rushing water entering a compartment in order to have some concept of what that is like, as well as know what they are going to do about it. This fundamental requirement demands that we upgrade existing facilities. Consolidating training for these skills at boot camp will provide a solid return on investment, in saved lives alone, to justify the expense. Conversely, failing to make this investment in training, will inevitably cost lives. We cannot, in good conscience, allow the dedicated men and women who selflessly volunteer to serve our Nation to go to sea without first preparing them with the very best training available. Funding these facilities is an investment that will not only save lives, but will be the difference between winning or losing in major combat operations at sea. The only thing more expensive than fighting a war is losing a war.

RETAIN

The Navy the Nation needs is on a path to grow to 355 ships, but recruiting alone won't be enough to sustain our ranks and safeguard our Navy as a superior combat-credible maritime force. We are at a strategic crossroad in which we need to think about how we conduct business to retain the best and brightest while inspiring all sailors to seek their maximum potential.

While the Navy succeeded in increasing retention across all pay grades in fiscal year 2018, in fact the highest rates seen over the last decade, we will experience some challenges ahead, particularly in the nuclear field, special warfare, advanced electronics, aviation maintenance and information technology communities. This has required focused retention efforts, to include targeted re-enlistment bonuses, to keep their talent and unique skills on our team.

When evaluating retention, it is imperative to assess the reasons why sailors choose to stay or leave the Navy. The data we've collected, primarily from E–1 to E–6 sailors with less than 15 years of service, indicates that work-life balance, leadership, command climate, impact on family, and civilian job opportunities were the top five influencers to leave the Navy. The top influencers to stay in the Navy included medical/dental benefits, monetary compensation and retirement, housing and promotion opportunities, and other benefits such as leave, education and the commissary.

One of the best programs we currently have to increase retention is the Meritorious Advancement Program (MAP), which empowers our top performer with a deserved promotion to the next pay grade. This program identifies talent and ensures we are incentivizing our most capable sailors to continue to serve on the Navy team—keeping their expertise and experience in our ranks. This program empowers commanding officers to recognize, promote and ultimately retain their best sailors, once they are ready to assume greater levels of leadership and responsibility.

FUTURE OF THE FORCE (SAILOR 2025)

Attracting and retaining the best sailors in an increasingly competitive talent market requires continued flexibility and transparency in policies and practices. Sailor 2025 is the Navy's program to improve and modernize personnel management, training policies, and systems to more effectively identify, recruit, and train talented people to better manage the force while improving warfighting readiness.

The modern information technology (IT) infrastructure we are building will improve how we recruit, train, and retain talent as well as assign talent and provide competitive compensation packages. This system will provide the kind of flexibility and permeability our sailors expect and deserve.

We have already implemented a number of important initiatives, to include enhancing our parental leave program, changing our dual military colocation policy, expanding the Career Intermission Pilot Program, strengthening advocacy and health and fitness programs across the force, as well as expanding the hours and capacity of Child Development Centers.

These initiatives effectively allow us to recruit, develop, manage, reward and retain talent in our force. Many administrative systems and programs were outdated, overly bureaucratic, and riddled with administrative distractions that took time away from warfighters—keeping them tied up with overly complicated processes instead of focused on training and getting the job done in order to allow them to better manage work-life balance.

Today's sailors are technically savvy, eager to see our systems evolve on pace with industry standards. The expectation is that they should be able to handle their personal administration in the same secure manner in which they currently conduct banking from a mobile phone. Their time is too valuable to be spent in line waiting to conduct transactions that can be routinely accomplished from their smartphones. Just as our platforms and weapon systems have evolved, so must our personnel systems by using cutting edge technologies and new policies and procedures outlined in our Sailor 2025 initiatives. This as an investment in our future, our sailors, and the manner in which we push them to strive for innovation.

Most importantly, these efforts return time and opportunity to the deck plates, allowing leaders to focus on tactical skills and warfighting readiness. Under Sailor 2025, we are empowering our sailors.

FAMILIES

As the Chief of Naval Operations says, "a stronger family equals a stronger fleet." Fleet and Family Readiness programs enable a ready and lethal Navy force, as it builds sailor and family member resilience. Recent studies show that family mem-

ber's quality of life and services provided to sustain them are directly linked with servicemember retention. We are in the second year of executing the Chief of Naval Operations' Navy Family Framework, which reinforces the importance of the role Navy families play in mission success. In 2018, we conducted spouse engagement sessions worldwide, and in 2019 we will roll out a new consolidated source of official information—a mobile app—on support services, resources, and training currently available to Navy families, which gives them tools to successfully navigate the challenges associated with the military lifestyle.

In recent engagements with sailors one common theme that arises is accessibility of available, affordable and quality childcare. Lack of available and affordable childcare is a national issue for our generation; for our Navy, it is a critical readiness issue. Our Navy team must remain vigilant and strong to effectively preserve America's strategic influence and interests around the world. Sailors must be prepared to "fight tonight," constantly ready when we least expect it. We must drill harder and more frequently—for it is sets and reps that will build the muscle memory that ensures overwhelming victory in combat. Our Navy simply cannot afford to lose valuable training hours because of worry and uncertainty over whether their children are in a secure, safe and comfortable setting. We also can't afford to lose talented sailors who decide, as some have already done, that the Navy is incompatible with having a family. Sailors provide security for all Americans by protecting the Homeland 24/7, and in return, we owe it to them to ensure their own families are taken care of, allowing them to focus on the mission at hand.

Over the past decade, Navy has added 7,000 childcare spaces, opened five new 24/7 Child Development Centers in Norfolk, San Diego, and Hawaii; and, where there is a need, extended operating hours from 12 to 14 hours per day; however, sailor demand for childcare exceeds Navy's current 44,000 childcare spaces. Today, there are over 8,000 children waiting for DOD-provided childcare, and the Navy accounts for 54 percent of the overall DOD shortfall. Approximately 2,000 children have been on a waiting list for over 6 months, some waiting well over a year. Waiting lists are predominately in our high-cost waterfront cities and fleet concentration areas in California, Virginia, Hawaii, Washington, and the National Capital Region.

The challenges facing our sailors needing affordable and quality childcare mirror challenges facing other American families. In 19 states where the majority of our Navy demand resides, there is a cumulative shortfall of 1.4 million childcare spaces, according to Child Care Aware of America. Across the United States, the most common childcare arrangement for working parents is through a family member. However, that is not an option for most sailors, who do not reside near extended family and, therefore, unable to rely on family members to help with childcare.

For sailors able to find childcare in the community, affordability is a significant challenge, with care costing upwards of 25 percent of total family income. According to the U.S. Department of Health and Human Services, under the current standard for childcare affordability, families should be paying less than seven percent of household income to cover the costs of childcare.

We are tirelessly working through various options to address the childcare needs of sailors and their families, so they can focus on mission accomplishment. Navy will continue actively seeking public/private partnerships in Fleet concentration areas to increase accessibility of affordable childcare that will benefit both sailors and the local community. We look forward to reporting our progress and appreciate your continuing support and partnership with this critical personnel issue.

Relocating to where our Navy and our Nation needs us is an inherent part of service in the U.S. Navy. While a permanent change of station can be difficult, it can also be full of new opportunities for growth for our families, as it pushes us to move past our comfort zones and embrace new cultures and communities. Nevertheless, it doesn't diminish the stress brought on by the major life changes and logistical challenges associated with the move. In 2018, the Navy tested a pilot in which sailors were afforded the opportunity to take charge of their move as part of an effort to empower them, reduce bureaucratic burdens, and give them the flexibility to execute the move in the manner that works best for their respective families. Instead of relying on a one-size fits all contract move, the test group of 120 sailors was given the opportunity to use government travel credit cards, which they previously were not allowed. This approach greatly benefited these sailors, because it alleviated the tremendous burden of having to pay thousands of dollars in moving expenses out-of-pocket until reimbursement claims could be settled. Navy is the only branch not currently providing this option to our families. We know we are behind the curve in this facet of family readiness and support and we are working to implement a pragmatic and resourceful approach to this issue that affects the quality of life and readiness of Navy families.

Additionally, we are developing plans for implementing reimbursement of spouse licensure fees Congress enacted in the fiscal year 2018 NDAA. Our Navy spouses should not have to put their own careers on the backburner, and we look forward to enhancing the ease with which they may continue working in the new communities into which they relocate incident to a Permanent Change of Station move. We ask for your support in incentivizing licensure and reciprocity across state lines for our military spouses. With your help, we can provide more opportunities for them to work in the communities their families are stationed in. Many have valuable knowledge and experience in educational, medical, and childcare fields. As it stands now, there are 39 states that support the transfer of teaching credentials. We would greatly appreciate and benefit from any assistance you can provide in encouraging your states to support these initiatives. Otherwise, we risk losing valuable expertise if sailors leave our team, as many have cited on exit surveys, to find better opportunities elsewhere for their families.

CONCLUSION

As we continue evolving in this era of great power competition, we recognize that we once again may experience major maritime battles comparable to those of World War II. Adversaries are committing resources in the latest technologies, platforms and weapon systems in the maritime domain, threatening our national security interests around the globe in an unprecedented manner.

Through sustained commitment and continued investment in removing distractions and improving training and quality of life, we will ensure our greatest advantage against any adversary—our sailors—are ready for any fight. The best ships, aircraft, and technology are of limited value without the best trained and most capable men and women to operate them. Investing in personnel and the systems that sustain them will not only drive innovation and excellence, while ensuring our ability to recruit and retain America's top talent to serve in our Navy.

We appreciate the continuing efforts of Congress to ensure we have all that we need to fight and win. We have and will continue to improve the fleet readiness and retain our sailors and their families, while remaining responsible stewards of taxpayer resources. Thank you for your steadfast support for the men and women of the United States Navy.

Senator TILLIS. Thank you.

Chief Wright.

STATEMENT OF CHIEF MASTER SERGEANT KALETH O. WRIGHT, USAF, CHIEF MASTER SERGEANT OF THE AIR FORCE

CMSAF WRIGHT. Chairman Tillis, Ranking Member Gillibrand, and distinguished Members of this Subcommittee, thank you for your support and interest in our servicemen and servicewomen. It's truly an honor for me to address you on their behalf today. While my wife Tonya, a 20-year veteran herself, is unable to be here today, I am joined today by Command Chief Master Sergeant for the Air Force Reserve Command Ericka Kelly and her successor, Chief Master Sergeant Tim White.

In the past 2 years, collectively, we have visited thousands of airmen and family members. These visits reinforce the fact that Air Force readiness and our airmen are inextricably linked. Recruiting the best airmen for the Air Force we need, training and retaining the airmen of today, and ensuring our airmen and their families are taken care of directly impacts readiness. Providing airmen with developmental opportunities allows us to enhance readiness cohesion and combat effectiveness. Remaining fully committed to sexual assault prevention and providing better care, recovery, and judicial advocacy for victims who report sexual violence, mixed with a dedicated strategy to reduce suicide rates, ensures we place dignity, respect, and the health and wellness of all airmen as our priority.

A significant component to the quality of life of airmen is access to quality housing. The health and safety of our airmen and their

families is our priority, and we share their concerns when we detect instances where housing objectives are not being met. When there are challenges, Air Force leaders, we own it. We intervene with the project owners, advocate for our residents, and support installation commanders in our mission to take care of airmen and their families.

We rely on and are grateful for your efforts, actions, and legislation to protect and support our servicemembers. We welcome your visits to see firsthand the talent and dedication of our airmen and families. Thank you again for your time today, and I look forward to your questions.

[The prepared statement of Chief Wright follows:]

PREPARED STATEMENT BY CHIEF MASTER SERGEANT KALETH O. WRIGHT

INTRODUCTION

Chairman Tillis, Ranking Member Gillibrand and the Members of this Subcommittee, it is an honor to address you, express our airmen's needs, and offer their appreciation for your support. Our airmen and their families are the key to our success and understand the freedoms we guard are not just our own. They've made a choice to do something purposeful and it is our duty to take care of them as they take care of the mission.

Our airmen are our most important asset. Increasing our end strength allows the Air Force to better meet the warfighting demands of today and tomorrow.

Readiness and airmen are inextricably linked. Recruiting the best airmen for the Air Force we need, training and retaining the airmen of today, and ensuring our airmen and their families are taken care of directly impacts readiness. Providing airmen with developmental opportunities allows us to enhance readiness, cohesion and combat effectiveness. Remaining fully committed to sexual assault prevention and providing better care, recovery and judicial advocacy for victims who report sexual violence, mixed with a dedicated strategy to reduce suicide rates, ensures we place dignity, respect, and the health and wellness of all airmen as our priority. We rely on and are grateful for your efforts and legislation to protect and support our servicemembers. We welcome your visits to see first-hand the talent and dedication of our airmen and families.

TOTAL FORCE END STRENGTH

In order to meet mission requirements established in the NDS [National Defense Strategy], the Air Force must increase our total force end strength. This growth directly improves readiness and lethality by increasing personnel to our squadrons. It also provides the manning necessary to continue readiness improvements, increasing airmen in operations and maintenance; intelligence, surveillance and reconnaissance; special operations forces; space and cyber. This is imperative to supporting modernization efforts, providing needed manning to build and sustain KC–46 and F–35 programs and B–21 research and development workforce. Discontinuing end strength growth now will force us to accept risk to mission priorities and perpetuating an environment of hollowed out units.

RECRUITING AND RETENTION

The Air Force is on track to meet its Active Duty enlisted accession goals of 32,050 non-prior service enlisted airmen for fiscal year 2019. With an improving economy, the Air Force faces tough competition for recruits, especially those with highly technical or unique skills and capabilities. We must continue to attract the highest caliber applicants to meet myriad mission needs, especially for evolving cyber and space and critical high-demand/low-density special warfare career fields.

We have taken a multi-pronged approach to bolster recruiting efforts. First, we increased total force Tier 1 enlisted accession recruiters by 150 over 4 years, bringing our total to 1,300. Next, we increased our recruiting budget to $95 million with $40 million earmarked for advertising and marketing. Finally, we established a recruiting squadron focused specifically on special warfare, EOD [explosive ordinance disposal] and survival, evasion, resistance and escape airmen, enhancing pre-accession development training for career fields with historically high training attrition rates.

Once we have recruited and trained the airmen we need, we have to ensure we work to retain them. A high demand for technical skills and continuously high operational tempo, mixed with a strong economy, burdens Air Force retention.

One of the most successful ways we retain airmen is through monetary incentives. To ensure the continuous health of career fields stressed due to low manning or with skillsets critical to the mission, we offer selective retention bonuses (SRBs) to maintain capability and capacity. SRBs are based on specialty manning, retention trends and training costs, and are reviewed bi-annually to meet changing requirements. The goal remains to be most economical while still achieving desired retention results. The most recent SRB list targets 115 of our 196 enlisted specialties.

We are keenly aware that monetary incentives are just one part of our retention portfolio. Quality of life, education benefits, and potential for future growth and development also strongly influence retention.

DEVELOPING EXCEPTIONAL LEADERS AND TALENT MANAGEMENT

One way the Air Force must continue to capitalize on the talent of our airmen is through the continued improvement of its force development processes. Through that lens, we've worked with our joint partners on several development programs. Focused on improving leadership and management these programs are designed to produce airmen with tactical expertise, operational competence, and strategic vision to lead and execute Air Force and joint missions.

The first program we are executing is a senior leader development portfolio emphasizing the continued development of enterprise-level senior leaders. This is managed by specific enlisted, officer and civilian management teams with a development portfolio comprised of approximately 35 tailored courses and development opportunities annually. We continue to examine Professional Military Education to improve how we develop leaders capable of critical and strategic thought and clear communication who are adept in the art and science of warfighting.

Next, we are adding flexibility into the assignments process by leveraging technology to improve our assignment matching system. After researching industry-best practices, we implemented an information technology solution known as "Talent Marketplace" (TM). TM uses algorithms to match airmen to assignments, taking into account member assignment preferences and hiring manager desired criteria to produce a match. TM provides a "scientific" starting point, allowing assignment teams to apply the "art" to finalize the process. This two-pronged approach of "science" and "art" adds transparency to the process, allowing for better talent management. As funding allows, we will continue to bring all officer and enlisted skill sets into the TM program.

HUMAN RESOURCE MANAGEMENT INFORMATION TECHNOLOGY REFORM

The Air Force is modernizing the information technology (IT) infrastructure across its human resources systems. To improve these systems, our efforts are focused on providing airmen a modern cloud-based, mobile-enabled, self-service digital platform. The way forward requires analyzing the Human Resource Management Information Technology portfolio of 115 talent management platforms and 400+ applications. The foundation of this effort is the transition to cloud-based services, enhancing privacy information security.

One example of evolving human resources IT capabilities supporting airmen is via MyVector, a web-based development platform. MyVector underpins force development, allowing airmen to be actively involved in their career development process. We are posturing the platform to accomplish officer developmental education boards, enlisted deliberate development, and foreign language proficiency tracking capabilities, modernizing TM options. More than 238,600 airmen are registered on MyVector and more than 48,700 airmen have matched mentoring connections.

Another example of modernizing IT platforms is through the Air Force Integrated Personnel and Pay System (AFIPPS). This program will enhance our personnel system for the Active, Reserve and Guard by integrating payroll. Our strategy has greatly reduced the life cycle cost estimate of the program from $1.8 billion to $0.7 billion. It has dramatically reduced risk by using our existing Oracle platforms, established system infrastructure and trained workforce. Once complete in January 2021, we will have a fully integrated personnel and pay system that meets all federal audit compliances and resolves pay issues airmen currently experience.

PERFORMANCE MANAGEMENT

Cultivating workforce talent is a priority through the deliberate and continuous processed we use to strengthen the capabilities, readiness, and professionalism of our force. We recently completed the first Enlisted Evaluation System (EES) tri-

ennial review since transitioning to a new system in 2015. The review centered around answering two strategic questions: 1) "How do we get the best from our Airmen so they can give their best to mission accomplishment?" and 2) "Are there any alternative performance management models available other than Forced Distribution for promotion recommendations?" Initiatives include re-examining what we value in documenting feedback, transforming evaluations to better document performance, developing an evaluation and encouraging more candid feedback. Senior leaders use these recommendations as a baseline to ensure our EES reinforces development and feedback for airmen.

COMPENSATION

To retain the career airmen we need, we must retain families as well. The continued service of career airmen is a family decision. To take care of airmen, we rely on protections for current compensation with stable, predictable funding moving forward.

One of the means by which we do this is through enhanced quality of life, which starts with relevant, predictable Basic Allowance for Housing (BAH). The Services supported the proposal to gradually slow annual BAH increases by 5 percent over 5 years until 2019, with rates covering 95 percent of rental and utilities costs. The actual impact of the changes to BAH computations varies depending on a member's housing choices. Members who rent a median-priced property will pay a small amount above their BAH rate while those who choose to economize their housing choices may have all housing expenses covered by BAH. airmen remain free to choose the situations best suited to them but rely on predictable, reliable allowances when making the best decisions for their families.

One of the most wide-reaching, significant changes to military compensation over the past 70 years was the implementation of the Blended Retirement System (BRS). As part of the overall military compensation package, BRS extends retirement savings options to the 81 percent of servicemembers who historically have received no DOD retirement benefits. Approximately 75,000 total force airmen opted into the BRS last year—29.8 percent of the ReAF [Regular Air Force], 11.5 percent of the Reserve, and 11.5 percent of the Guard who were in the eligible enrollment window. An additional 23,000 airmen were automatically enrolled upon entering service, for a total of approximately 98,000 airmen enrolled in BRS as of the end of 2018.

PRIVATIZED HOUSING

A significant component to the quality of life of airmen is access to quality housing. The health and safety of our airmen and their families is our priority and we share their concerns when we detect instances where housing objectives are not being met. When there are challenges, Air Force leaders own it. We intervene with the project owners, advocate for our residents, and support installation commanders in our mission to take care of airmen and their families.

Currently, the Air Force provides 53,237 family housing units at 63 installations. We're focused on overseeing long-term project health and sustainment of these projects, focused on providing quality housing for our airmen, but know privatized housing is not without issues.

The number one concern plaguing Air Force privatized housing is mold, particularly in perennial high-humidity climates. Environmental mold spores grow readily when the right moisture conditions are present and even the best facility designs cannot eliminate the risk. However, we have identified three installations where facility design, construction, or materials are key contributors to mold growth in 1,667 homes (3.1 percent of privatized homes): Tinker Air Force Base (AFB), OK, Keesler AFB, MS, and MacDill AFB, FL. Roughly 76 percent of these homes were conveyed to housing privatization projects from the government's inventory.

At Tinker AFB, 398 homes constructed from 2009 to 2012 by the project owner, Balfour Beatty Communities (BBC), experienced mold issues. In June 2018, BBC also discovered roughly 200 newly constructed homes were experiencing moisture problems in mechanical rooms resulting in mold growth. With direction from the Air Force, BBC remediated the mold. Furthermore, BBC hired a third-party engineering firm to assess mechanical room heating, ventilation, and air conditioning systems to determine the causes of moisture issues and recommend further corrective actions. The estimated completion date is May 2019.

At Keesler AFB, the Air Force conveyed 1,028 homes built by Hunt Companies in 2010 to Forest City Military Communities (FCMC) in 2011. Poor workmanship in the air conditioning systems and building envelopes resulted in condensation. FCMC treated mold as it occurred while seeking remedies from Hunt Construction. In 2015, Hunt Military Communities purchased the project from FCMC and the Air

Force insisted on a mold remediation settlement as a condition of sale. The settlement required Hunt to correct construction defects within the scope of the original construction contract, representing a $6.4 million exposure to Hunt Companies. The Air Force worked with Hunt on a multi-phased Moisture Remediation Plan with an estimated completion date of June 2020. Hunt Communities has completed the test pilot and immediate response phases, and the first of three stages of the sustainment phase. All 1,028 units have received some work. Stage Two of the sustainment phase is 33 percent complete and involves 255 units.

At MacDill AFB, 241 units previously built for the Air Force were conveyed to Clark/Harbor Bay. Due to breaches in or lack of a vapor barrier, systemic moisture issues were present in these units. The project owner treated the mold while designing projects and plans to correct the underlying cause. In 2017, 94 units were reclad at a cost of $3.7 million. In 2018, interstitial spaces and stucco repairs were executed, dehumidifiers were added to homes where the air conditioning units were not controlling moisture adequately on their own, and 19 homes were treated for mold growth. This year, an additional 68 units will be reclad.

At all three installations, the project owners have taken steps to correct underlying causes. But, corrections have not been as quick as we would like, and there have been instances where the project owner's response has lacked the urgency we would expect. Air Force leaders have engaged with project owners, withheld performance incentive fees, and implemented corrective action plans to address underperformance and inadequate oversight.

While we remain concerned with issues in small pockets of our housing inventory, we believe military housing privatization has been generally successful in providing quality communities for airmen. This is evidenced by a 2017 customer satisfaction survey, conducted by a third-party agency, which returned ratings of "Very Good" (81.8 percent) with military occupancy rates of 90 percent across the Air Force. As with any housing portfolio of this size and scope, we have challenges but actively working with project owners, residents, and installation commanders to find resolutions.

SEXUAL ASSAULT PREVENTION AND RESPONSE

The Air Force remains fully committed to Sexual Assault Prevention and Response (SAPR) and advanced assault prevention and response capabilities. We continue to build upon our SAPR efforts. Recently, the Air Force approved 12 strategies that fall into three categories (immediate, mid-range, and long-term) to improve response, provide better care, recovery, and judicial advocacy for victims.

IMMEDIATE

1. Build a continuous Quality Assurance system for persistent external assessment of SAPR response capabilities;
2. Special Interest Item conducted by the Inspector General on SAPR response procedures;
3. Provide commanders with common operating picture to plan and execute local strategy;
4. Continuously report military justice outcomes and adjudication AF-wide, including Nonjudicial Punishments (publicly);

MID-RANGE

5. Re-evaluate Family Advocacy & Sexual Assault Response Coordinator roles and responsibilities for victim response procedures;
6. Ensure privacy controls for access & utilization of victims' mental health records (via legislative process);
7. Increase commander decision time for expedited transfers to pursue best assignment option for victims;
8. Increase commanders and supervisors knowledge, skills, abilities in managing the neurobiology of trauma
9. Develop multifunctional victim support technology platform

LONG RANGE

10. Improve investigative and legal process timelines
11. Allow adult victims to testify via video to increase likelihood of reporting
12. Provide victims more control and alternatives in reporting options

Additionally, we are leveraging approaches to prevent and reduce power-based personal violence such as partner violence, rape or sexual assault, stalking or uses of force, threat, intimidation, or harassment. We enhanced our response system through accountability, transparency, and senior leader oversight to continue shrinking the gap between prevalence and reporting. Prevalence data is culled from anonymous surveys conducted bi-annually. While we are still compiling data from the 2018 report, 2016 data shows that while 1,455 Active Duty airmen provided either a restricted or unrestricted report of sexual assault. Additionally, 2,450 respondents reported having been victim to some form of sexual assault or abusive contact.

Workplace Gender Relations Survey data from 2016 reflects prevalence is decreasing while sexual assault reporting is steadily increasing. This is a positive step, as assaults are decreasing while victim confidence in reporting is increasing. But our standard remains "zero tolerance" for sexual assaults. We do not tolerate an increase in the prevalence of sexual assault and continue work to promote a safe environment, holding accountable those who commit sexual assault.

We recognize that without dedicated prevention efforts, sexual assault will remain an issue no matter how robust our response system. We also recognize that if an assault does occur, the long-term well-being of the victim must be forefront in our efforts.

SUICIDE PREVENTION

Suicide prevention remains a priority at all levels. We are pursuing 11 suicide prevention goals and initiatives aimed at decreasing suicide rates by 50 percent over 5 years with an end goal to drive rates to as close to zero as possible.

1. *Leadership involvement:* Air Force leaders actively support the entire spectrum of suicide prevention initiatives in the Air Force community. Regular messages senior leaders and commanders motivate the community to fully engage in suicide prevention efforts.
2. *Addressing suicide prevention through professional military education:* Suicide prevention education is included in all formal military training.
3. *Guidelines for commanders on use of mental health services:* Commanders receive training on how and when to use mental health services and in encouraging early help-seeking behavior.
4. *Community preventive services:* Community prevention efforts carry more impact than treating individual patients singly. The Medical Expense and Performance Reporting System was updated to effectively track and encourage prevention activities.
5. *Community education and training:* Annual suicide prevention training is provided for all military and civilian employees in the Air Force.
6. *Investigative interview policy:* The period following an arrest or investigative interview is a high-risk time for suicide. Following any investigative interview, the investigator is required to "hand off" the individual directly to the commander, first sergeant, or supervisor. The unit representative is then responsible for assessing the individual's emotional state and contacting a mental health provider if any question about the possibility of suicide exists.
7. *Trauma stress response:* Trauma stress response teams were established worldwide to respond to traumatic incidents such as terrorist attacks, serious accidents, or suicide. These teams help personnel and their families deal with the emotions they experience in reaction to traumatic incidents.
8. *Integrated Delivery System (IDS) and Community Action Information Board (CAIB):* At the Air Force, major command, and base levels, CAIB and IDS provide a forum for cross-organizational review and resolution of individual, family, and community issues impacting the force readiness the quality of life. The IDS and CAIB help coordinate the activities of the various base helping agencies to achieve a synergistic impact on community problems and reduce suicide risk.
9. *Limited Privilege Suicide Prevention Program:* Patients at risk for suicide are afforded increased confidentiality when seen by mental health providers (Limited Privilege Suicide Prevention Program). Additionally, Limited Patient-Psychotherapist Privilege was established in 1999, limiting the release of patient information to legal authorities during UCMJ [Uniform Code of Military Justice] proceedings.
10. *IDS Consultation Assessment Tool:* The IDS Consultation Assessment Tool allows commanders to assess strengths and identify vulnerable areas. Com-

manders can collaborate with IDS consultants to design interventions to support the health and welfare of their personnel.

11. *Suicide Event Surveillance System:* Information on all Air Force suicides and suicide attempts are in a central database that tracks suicide events, facilitating potential suicidal risk factor analysis.

For calendar year 2017, Air Force suicide rates per 100,000 were at 19.5, slightly below the DOD average of 21.9 and demographically matched to U.S. rates. Our suicide rates increased between 2009 and 2015, from 12.5 per 100,000 to 20.0 per 100,000, and then plateaued between 2014 and 2018, remaining at about 19.0 per 100,000 for all 3 years.

One program we're currently testing to bring resources closer to airmen and drive a culture that affects, embraces, and drives help-seeking behavior is Task Force True North (TFTN), currently available at four bases: Minot AFB, ND; Beale AFB, CA; Whiteman AFB, MO; and Joint Base Elmendorf-Richardson, AK. TFTN is comprised of three primary elements: engaging airmen and families early; normalizing help-seeking behavior as a strength; and a decentralized push for help, meeting airmen where they are, at the unit level.

Under TFTN, units have mandatory sponsorship programs and dedicated onboarding programs to engage airmen upon arrival, ensuring their assignment begins with positive leadership interaction. Additionally, leaders are now using a squadron commander risk and protective factor analysis tool, developed in partnership with New York University (NYU). This tool, called NORTH STAR, uses anonymous surveys feedback to identify issues like suicidality, alcohol misuse and domestic partner abuse. Leadership teams use results to work directly with psychologists from NYU to the issues and build an intervention plan that provides the airmen with self-help tools like articles, resources or smart phone apps they can use to seek help or enhance coping skills. Feedback is anonymous so commanders provide tools to the entire unit, not targeting any one person.

We have also embedded mental health providers with duties at the squadron-level. We developed group-level dedicated religious support teams to provide support directly to airmen. Both were enacted to directly target a range of conditions affecting airmen's mental, social, and spiritual comprehensive fitness. Early results show TFTN improves mission readiness by enhancing airman and family well-being, decreasing negative outcomes such as suicide, sexual and domestic or workplace violence, and optimizing human performance. Data gathered during the beta test phase will inform decisions regarding a possible total force scale up.

CONCLUSION

Chairman Tillis, Ranking Member Gillibrand and Members of this Subcommittee, thank you again for this opportunity to represent our incredible airmen and their families. Your airmen, supported by some of the strongest families our Nation will ever know, stand ready. They fully understand the joint force depends on their ability to employ and enable airpower around the world.

We must ensure our airmen have the resources, training and tools to compete, deter, and win in an ever increasingly complex security environment. Resilient and ready airmen, military and civilian, are the foundation of the Air Force's readiness and lethality. Your Air Force remains "Always There" providing global vigilance, reach, and power to protect and defend our Nation. We are committed to prioritizing and resourcing what is most important and look forward to partnering with Congress in our endeavors to protect and defend our Nation. We thank you for your continuing support of your Air Force.

Senator TILLIS. Thank you.

Sergeant Major Green.

STATEMENT OF MAJOR RONALD L. GREEN, USMC, SERGEANT MAJOR OF THE MARINE CORPS

SgtMaj GREEN. Chairman Tillis, Ranking Member Gillibrand, and distinguished Members of the Subcommittee, thank you for the opportunity to appear before you on behalf of all the men and women of your Marine Corps.

Taking care of marines and families is a vital component of our overall readiness and of combat effectiveness. We recognize that in order to maintain our great history of being the Nation's expedi-

tionary force in readiness, we must recruit high-quality men and women to serve in our corps. To meet future challenges, it is imperative that we maintain our high standards to ensure—[turns mic on]—when we heed your call.

Senator TILLIS. Hold on. Just for the record, I could have sworn your mic was on beforehand.

[Laughter.]

SgtMaj GREEN. Should I start over, sir, or should I keep going?

[Laughter.]

SgtMaj GREEN. We recognize that in order to maintain our great history of being the Nation's expeditionary readiness force, we must recruit high-quality men and women to serve in our corps. To meet future challenges, it is imperative that we maintain our high standards and ensure that our force in readiness is ready when we heed your call.

Whether a marine intends to serve one tour or retire from the Marine Corps, we value their commitment and their sacrifices. To help them meet the goals and plans for their future, the Marine Corps is focused on ensuring marines are exposed to transition readiness throughout their career via the Marine for Life Cycle approach. With this in mind, the Marine Corps focuses on preparing marines for postsecondary education, 21st century careers, and leadership skills that they can employ in a global economy. We recognize the challenges the military lifestyle and multiple moves can have on our spouses' careers. The Marine Corps works with OSD [Office of the Secretary of Defense] to collaborate with the service organizations to provide employment assistance and career training to our military spouses.

Ensuring a high quality of life for our marines and their families is a top priority. We have marine families impacted by hurricanes still displaced from their homes, and the marines are working tirelessly to get their facilities up and running to continue their jobs as America's elite fighting force. We hold ourselves accountable that all families have quality housing. We are reviewing issues in our military housing and holding our PPV partners responsible for their faith and trust we put in them to provide for the safety and well-being of our families' homes. We cannot have our marines worried about safety and the health of their families within their homes when they should be focused on the mission. The Marine Corps must keep our faith with our families, marines, and the values we as Americans hold dear by remaining committed to our culture of dignity, respect, and trust.

We're focusing on policies and initiatives on preventing sexual assault, and we have recently published an order covering other prohibited activities, such as harassment, hazing, bullying, ostracism, and additional behaviors that go against our core values. We have increased avenues for reporting, and we must always hold wrongdoers accountable for their actions.

Your marines are smart, resilient, fit, disciplined, and able to overcome adversity. We recognize the challenges facing our marines and we continue to resource our programs to address mental health and the growing problem of suicide within our ranks. We're focused on preventive strategies. While marines provide themselves

or tout themselves to be tough, that does not mean we ever relent to taking care of our own.

With your support, our vibrant Marine Corps will continue to meet our Nation's call. Again, thank you for the opportunity to represent all marines today and the sustained support in caring for our marines and their families.

Senator TILLIS. I thank you all for your opening comments.

I want to go back to where I ended the first panel. I know that among many of the enlisted leadership, there were concerns with the blended retirement option, and the opt-in rates seem to be pretty disparate, particularly from between the Army and the Marines.

Sergeant Major Dailey, give me some idea of why you think that is.

SMA DAILEY. Senator, absolutely, and I knew that you'd be asking that question. I was concerned at the end of last fiscal year too.

If I could for a second, I'd like to back up on the journey of how we got here. In fiscal year 2017, we had a requirement to train every eligible soldier across the Army. I have to report that we did a phenomenal job, and Congress gave us the resources and assets to do that. We trained 99 percent of our soldiers in fiscal year 2017 on what their blended retirement options were. That category was roughly soldiers within—that came in in that fiscal year up to about 10 to 12 years; they were first, second, and third term soldiers.

In fiscal year 2018, we had to allow them the opportunity to opt in to the Blended Retirement System, and they could immediately start putting into what we call the matching contributions account. About halfway through the year, I was just as concerned when I didn't see the numbers as high. So I started a monthly VTC [video teleconference] with my subordinate sar-majors [sergeant majors], and what I said is my intent is not to influence decisions, but to get 100 percent contact on making sure they understand they had to make the choice and making sure that they were fully educated on the value and benefits of both, based upon their individual financial goals, sir. Those numbers started to increase a little bit. But I still wasn't satisfied. Toward the end of the year, I asked for feedback because I knew that would be a question of why we were—and I was concerned at first, but now I'm not. I'm going to share with you, sir, what they told me.

First and foremost, the Army had its best retention year it's had in our recorded history. When asked, the overwhelming majority of the response was "I plan to stay 20 years, and I feel as if the traditional retirement system will benefit me better in the future." That's very positive for us. We're seeing the similar results this year. Our retention rates are at historic highs, and we've already achieved over ninety-some percent of our annual mission, and it's only February.

The second one is our mid-grade NCOs [non-commissioned officers] felt they were too far into their careers to be able to capitalize on the full investment of the blended retirement matching contribution. Also, again, that they would want to stay with the traditional.

Then lastly, I think, was the other one, sir, is that it's the downfall of the—our enlisted soldiers, when they retire, their compensa-

tion is commensurate to their service. We thank Congress for that. But largely, they have to take that compensation to invest in one thing that most American families do throughout their lives, and that's a home. Losing 10 percent of that compensation at the end of their service, trading that, hurts them because it's working capital. Under the new Blended Retirement System, they'd have to wait until age 59 to access those funds without penalty. That's what convinced a large portion of them that they'd want to stay under the traditional system so they can use that working capital as soon as they get out of service, sir.

Senator TILLIS. I guess in some respects, I remember when we were talking about this that we were concerned that it could potentially hurt attrition or discourage longer-term service, but it doesn't look like that's been realized; if anything, quite the contrary—people are thinking through what they're going to do with their careers in the Army?

SMA DAILEY. I think so. I think it's—I don't think it's negative. I think that soldiers that come in now understand the value of investment. It has helped us from a financial literacy perspective. Some of their responses, and they're very detailed—I don't want to read them to you because we don't have that much time—it proves that these soldiers are really thinking about their financial futures. That's what's important. Our leaders are talking to our soldiers about investment. I think that blended retirement in the future will serve them well.

I think there are issues with where we cut it off for the senior people in service, at 26 years. I think that's going to create some challenges for our senior enlisted folks in the future. I can't predict that, but I think that may be a challenge for the future that we'll have to deal with.

Senator TILLIS. Thank you.

Sergeant Major, why do you reckon that the marines are opting in at about 70 percent?

SgtMaj GREEN. Well, sir, I think, number one, sir, you're absolutely correct. It's causing a—first, the Commandant mandated from day one that every marine be educated on it, online and in person. So once they were educated, we captured the numbers by marking that in our MAGTF [Marine air-ground task force] system so that we would know when everyone was educated. Through that education, which we've never, ever had a moment in time in my 35 years of serving where we've done that type of education on financial management for everyone. So it was very positive. Like Sar-Major Dailey said, people making life decisions. We're the only service, you know, average 60 percent 25 years or less.

So we encouraged the marines to do that. Through the app that they could go into or going online, it explained over a period of time what would happen if you placed that 5 percent or one percent or whatever it is in there and allowed the government to match it over a period, you know, when you get to 60 years, exactly what your savings was. So people could really make decisions about their lives, and families could sit down and talk about it. It was happening all over the Marine Corps, and it's still happening, sir, as we go out today and talk to them. So thank you, sir.

Senator TILLIS. Thank you. I know the Navy and the Air Force are somewhere in between, but I don't necessarily have an expectation, because the nature of the different missions, that you would all be at the same level, but I would like a lot of feedback. I think we have to continue to focus on financial literacy here in the Senate. Every year, I walk up and down my post telling everybody if they're not in the TSP [Thrift Savings Plan] program, they're leaving money on the table, and that's kind of dumb. You can't necessarily say it that way. Apparently I can in a Senate office, but——

[Laughter.]

Senator TILLIS. But I think we need to do that, because financial literacy is at the root of it for these younger people. I'm glad to hear, Sergeant Major, that you feel like they're becoming more sophisticated. But they need to understand now that culture of savings for the future.

We'll start with Air Force and Navy about military housing. Let me make a general comment first. I like what I have heard from you all, what I've heard from the secretaries and the Service Chiefs. I think we want to make sure, just from a messaging standpoint, when we talk about 100 percent inspection, it's really 100 percent visits and with a family welcoming an inspection, so that nobody gets the message that all of the sudden mandatory inspections.

If you happen to be in probably more than half of the—well over half are acceptable conditions, not the conditions we're talking about, and you have somebody knock on your door and say, "I'm here for inspection," if you're knocking on my wife's door, that's not going to end well. I don't care if you're a marine, sailor, airman, or soldier.

I think we just need to make sure people understand this is giving every single military family who is in housing an opportunity to be heard, and we're going to escalate the remediation while we fix the systemic problem. I don't think I'm at odds with anybody when I make that statement. I just want to be clear so that people understand the words.

Now I want to talk a little bit about—I met with General Milley yesterday, and I told him when I was down at Fort Bragg, I have no doubt that if it had been raised to his level, some of the things that we had reported in the committee a couple of weeks ago, that he would have been all over it.

Why didn't we know? What's missing now or what's in place now that's not working that let this reach this point? We'll just go down the line. Or actually, we'll start with Chiefs Smith and Wright and then move down the line.

MCPON SMITH. Senator, I think that the thing that's missing, really, is the way sailors and families want to communicate now is a little bit more heads-down, in an app, online, in places that maybe traditionally we aren't looking for those. We're looking for them to call somebody and ask. We're looking for them to come to a physical town hall meeting, a place where we're going to have a gathering of folks. That's not necessarily where they want to go to communicate. Some do, some don't.

We need to be a little bit more diverse in how we reach out to folks and be a little bit more intrusive-evasive trying to pull information, rather than waiting for them to come to us with it, and also make ourselves available in more spaces and places, both online and in person, to ensure that we're actually hearing our sailors.

CMSAF WRIGHT. Senator, I think what was missing is there was a little bit of cloudiness on accountability in terms of the privatization partners that we work with and the installation commanders. I think the Secretary of the Air Force referred to it as a health and safety review, not necessarily an inspection.

I think now we've tried to be clear about who's responsible for what, what responsibilities to the housing management office that's on the base and exactly who they work for. So I think now once all of our commanders go and do those reviews, they'll be certain about what the lines of communication are, what the lines of accountability and responsibility are.

Most of these things, probably the first entry is through our first sergeants, the senior NCOs that are responsible for taking care of people and people issues. In all likelihood, most of those first sergeants and unit level commanders, they try to take care of these things without elevating them certainly all the way to the Chief of Staff, the Secretary, or one of us. But you know, obviously now with so much attention, I think it'll certainly be different in that when these things happen and we're not getting the response back from our privatization partners, that it'll be elevated up the chain and taken care of.

Senator TILLIS. Yeah, we're going to look at—to me, anybody that jumps to a conclusion that it was any one entity that's at fault, then I know that they haven't studied the issue. We know that the housing providers made a mistake. We know that there was an inflection point after the basic allowance for housing was adjusted 5 or 6 years ago. We know that we have 82 or so different contracts, a couple of dozen different contractors, no consistent method of engagement, and measurement. I know that we need to fix it. But I also just wonder why—I know that we have the—I can't remember the exact title, but housing liaisons or someone on post, where were they, and why did they not feel like they were the ones that were absolutely the advocates to bump it up the chain of command if their direct commanders did not feel empowered or were not informed?

I think part of what we have to do is, you know, we're not talking about complaining over beige versus oyster colored paint in the bedrooms. We're talking about black mold and leaks and sewage and other issues that anybody in the chain of command—and I said this in the meeting and I'll say it here—anybody in the chain of command that says you're just whining if you complain about that, that better not show up in your personnel record because that'll be the last time it comes through my committee. I think that I speak for all the people here that that's an expectation. We take care of them in the same way that we're providing quality health care.

I'm interested in you all going back and trying to create some models for what was in your lanes. What do you think was—and this is not a witch hunt. This is a process improvement moderniza-

tion effort that I want to play a part in. So I want you all's specific advice on how we can better connect those dots and have a safety valve.

Then finally, I just want to echo what Senator Warren said on childcare. I think we're doing a good job on childcare of making it available, making it affordable, but I also believe I may take exception with the difference between families that we're sometimes deploying the mother and the father and taking care of kids and putting them in a very dangerous situation. We may have some private sector issues we need to fix, but this needs to be a priority. I'm glad that it was, and I'm glad you're doing it so extraordinarily well, because that, too, is a part of the total compensation that hopefully when you go out and you're up against your recruiting challenges, you're well received. It's just another part of the benefits package.

I've actually gone over 7 minutes, and enjoyed every bit of it.

[Laughter.]

Senator TILLIS. But we're going to have a lot of—we'll have some questions for the record, but I think that you all know that I'm particularly interested in hosting you in my office, having a discussion, having the committee staff there and other committee members who want to attend, particularly as it relates to the housing issue.

I will tell you, I'll tell everybody, if you're in North Carolina and you don't feel like somebody's listening to you, you open up a case in my office, and I'll guarantee you that somebody will be listening to you. I want these problems solved, and I want you all to point at Congress when some of the root causes are congressional decisions in the past if you find them. We need to have an open dialogue and not assume that any one person needs to charge this. We need to all go after it.

So I appreciate you all being here today, your continued service, and I look forward to interacting with you outside of the committee.

This committee is adjourned. Since some members were not here, we may hold the record open until next week, just for some questions for the record.

Committee's adjourned.

[Whereupon, at 4:03 p.m., the Subcommittee adjourned.]

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR ELIZABETH WARREN

FLAG OFFICER ANNOUNCEMENTS

1. Senator WARREN. Vice Admiral Burke, a recent article in U.S. Naval Institute News reported that the Navy had stopped publicly announcing its flag officer nominations, stating "[S]ince October, Navy leadership made a conscious decision to not share their flag nominations with the Pentagon's press office or with its own office of information." The report noted that the Air Force and Marine Corps continue to publicly release the names of all nominees to general officer. I understand that the Navy's position is that these nominees are all publicly available on the Senate webpage and so a press release from the Navy is unnecessary. Regardless, I find this lack of transparency to be quite troubling and unjustified given that the Navy previously made such announcements for many years, and that the Marine Corps continues to do so. Did this proposal originate in your office? If not, where did it originate?

Vice Admiral BURKE. Flag officer nominees continue to be publicly listed on the Senate website, but Navy no longer issues press releases for flag nominations, bringing our practice for Flag officers in line with all other officers. Transparency is important and we acknowledge this is a change to our past procedures; but the change is one step in our efforts to find the right balance between transparency and security. Recent vulnerability assessments reflect that transparency contributes to greater vulnerabilities in cyberspace. Our adversaries are working tirelessly to collect intelligence on our personnel in the online domain and using it to disrupt our operations and gain competitive advantage by monitoring and exploiting information we post on social media and various other internet forums. Limiting the public release of flag officer assignments and nominations is a first step intended to help flag officers secure their cyber profiles, which may be exploited by adversaries. We are reviewing other measures that may be necessary to reduce vulnerabilities for flag officers and other at-risk cadres within the Navy.

2. Senator WARREN. Vice Admiral Burke, did you recommend or concur with the recommendation to stop issuing press releases of flag officer nominations?

Vice Admiral BURKE. Based upon the vulnerability assessments, I concurred with the current measures in place to limit announcement of flag officer nominations and assignments.

3. Senator WARREN. Vice Admiral Burke, who approved the decision to stop issuing press releases of flag officer nominations?

Vice Admiral BURKE. The decision to limit announcement of flag officer nominations was made by the Chief of Naval Operations, on the advice of other senior Navy leaders.

4. Senator WARREN. Vice Admiral Burke, the Navy has issued press releases with the names of all nominees to flag officer for many years. The other three services continue to do so today. What is the specific reason the Navy used to justify this recent change in policy?

Vice Admiral BURKE. Recent vulnerability assessments reflect that transparency contributes to greater vulnerabilities in cyberspace. Our adversaries are working tirelessly to collect intelligence on our personnel in the online domain and using it to disrupt our operations and gain competitive advantage by monitoring and exploiting information we post on social media and various other internet forums. Limiting the public release of flag officer assignments and nominations is a first step intended to help flag officers secure their cyber profiles, which may be exploited by adversaries. We are reviewing other measures that may be necessary to reduce vulnerabilities for flag officers and other at-risk cadres within the Navy.

5. Senator WARREN. Vice Admiral Burke, the Navy maintains the biographies of flag officers on Navy hosted websites. Are there negative consequences to maintaining a similar website with all flag officer nominees? If so, what are they?

Vice Admiral BURKE. The posting of flag officer biographies on Navy-hosted websites has been identified as another potential vulnerability and is currently under review.

APPENDIX A

PREPARED STATEMENT BY THE MILITARY OFFICERS ASSOCIATION OF AMERICA (MOAA)

Chairman Tillis and Ranking Member Gillibrand. On behalf of the Military Officers Association of America (MOAA), we are grateful for this opportunity to express our views and appreciate the subcommittee hosting this hearing on military personnel policies and military family readiness.

MOAA does not receive any grants or contracts from the Federal Government.

EXECUTIVE SUMMARY

MOAA holds the following military personnel and family issues as our top priorities:

- *Personnel Issues:*
  - Fiscal Year 2020 Military Pay Raise of 3.1 percent: Ensure the military pay raise is equal to the growth in the Employment Cost Index as intended by Congress in statute.
  - Military Housing and BAH: Eliminate health and safety hazards in government and privatized housing; maintain current housing allowance rules.
- *The Military Health System:*
  - Projected cuts to medical billets could have a lasting impact on medical readiness.
  - Reducing access to military treatment facilities forces beneficiaries out into the community, where copayments are disproportionately increasing.
  - MOAA seeks Congressional oversight to evaluate and stabilize TRICARE programs and fees—fee increases should be tied to the direct cost of care, not to medical readiness or other defense programs.
- *Military Families:*
  - Military spouse unemployment and underemployment remain significantly higher than national averages; we need DOD and Congress to help solve this problem.
  - Childcare availability and challenges with military moves are taking their toll on families. These two issues, left untended, are likely to impact retention and erode family readiness.
- *Survivor Benefits:*
  - Survivors forfeit some or all of their annuity to offset the VA's Dependency Indemnity Compensation. We need help from Congress to repeal the offset or, in the interim, support an increase to the Special Survivor Indemnity Allowance (SSIA).
- *Retirement Issues:*
  - Extend Concurrent Retirement Disability Pay (CRDP) benefits to both "Chapter 61" medically retired personnel and those with 20 or more years of service and disability ratings less than 50 percent.
- *Defense Resale:*
  - Total consolidation of the exchange systems and the commissary may be premature and based on incomplete assessments. MOAA recommends the Government Accounting Office review the enterprise management task force's recommendations before any further commitment to consolidation.
- *Arlington National Cemetery:*
  - The Advisory Committee on Arlington National Cemetery (ACANC) recommended the Secretary of the Army limit interment eligibility using criteria that would make a vast majority of current retirees ineligible for interment at ANC.

PERSONNEL ISSUES

Military Pay Raise of 3.1 Percent

MOAA urges the subcommittee to keep military pay commensurate with service and aligned with private-sector wage increases. We seek your support for a military pay raise equal to the growth in the Employment Cost Index, determined by the Bureau of Labor Statistics to be 3.1 percent for fiscal year 2020. Further, we ask the committee to incrementally restore full pay-raise comparability by closing the residual pay-raise-gap, which currently stands at 2.6 percent after pay raise caps in fiscal years 2014, 2015, and 2016.

Military Housing

MOAA has concerns over proper communication and abatement of health and safety hazards in military housing, barracks, and facilities. These concerns are shared by military families, other Military Service organizations, and Congress. Specific issues include:

- *Quality and Responsiveness of Maintenance:* Concerns of improper or temporary fixes to maintenance issues, as well as incomplete work orders being closed out and marked complete. Further compounding the challenges for the families are the ineffective or nonexistent responses from maintenance workers when called to address these health and safety hazards in both old and new homes.
- *Limited Oversight Authority:* DOD and Military Services purportedly have no control over privatized housing managed by Public-Private Partnerships due to lease agreement restrictions; this hands-off approach has led to limited or nonexistent engagement by the DOD chain of command.
- *Communication with Health Officials:* Communications are limited or nonexistent between housing officials and military treatment facilities regarding the health issues brought about by these known environmental factors. Lacking is the data collection, health assessments, and documentation to capture the impact on these families and to support longitudinal studies about longer-term effects.
- *Tenant Rights:* Restrictive or nonexistent tenant rights, for those in privatized military housing, create barriers to both legal action and access to appropriate health officials.
- *Out-of-Pocket Expenses:* In many cases, servicemembers and their families have borne the costs for hazard remediation, for additional health care, or to move out of unsafe or unhealthy housing.
- *Insufficient Staffing and Funds for Government Owned Housing/Barracks:* Reports of insufficient manpower to complete work orders timely and properly, and a lack of funding to take on major renovations or extensive abatements.

MOAA Recommends:

- *Congress give DOD the support to renegotiate lease agreements with public-private partners to allow for more oversight and accountability, and to ensure tenants have a bill of rights similar to tenants on the local economy.*
- *Congress charge DOD with providing military families with information on how to seek legal recourse for housing disputes and provide training for JAG officers to assess proper action within the military organizations or through referral services.*
- *Congress appropriate sufficient funds to military construction to specifically address needed renovations in government-run military family housing and barracks.*

Basic Allowance for Housing (BAH)

MOAA strongly believes BAH is an essential component of Regular Military Compensation (RMC). Decisions to join and stay in the military are based on several factors, of which compensation and benefits are notably prominent. Changes to military pay and housing allowances likely would have a negative long-term effect on both recruitment and retention.

Further, any changes to RMC should be thoroughly studied and vetted. To that end, on September 15, 2017, the President charged DOD to conduct the Thirteenth Quadrennial Review of Military Compensation (QRMC), which will assess the adequacy of military compensation to include basic pay, housing, and subsistence allowances. The premise of the review is to determine " . . . whether an alternate compensation structure, such as a salary system, would enhance readiness and better enable the Department of Defense to recruit and retain tomorrow's force. . . "

The President will submit the QRMC report, along with any recommendations he wants to make, to Congress for their consideration regarding the uniformed services statutory salary system. This process allows Congress to evaluate the changes and potential impact across all seven uniformed services—each represented on the QRMC.

CBO Options for Reducing the Deficit: 2019 to 2028; Discretionary Spending—Option 15

MOAA is concerned the Congressional Budget Office (CBO) included on its list of options a gradual reduction of BAH down to 80 percent of the cost of adequate housing relative to the member's pay grade. As pointed out by the CBO, these

decrements also would apply to the BAH payments made to the Public-Private Partnerships who manage privatized government housing.

Also noted is the potential to change policies to allow those housing managers to subsequently charge the servicemember up to the 20 percent difference. It is likely housing managers would seek this change in policy as most housing projects are experiencing financial shortfalls with impacts on maintenance and renovations (per GAO–18–218 study, March 2018).

With a heightened focus on privatized government housing after the Senate Armed Services Committee hearing on February 13, 2019, any changes to BAH, however gradual, only paint a worse picture for servicemembers and their families who reside in privatized government housing.

Military-to-Military Married Couples, and Military-to Military Married Couples with Dependents

Any potential assertion to reduce BAH for dual military couples is of concern to MOAA. We believe removing any portion of an individual's earned compensation due to marital status is a discriminatory practice. Additionally, the with-dependent rate BAH should not be eliminated from a military family for the same reasons. The government should not abuse its own1knowledge of the marital or family status to reduce the allowance of either of the individual servicemembers who earn their BAH as part of their Regular Military Compensation.

This concern has increased lately based on the recent military housing problems already noted and the fiscal challenges within DOD and Congress who likely could seek funding offsets to help correct the deficient outcomes of privatized government housing. We should not put the burden of solving the government's housing problems on the backs of servicemembers and their families.

MOAA Recommends:

- *Congress sustain current BAH program rules and calculations for all servicemembers, regardless of their marital status or housing-sharing status, and restore BAH rates to match 100 percent of median housing costs once fiscal conditions permit.*
- *Congress evaluate the QRMC's progress and ultimate recommendations toward changes in Regular Military Compensation that may have lasting and negative impacts on both recruiting and retention.*

THE MILITARY HEALTH SYSTEM

We are appreciative and applaud the implementation of a broad range of TRICARE policy improvements regarding needed attention with appointment-making systems, hours of operation at military treatment facilities (MTFs), and enhanced breast cancer screening coverage, among others. During the past few months, we also have seen some improvement in managed care contractor performance and beneficiary experience in both TRICARE regions. We continue our interest and oversight with the consolidation of the MTFs under the auspices of the Defense Health Agency (DHA). When this organizational change is complete, we view this as providing beneficiaries with consistent policies and procedures between the respective services and military treatment facilities.

Areas of Concern Regarding the Military Health System (MHS) and TRICARE

Reduction in Military Medical Personnel End-Strength

If the numbers are as large as we have been led to believe (approximately 17,000 billets), this potentially will exacerbate access to care for certain specialties and may have considerable effect on military beneficiaries and overall medical readiness in significant ways.

Proposed personnel reductions of such magnitude surely will affect military medical training platforms. It takes years to produce educated and trained physicians, and there are projections of physician shortages: A recent study released by the Association of American Medical Colleges predicts that by 2030, the United States will face a shortage of between 42,600 and 121,300 physicians. As we have seen with pilot shortages, a dwindling national pool creates an exceptional amount of competition for qualified talent. Any level of physician shortages will translate directly to military medical care and, subsequently, overall military readiness. We cannot expect to have a medically ready force without the requisite medical capabilities.

With respect to beneficiaries, cuts of any magnitude will likewise translate into either decreases in services at MTFs, which we have already seen, or transfers to

community care where the workload would be challenged by the projected physician shortages already noted. Getting private-sector medical professionals to take jobs near rural bases may not be realistic or feasible.

Beneficiaries, including Active Duty families who receive care at MTFs, may be forced to seek care in the TRICARE networks. Pediatric and obstetric care—both of which are now available to these beneficiaries—may vanish from the MTFs altogether. Lab and pharmacy services, along with radiology, may be greatly reduced. We already are starting to see TRICARE Prime retirees being re-enrolled from MTFs into the civilian networks, resulting in them being charged with new, and higher, copayments and annual enrollment fees.

MOAA Recommends:

- *Congress request a hearing on DOD's plan to account for medical readiness in lieu of the significant, projected shortage of physicians as noted by the Association of American Medical Colleges.*
- *Congress closely review proposed cuts to assess the impact on DOD's responsibility to care for the currently serving, their families, and retirees.*

Centralizing Command and Control

The Defense Health Agency (DHA) is preparing to take command and control of all three of the services' hospitals and clinics. Congress passed this new MTF oversight plan almost 2 years ago as part of a sweeping list of military health reforms. The first phase is underway, with completion expected by 2021. Under these enhanced responsibilities comes the opportunity for DHA to take an active role in addressing the needed medical care, documentation, and reporting on the health concerns associated with mold and toxic exposure in government contract housing and military installations in general.

Fewer Hospitals

MOAA is concerned there appears to be a coordinated effort to reduce the size and scope of the MTFs. We asked DOD about it because of information we received from some of our MOAA members, then verified by inquiring with the services' medical headquarters. This trimming exercise is concerning and bears close watching. An MTF provides medical and health services primarily designed for the Active Duty servicemember first. However, some MTFs have expanded services to care for families of Active Duty and retirees, and there is a range of sizes of MTFs, from small clinics to medical centers with comprehensive services.

Air Force Shrinking TRICARE Prime Roles

MOAA has learned the Air Force is in the process of reducing its primary care TRICARE Prime enrollments within each of its MTFs. While individual MTFs have fluctuated over the years when it comes to the availability of services, these fluctuations usually were due to changes in the readiness missions on various bases. The Air Force's change in enrollment policy is a result of other factors, as the service has stated. The reduction in beneficiary enrollment to MTF primary care providers (other than Active Duty) is due primarily to the national shortage of primary care providers. This shortage, combined with inconsistent policies of MTF primary care enrollments and other factors, has resulted in sub-optimal access to health care for beneficiaries.

Inpatient Services Closing at Other Installations

The other services are experiencing the same challenges noted by the Air Force. Other recent changes within the military health system include the closure of inpatient services at the naval hospital in Pensacola, FL, and the closure of inpatient pediatric services at Womack Army Medical Center at Fort Bragg, NC.

MOAA Recommends:

- *Congress continue to watch for other reductions in capability and service as they impact all categories of beneficiary, but especially those who use TRICARE Prime and TRICARE for Life.*

TRICARE Fee Issues

We remain concerned with the results from DOD's Interim Final Rule (IFR) which was issued in the fall of 2017. With this regulation, the DHA unilaterally implemented an across-the-board fixed-fee copayment schedule for TRICARE Select and increased TRICARE Prime fees. We believe these structural fee changes undermined the intention of the 2017 NDAA law, which prescribed current military members and their families, as well as retirees, were to be grandfathered from cost-share

increases. *Both TRICARE Prime and TRICARE Select beneficiaries have experienced steep increases, in addition to already much higher pharmacy copayments.*

MOAA has heard how these fee increases are impacting beneficiaries through our survey data. Understandably, all categories of beneficiaries, regardless of their geographic location, are disappointed and concerned regarding these changes, and they already are having a negative and costly impact. Beneficiaries report delaying and, in some cases, canceling needed care.

The DHA contends the new TRICARE Select fixed-dollar copayments represent an average of the percent cost shares beneficiaries had previously paid for TRICARE Standard/Extra visits.

> *Controverting DHA's claim that current copayments represent past averages, MOAA submits TRICARE Select copayments are much higher than (the prior-named) TRICARE Standard/Extra programs. In particular, copayments for specialty care such as physical therapy and mental health are now required more frequently throughout treatment. As a direct result, many beneficiaries have reported either delaying or going without needed health care.*

MOAA Recommends:

- *Congress review the actual budget accounting data relative to these fee increases and the unintended consequences regarding this marginalization of specialty care.*

In conclusion, we continue to assert DHA's program changes reversed the spirit and intent of the TRICARE fee grandfathering provisions in the fiscal year 2017 NDAA. DOD health care costs overall may be increasing, but the actual costs to DOD for both TRICARE for Life and purchased care have been stable according to DOD's own data from its annual reports to Congress.

Additionally, we believe TRICARE beneficiary fees should not grow faster than their military or retirement income. To this end, we continue to support fee increases based on COLA [Cost of Living Adjustment], as established in current law.

MILITARY FAMILIES

Military Spouse Unemployment and Underemployment

When military spouses follow their servicemember from one assignment to the next, their short-term and long-term earnings suffer … notably. Despite recent efforts to improve military spouse unemployment, it still remains four times higher than the civilian rate. According to the U.S. Chamber of Commerce's 2018 statistics, major barriers to gaining employment include frequent moves, lack of childcare, limited availability of flexible work options, underemployment/few options for meaningful employment in local areas, and issues with licensure portability.

The compounding of financial challenges (unemployment or lower earnings and loan debt) specifically related to spouse employment is a significant factor for military families in the decision a servicemember faces with regard to serving another tour or making the military a career. There are opportunities to battle this retention challenge at the federal level:

- Robust military spouse employment support programs to help gain employment at the level commensurate to their qualifications.
- Regular and rigorous data collection on employment statistics to identify program or policy gaps within DOD, state and local governments, and the private sector.
- Policies to support employment of military spouses in DOD contracts and activities.

MOAA regularly promotes the DOD's Spouse Education and Career Opportunities program. These support systems have advanced over the years to address a more complex environment. The addition of specialized career counselors, improved web interfaces and employment portals, and support for entrepreneurs all are welcome advancements intended to address the real needs heard from military spouses in the labor market. Recent studies by RAND and GAO have outlined the positive impact the My Career Advancement Account (MyCAA) has had on spouse employment and military retention. However, the program is underused and restricted to lower ranks and specific degrees.

MOAA Recommends:

- *Congress expand MyCAA to all ranks and degree levels to help fill critical-need occupations in the U.S. workforce (e.g., nursing, transportation, engineering, IT, and childcare).*
- *Congress and DOD support continued investment in these programs to better support military spouse employment, particularly in DOD activities at OCONUS [outside continental United States] locations.*
- *Congress direct comprehensive data collection on military spouse employment. This survey should assess the career fields of military spouses and their experience, education, underemployment, number of transitions, and access to remote or telework, to name a few critical topics. This data should be made public and used as a tool to improve federal programs for military spouse employment.*

Contractors

We hear from contractors of the difficulty in maintaining employment positions for military spouses. In some cases, the contractor would prefer to hire the spouse but is prohibited by the contract. Terms of contracts may prohibit telework or outline that an employee must be located in a certain geographic region. Without allowing for military spouses, the terms of some contracts effectively terminate the spouse's employment upon a PCS.

MOAA Recommends:

- *Congress to pass reforms facilitating changes to defense contracting rules and encouraging military spouse employment. This should provide needed language for contractors to continue military spouse employment at a new duty station.*

Licensure

License portability remains a challenge at the state level. While all states have passed some legislation to facilitate portability, some career fields are necessarily left out of that legislation. Education and health care are two such career fields, and they are two of the most common among military spouses. A viable option for portability in these professional and highly regulated career fields is to create interstate compacts. A successful example is the Nurse Licensure Compact, which covers a wide majority of states. However, the cost of these compacts can slow the process for their creation.

MOAA Recommends:

- *Congress explore grant opportunities to fund interstate compacts for career fields that could have the greatest impact on military spouse employment.*

Childcare

At a recent quality of life hearing held by the House Appropriations Subcommittee on Military Construction, Veterans Affairs, and related agencies, senior enlisted leaders from every service identified childcare affordability and availability as a top concern impacting quality of life for military families. While these are pervasive problems nationwide, it is exacerbated for military families due to frequent moves and deployments. Additionally, according to the U.S. Chamber of Commerce's 2018 statistics, one of the top challenges for military spouse employment is finding affordable childcare.

MOAA Recommends:

- *Congress legislate improvements to military childcare systems to include capacity and childcare staff solutions to ensure adequately trained and compensated staffs.*

PCS moves

There has been growing concern over quality and oversight of PCS moves. Military families move approximately every 2–3 years. Often these moves happen in "seasons," creating a high demand and operational tempo for military movers. Last year, TRANSCOM reported approximately 10 percent of military members experience unnecessary damages of their household goods (HHGs), improper documentation of items, and delays in receiving their HHGs. Despite growing concerns and a recent Change.org petition demanding more accountability of military movers, a recent RAND report suggested military families already have sufficient resources for PCS support. While the resources may be in place, there seems to be inconsistencies between the services being offered and the support military families actually receive. We support efforts by TRANSCOM to address these concerns and the creation

of an advisory panel to provide the families a voice in the PCS process. However, more needs to be done.

MOAA Recommends:

- *Congress initiate an independent review by the Government Accountability Office to measure the effectiveness of DOD's PCS process, current PCS support programs, and current quality control issues families experience.*

SURVIVOR BENEFITS

MOAA is very grateful for Congress's continued efforts over the past decade to end financial penalties for military survivors.

However, one looming inequity remains. MOAA believes strongly current law is unfair in reducing military Survivor Benefit Plan (SBP) annuities by the amount of Dependency and Indemnity Compensation (DIC) payable from the VA. This penalty is commonly referred to as the "Widows Tax."

MOAA believes SBP and DIC are paid for different reasons. SBP is an insurance product purchased by the retiree to provide the survivor 55 percent of SBP-covered retired pay if the retired member dies for any reason. DIC is a special indemnity compensation paid to the survivor when Military Service caused the member's premature death. In such cases, the VA indemnity compensation should be added to the SBP annuity the retiree paid for, not substituted for it.

Over the years, Congress has helped military survivors by raising the lump-sum death gratuity for servicemembers who died after 2001, ending the Widows Tax for survivors who remarry after age 57, and authorizing in fiscal year 2008 the Special Survivor Indemnity Allowance (SSIA), a modest rebate to those subjected to the Widows Tax. Subsequent legislation (P.L. 115–91) made permanent SSIA and indexed future increases to COLA.

Through the Subcommittee's hard work, the SSIA has eliminated roughly 25 percent of the SBP–DIC penalty.

The best solution—and MOAA's ultimate goal—is to eliminate the SBP–DIC offset in its entirety.

We know members of the Subcommittee are sympathetic to this goal. We also are more than sensitive to the Subcommittee's struggles in dealing with mandatory spending requirements to address this and a range of other issues.

MOAA has proposed alternative legislation to increase the SSIA monthly allowance by approximately $50 per fiscal year from fiscal year 2020 to fiscal year 2029, with the ultimate goal of repealing the SBP–DIC offset in 2030.

MOAA Recommends:

- *To the extent broader relief can't be achieved in the near term, MOAA urges the Subcommittee to identify some level of offsets that will allow increases of the SSIA to make further progress in phasing out the SBP–DIC offset.*

RETIREMENT ISSUES

Concurrent Receipt for Medically Retired Servicemembers

MOAA places a priority on extending Concurrent Retirement Disability Pay (CRDP) benefits to disabled retirees commonly referred to as "Chapter 61" retirees, named for the title 10 U.S.C. chapter under which their retirement was approved. These individuals departed service with fewer than 20 years of service due to illnesses or injuries beyond their control—some served for more than 19 years. MOAA supports legislation in both the House of Representatives and the Senate to address this.

MOAA recommends:

- *Congress extent Concurrent Retirement and Disability Payments to disabled retirees not eligible under current statute.*

Concurrent Receipt for Retired Servicemembers with Disability Rated Less Than 50 percent

MOAA supports extending Concurrent Retirement Disability Pay (CRDP) benefits to retirees with disabilities rated less than 50 percent. With regard to the omission of this population in earlier legislation, and as noted in H.R. 303 by Mr. Bilirakis (R–FL), "Congress acknowledges the regrettable necessity of creating new thresh-

olds of eligibility that understandably are disappointing to disabled retirees who fall short of meeting those new thresholds. Congress is not content with the status quo."

MOAA recommends:

- *Congress extend Concurrent Retirement and Disability Payments to retirees with disabilities rated less than 50 percent.*

DEFENSE RESALE

MOAA thanks Congress for its continued vigilance over commissary and broader defense resale reforms. MOAA supports reforms to protect the longevity of the defense resale system and its dividends for Morale, Welfare, and Recreation; savings for patrons; customer satisfaction; and product quality.

The recent business case analysis conducted by the enterprise management task force recommends the consolidation of the four exchange systems and the commissary. While we are not opposed to consolidation, we do have concerns—along with The Military Coalition and the military Services—that the intended outcome of a more efficient system may not be fulfilled through consolidation. Adding to the concerns are the magnitude of the efforts, increasing costs to executing an enterprise-wide change, and timelines that initially seem unreasonable. These concerns stem from what many of us believe was a narrow study.

MOAA Recommends:

- *Congress initiate an independent review by the Government Accountability Office on the potential consolidation and to further conduct a hearing on the recommendations presented in the business case analysis.*

ARLINGTON NATIONAL CEMETERY

With the limited capacity for burials remaining at Arlington National Cemetery, it is important to consider the plans of the currently eligible veteran population when making decisions about extending the life of the Cemetery. MOAA espoused this position before the Military Personnel Subcommittee of the U.S. House Armed Services Committee on March 8, 2018.

MOAA's position on the future of Arlington National Cemetery is informed by engagement with our membership via a survey in 2016 to better understand our members' preferences on the topics of restricting eligibility and the eventual unavailability of space for new burials.

The survey reflects MOAA's position on how best to handle the future lack of new burial sites at the Cemetery. Participants overwhelmingly rejected the idea of restricting military retirees, with the significant majority preferring expansion options as the initial course of action. Further, most participants favored continued current eligibility, at least in the near term, even if that means closing the Cemetery to future burials once it reaches capacity.

The Advisory Committee on Arlington National Cemetery (ACANC) submitted recommendations on December 1, 2018 to Secretary of the Army Mark Esper, who notified Congress of the recommendations February 8, 2019. ACANC proposed interment eligibility be altered to identify several specific levels of service and sacrifice. In a recent engagement between the Secretary and several MSOs [Military Service organizations] and VSOs [veterans service organizations], MOAA expressed concern that current retirees were not included in the eligibility restrictions beyond the remaining World War II and Korean War veterans.

> *This would mean the majority of the living retiree community, from the Vietnam era through Post-9/11 service, would be ineligible for either aboveground inurnment or interment at Arlington National Cemetery unless qualified otherwise based on certain military awards.*

If burial eligibility restrictions are imposed, MOAA supports a compromise in which restrictions would only apply to the [veteran] population born after a determined future date; i.e., January 1, 2021. This compromise would ensure the current generation of eligible, living veterans could plan for interment at Arlington while setting standards and expectations for generations well into the future.

The ACANC recommendations include "An extensive/expanding network of distinguished national cemeteries and state veteran cemeteries," however, they offer no specific suggestions for such non-contiguous expansion. MOAA continues to support expanding the Cemetery beyond the current borders and believes this can be accom-

plished either through the creation of Arlington Annexes in each state or through partnering with various existing honored military cemeteries for honorary representation of burial at Arlington.

It has taken well over one hundred years for Arlington National Cemetery to reach its current and hallowed status—other locations could likewise develop their own degree of prominence given time and a concerted effort by all.

We understand the Secretary of the Army is willing to consider alternative options until the revised criteria is submitted to congress at the end of fiscal year 2019.

MOAA recommends:

- *Congress not take action restricting eligibility for the current military retiree population, other than reserving a set number of plots for specific honorees, such as those killed in action or those who receive the Medal of Honor.*
- *Congress appropriate funds to undertake acquisition and development of adjacent land, including funding of the Southern Expansion project currently underway.*
- *Congress appropriate funds for the study and eventual acquisition of, or partnering with, other federal cemeteries to become dedicated Arlington annexes.*

Thank you for your considerations.

PREPARED STATEMENT BY THE NATIONAL MILITARY FAMILY ASSOCIATION

The National Military Family Association (NMFA) is the leading nonprofit dedicated to serving the families who stand behind the uniform. Since 1969, NMFA has worked to strengthen and protect millions of families through its advocacy and programs. We provide spouse scholarships, camps for military kids, and retreats for families reconnecting after deployment and for the families of the wounded, ill, or injured. NMFA serves the families of the currently serving, retired, wounded or fallen members of the Army, Navy, Marine Corps, Air Force, Coast Guard, and Commissioned Corps of the USPHS [United States Public Health Service] and NOAA [National Oceanic and Atmospheric Administration].

Association volunteers in military communities worldwide provide a direct link between military families and the Association staff in the Nation's capital. These volunteers are our "eyes and ears," bringing shared local concerns to national attention.

The Association does not have or receive federal grants or contracts.

Our website is: *www.MilitaryFamily.org*.

EXECUTIVE SUMMARY

The United States military is the most capable fighting force in the world. For almost 2 decades of war, servicemembers and their families never failed to answer the call, steadfastly sacrificing in order to protect our nation. They make these sacrifices trusting that our Government will provide them with the tools to keep them ready. Continued national fiscal challenges have left military families confused and concerned about whether the programs and benefits contributing to their strength, resilience, and readiness will remain available to support them and be flexible enough to address emerging needs. The Department of Defense (DOD) must provide the level of programs and resources necessary to meet this standard. Servicemembers and their families have kept trust with America through 17 years of war with multiple deployments and separations. Unfortunately, that trust continues to be tested.

We ask Congress:

As you evaluate proposals for changes to pay and benefits consider the cumulative impact on military families' purchasing power and financial well-being, as well as the effects on the morale and readiness of the all-volunteer force now and in the future.

Please:

- Reject benefit changes and budget proposals that threaten military family financial well-being as a way to save money for the Government.
- Keep military pay commensurate with service and aligned with private sector wages.
- Provide oversight to ensure recently-enacted military health reform efforts enhance military families' access to quality health care and that readiness costs are not passed along to families as cost shares or premiums.

We ask Congress to make improving and sustaining the programs and resources necessary to keep military families ready a national priority.

We also ask Congress to:

- Provide oversight to ensure DOD and the individual services are supporting families of all components by meeting the standards for deployment support, reintegration, financial readiness, and family health. Fund appropriately at all levels.
- Ensure military families are provided safe, high-quality housing.
- Ensure adequate funding for military childcare programs, including childcare fee assistance programs. Improve access to installation-based childcare and increase availability of part-time and hourly care.
- Facilitate easier paths to both licensure and employment for military spouses and veterans who are in the mental health field when they work with our servicemembers and their families. Include military spouses who enter the mental health profession in federal loan-forgiveness programs.
- Preserve the savings military families receive by shopping at the commissary and oppose any reform measures that would reduce the value of the benefit.
- Require pediatricians in Military Treatment Facilities (MTFs) to screen patients for food insecurity and provide information about applying for WIC [Special Supplemental Nutrition Program for Women, Infants and Children].

- Require DOD to study where military families with severe special needs are concentrated and whether DOD Impact Aid for schools serving military children with special needs is appropriately allocated.
- Ensure appropriate and timely funding of Impact Aid through the Department of Education (DoEd).
- Continue to authorize DOD Impact Aid for schools educating large numbers of military children and military children with severe special needs.
- Bring the Extended Care Health Option (ECHO) benefits on par with State Medicaid waiver programs and extend ECHO eligibility for one year following separation.
- Correct inequities in Survivor benefits by eliminating the Dependency and Indemnity Compensation (DIC) offset to the Survivor Benefit Plan (SBP).

After 17 years of war, we continue to see the impact of repeated deployments and separations on our servicemembers and their families. We appreciate Congress' recognition of the service and sacrifice of these families. Your response through legislation to the ever-changing need for support has resulted in programs and policies that have helped sustain our families through these difficult times.

PAY AND COMPENSATION

We appreciate Congress making the pay raise at Employment Cost Index (ECI) a priority in the fiscal year 2019 National Defense Authorization Act (FY19 NDAA). Congress chose the Employment Cost Index (ECI) as the standard for Active Duty pay raises in order to recruit and retain the quality of servicemembers needed to sustain the all-volunteer force and we thank you for meeting that standard this year.

Although the last 3 years have seen military pay raises at the ECI, reductions to servicemember housing allowances, increased health care costs, and the new requirement under the Blended Retirement System for new servicemembers to contribute to their retirement savings lower servicemember take-home pay. We ask you to consider the cumulative effects of these policies on military families' financial well-being and reject any proposals that ask families to shoulder a greater financial burden.

We believe that Basic Allowance for Housing (BAH) is an essential component of military compensation. We oppose any changes that threaten to reduce military families' pay.

We ask Congress to keep military pay commensurate with service and aligned with private sector wage increases.

We ask Congress to reject budget proposals or benefit changes that threaten military family financial well-being as a way to achieve savings for DOD.

MILITARY HEALTH SYSTEM

One year into Military Health System (MHS) reform, results are decidedly skewed toward Department of Defense (DOD) cost savings versus MHS improvements for military families. Families are paying significantly more out-of-pocket due to increased copays generating approximately $166 million, in one year, in savings to DOD. They are also seeking less care as evidenced by DOD savings from lower than expected health care utilization. DOD is reprogramming these savings to pay for readiness—in fact, some of the money has been used for night vision goggles. Military families want their servicemembers to be fully trained and equipped for their missions, but we believe it is wrong to diminish the value of the health care benefit to cover readiness costs. Servicemembers and their families already make extraordinary sacrifices. Should they also have to pay for their own night vision goggles with higher health care fees?

What have families experienced during MHS reform year one? Military families are grateful for referral free civilian urgent care as they now have access to care when their military treatment facilities (MTFs) are full or closed. However, families have seen few other improvements across the system. In fact, TRICARE contractor transition problems plagued families throughout the entire year with customer service challenges and rampant claims processing problems. Within the direct care system, there were few noticeable improvements to administrative hurdles or the patient experience. Although we recognize the primary objective of MHS reform was cost savings, we had hoped the higher out-of-pocket costs would be used for improvements across the system to address military family complaints. Instead, families are paying considerably more for the same broken system.

To help balance military families' higher out-of-pocket costs with improvements to their health care system, we ask Congress and DOD to:

- Modify the TRICARE Annual Open Enrollment/Qualifying Life Events policy to prevent military families from becoming trapped in MTFs that don't meet their needs
- Reduce copays for mental health visits and physical, speech and occupational therapies
- Fix TRICARE coverage gaps for emerging technologies and evolving treatment protocols including diagnostic genetic testing and chiropractic care
- Allow valid TRICARE Prime specialty care referrals to transfer to the new duty station during a Permanent Change of Station (PCS)
- Implement the Defense Health Board's recommendation to broaden TRICARE's definition of pediatric medical necessity
- Continue to monitor and provide oversight on T17 contract implementation
- Ensure military family perspectives are considered as MTF management is transitioned to the Defense Health Agency (DHA) and direct care system right-sizing is implemented
- Monitor and provide oversight on the TRICARE Dental Plan (TDP) to Federal Employees Dental & Vision Insurance Program (FEDVIP) transition
- Require DOD to develop and publish performance metrics to evaluate Exceptional Family Member Program (EFMP) assignment coordination effectiveness
- Align TRICARE Extended Care Health Option (ECHO) respite coverage with Medicaid waiver programs
- Require a report providing transparency to the Services' process of accessing military dependent medical records for adult military kids who enter Military Service themselves

TRICARE PROGRAM

TRICARE Annual Open Enrollment Period/Qualifying Life Events

We remain concerned about the annual open enrollment period's potential to trap TRICARE Prime families in MTFs that don't meet their needs and request that "dissatisfaction with MTF access or quality of care" be added to the list of Qualifying Life Events (QLEs).

We realize the annual open enrollment period is a feature of civilian plans and generally have no issues with this new requirement. However, TRICARE Prime's reliance on military hospitals and clinics creates a situation unique to the military and demands a policy tailored to military family needs for the following reasons:

- For commercial health plans, the annual enrollment period locks in beneficiaries to coverage levels, not a single medical facility. While an annual enrollment period is not unreasonable, preventing military families from leaving their MTF if they experience problems with appointment access or quality of care is unreasonable.
- Given the variability in access, quality of care, and the patient experience across the direct system, many military families cannot make an informed choice about their TRICARE plan during the Open Enrollment Period or following a QLE, such as a PCS move. A family may have no problems getting appointments at one MTF but find it very difficult to get appointments at their new duty station's MTF. MTF access to care can also vary over time as providers come and go, making an informed decision nearly impossible.
- As direct care system right-sizing progresses, it will be even more difficult for families to make informed choices about their TRICARE plan. The Womack pediatric inpatient unit and Langley maternity ward closures dramatically changed care options for families assigned to these MTFs. These changes were not communicated during open season, so families were unable to choose their TRICARE plan with this information in mind.
- Allowing families to switch enrollment from Prime to Select provides an important aspect of MTF accountability. Analyzing enrollment changes from Prime to Select will afford the MHS an opportunity to understand why families leave. It should also allow the MHS to identify problematic MTFs and target solutions to local access and quality of care problems.

The fiscal year 2017 NDAA gives DOD discretion in defining QLEs. We believe one potential solution is to include "dissatisfaction with MTF access or quality of care" as a qualifying life event. We are open to other ideas and stand by to assist

in developing a solution that prevents military families from becoming trapped in underperforming MTFs.

Increased TRICARE Copays

Premium-free health care is an important component of servicemembers' compensation and benefits package. It is an extraordinary benefit commensurate with the extraordinary risks and sacrifices associated with Military Service. It also ensures all military families have access to health care, a critical driver of military family readiness. However, we know decisions about seeking care are often driven by out-of-pocket costs at point of service. In fact, value-based insurance design is built on the principle of reducing cost-related non-adherence. Given the important role copays play in patient decision-making, we are disappointed and alarmed at the careless approach used in establishing copays during TRICARE reform efforts.

The new TRICARE copay construct categorizes mental health outpatient visits, as well as physical, speech and occupational therapies, as specialty care. This results in copays that are excessively high for relatively low-cost visits. We urge DOD and/or Congress to establish more reasonable copays for mental health visits and physical, speech and occupational therapies to bring them in line with high quality commercial plans and reduce the cost barrier to seeking care.

- TRICARE's new mental health copays are not only a significant increase compared to 2017, they are also higher than out-of-pocket costs for mental health care under Federal Employees Health Benefits (FEHB) program national preferred provider option (PPO) plans. This means military families struggling with the impact of 17 years of war are paying more for their mental health care visits than federal employees.

Health Care Plan	Mental Health Visit Copay
TRICARE Select ADFMs—Group A	$31
TRICARE Select ADFMs—Group B	$25
TRICARE Select Retirees—Group A	$41
TRICARE Select Retirees—Group B	$41
TRICARE Prime Retirees—Group A	$30
TRICARE Prime Retirees—Group B	$30
BCBS Service Benefit Plan—Standard	$25
GEHA Benefit Plan—High*	$20
GEHA Benefit Plan—Standard*	$15
NALC—High Option*	$20
MHBP—Standard*	
Adult	$20
Child under 21	$10
SAMBA—High*	$25
APWU—High*	$25

*These plans have no deductible for network mental health outpatient visits

- For many years, DOD has acknowledged the importance of seeking mental health care. Numerous studies have shown that military kids are at higher risk for emotional and behavioral problems and that risk increases as cumulative months of deployment increase. Unfortunately for families, mental health struggles do not disappear after the servicemember separates or retires from the military. We are appalled by TRICARE copays that discourage military families from accessing mental health care.

  "They (my children) need therapy to deal with living with the effects of war. But one thing that happened recently though was we had to cut our son's therapy in half because TRICARE doubled our copay. So he's not getting the amount of mental health care and our daughter can't get anything beyond what she's just getting at the TBI clinic because we just can't pay forit."

  —Jacqueline, spouse of medically retired soldier/caregiver

- We are concerned about how the dramatically higher copays for physical, speech and occupational therapy will impact patient adherence to treatment plans. DOD acknowledges Defense Health Program spending was significantly lower than expected in fiscal year 2018 due, in part, to a drop in utilization. What happens to long term costs when untreated conditions progress and eventually require more expensive treatments such as surgery?

"We had to tell the therapists that we would be diligent about our at-home therapy but that I would not be coming in for the recommended visits due to copays."

—Karen, Military Spouse

- Families are now paying a significant percentage of these relatively low-cost visits out-of-pocket reducing the value of TRICARE benefit.

"My 5 year old son receives weekly speech therapy sessions. My copay is $31 per session and the TRICARE allowable charge is $49 which means I am paying over half of my son's therapy costs."

—Jennifer, Army Spouse

We understand the value of the TRICARE benefit grew dramatically as health care costs rose and TRICARE out-of-pocket costs remained flat. Servicemembers and their families also understand this. Congress and DOD had the chance to modestly and predictably increase fees since TRICARE's inception. Understandably, it was politically unpalatable to increase military family health care costs while sending hundreds of thousands of servicemembers to war. After several years of combat deployments, with no end in sight, servicemembers and their families made and continue to make incredibly difficult "stay in" or "get out" decisions. For many, a big part of that decision was the financial protection provided by military pay and benefits, including TRICARE.

"One of the main reasons my husband decided to continue on Active Duty was health care. Our oldest son has food allergies, he has severe asthma, and it was one of the reasons he decided to stay in the military at the 10 year point, you know that's a big decision point. We had just found out about the severe food allergies and the asthma and I was pregnant with our second child and we had also just found out that my oldest has severe myopia as well and I was pregnant with my second and my thought was what if he has it too? What do we do?"

—Megan, Army Spouse/Caregiver

Two years after deciding to remain in the Army at the 10 year mark, largely due to the TRICARE benefit, Megan's husband deployed to Afghanistan and was shot by an Afghan National Army officer he was training. He lost his right leg above the knee due to vascular damage but eventually returned to Active Duty and is now within 2 years of retirement.

Working-age retiree health benefits remain under scrutiny. As Congress continues discussions about appropriate out-of-pocket costs for military retirees, we urge you to ask the Services for deployment data for those Active Duty members who have served 15+ years, and those who have retired within the past several years. As former Secretary of Defense Mattis pointed out, deployments have not been evenly distributed across the force,[1] but our lived experience suggests there are a substantial percentage of career servicemembers who served multiple combat tours.

Deployment data will only begin to capture the wide variety of sacrifices our servicemembers and military families made over the last 2 decades—the Navy officer who missed six Christmases with his young children due to deployments, the Army family who experienced an unaccompanied Korea tour immediately followed by a one year combat deployment to Iraq , the soldiers on their way home from Iraq who were turned around and sent back to the combat zone when Army deployments were lengthened to 15 months, the LTC who was called to take over a command and deploy immediately when a Battalion Commander in Iraq was critically wounded by an IED [improvised explosive device]. Since September 11, 2001, our Nation has placed unprecedented demands on the all-volunteer force and career servicemembers endured despite the risks and sacrifices. Is a cut to their health care benefit the appropriate way to respond to a group that remained steadfast through the last 17 years of war?

Lack of TRICARE Coverage for Emerging Technologies and Treatment Protocols

Health care is in a period of rapid change and innovation. Since TRICARE coverage policies are governed by statute, they are often difficult to update to cover new medical technologies or treatment protocols. We appreciate Congress gave DOD the authority to cover emerging technologies in the fiscal year 2015 NDAA. However, DOD seems reluctant to exert that authority. Many military families are now pay-

[1] *https://www.militarytimes.com/news/pentagon-congress/2018/02/17/mattis-deploy-or-get-out-rule-is-about-fairness/*

ing more out-of-pocket for their health care, yet TRICARE coverage policies have not kept up with medical innovations. *We urge Congress and DOD to fix TRICARE coverage gaps for emerging technologies and evolving treatment protocols.*

Diagnostic genetic testing is a prime example of TRICARE's failure to keep pace with medical advancements. While the TRICARE demonstration project slowly evaluates individual genetic tests, covering only a small fraction of tests approved under commercial plans and Medicaid, children's hospitals have moved on to doing genetic panels (e.g., seizure panel, connective tissue panel) and whole exome sequencing to produce higher yields of diagnoses for children with unexplained physical anomalies or other symptoms of a genetic condition. Why is a diagnosis important for families? Diagnostic certainty can impact medical management of a patient's condition. It can help families develop realistic expectations and plan for the future. A diagnosis is also required for families to obtain resources, such as Medicaid, to assist with managing their child's condition. Taking years to review and evaluate diagnostic genetic tests that have widespread acceptance, use, and reimbursement in the medical community and commercial insurance plans is unacceptable.

Chiropractic care is another TRICARE coverage gap example. The growing opioid epidemic illustrates the risks of relying on pharmaceutical treatment for pain management. As patients and providers seek alternatives to treat chronic pain, we are concerned military families lack access to chiropractic care. Effective January 2015, the Joint Commission included chiropractic services to its standard of care for pain management, yet TRICARE does not cover chiropractic. All national preferred provider plans within the FEHB program provide coverage for chiropractic care. Medicare also covers chiropractic services. While we appreciate that servicemembers have access to chiropractic care in some military treatment facilities, we are concerned family members, retirees and their families and survivors face a barrier to accessing chiropractic care given TRICARE's lack of coverage.

Barriers to Transferring TRICARE Prime Specialty Care During PCS

Military families recognize they must sacrifice continuity of medical care as a result of the highly mobile military lifestyle. Unfortunately, TRICARE policy hinders rather than facilitates the transition of care during permanent change of station (PCS) moves. Established specialty care requires a new referral at each new duty station—even for chronic conditions (e.g., Type 1 Diabetes) where on-going specialty care is undoubtedly required. To re-establish their specialty care, newly relocated military families must first have an appointment with a new Primary Care Manager (PCM) and get a new referral processed resulting in delays and disruptions in care. We ask Congress for legislation that requires TRICARE to allow valid specialty care referrals to transfer to the new duty station during a Permanent Change of Station (PCS.)

> *My daughter has an extremely rare syndrome that has several rare diseases that fall under it. PCSing is always a troubling time in our family, even if we move to an area with every specialist she needs, because we are put into a situation where we can't have her medical specialists set up at our incoming location for IMMEDIATE care. We wait to be enrolled in our new region, we wait for an appointment to see our new PCM, and then we wait for her PCM to refer us to, more often than not, outside civilian specialists. Most of the time there's at least a 3 to 6 month wait for the specialists to see new patients, and that's on top of the weeks that have already passed waiting to get in to see the new PCM and waiting for your referrals. Two of our last three PCSs, we ended up in the emergency room with life threatening complications/illness and no specialists who were familiar with her history and her diseases.*

In section 701 of the fiscal year 2017 NDAA, Congress eliminated the specialty care preauthorization requirement for outpatient care. We welcome this attempt to streamline access to specialty care, but it is only a partial solution. Allowing a valid referral to transfer to the new duty station would greatly help military families with the timely transition of specialty care. It would also eliminate unnecessary appointments to obtain new referrals and reduce the health care disruptions inherent in PCS moves.

Pediatric Definition of Medical Necessity

TRICARE's reliance on Medicare reimbursement methodologies, a program designed for seniors, means TRICARE policy is sometimes a poor fit for pediatric care. Fortunately, most military children are healthy and won't encounter major TRICARE reimbursement issues due to their minimal use of the program. For those families with special needs children, however, TRICARE policy can mean adminis-

trative or financial burdens on top of their child's health care needs and the demands of Military Service. Due to their small numbers and the wide variety of TRICARE policy problems they encounter, we will seldom see a large public outcry from these families to fix a single issue. We need a mechanism to address the wide variety and evolving nature of the gaps between Medicare policy and pediatric care needs. Every year we hear about new instances where TRICARE failed to meet the needs of military kids. For example:

> *"I wanted to let you know about a military family I recently met who had a problem with medical care overseas. Their 4-year old daughter contracted a virus and was an inpatient at a civilian hospital in Germany for several weeks before she passed away. While she was hospitalized her mom slept in the hospital room with her, not realizing that German hospitals—unlike U.S. hospitals—charge a "rooming in" fee. I believe the fee was 75 euros per night so the total expense was quite large. The servicemember's unit took up a collection to pay the bill. U.S. hospitals encourage parents to sleep in the hospital room with their child. Shouldn't TRICARE cover something like this?"*
>
> *—Jenna, Navy Spouse*

International SOS, the TRICARE Overseas contractor, published a reminder on this issue in their provider newsletter with the following recommended action for overseas providers.

> *Institutional providers should make parents aware, if they wish to stay overnight to accompany their child, TRICARE will not cover the charges and the parent will be issued an invoice to pay the hospital for associated lodging costs, before the child is discharged.*
>
> *—International SOS Provider Newsletter, March 2018*

This does not really address the issue for parents and could, in fact, increase distress or present parents with a terrible choice to either leave their child alone at night or face significant charges.

Another example:

> *"My child recently had a VCUG, a test that is very difficult for the child because it involves a catheter and voiding on the exam table to assess bladder/kidney function. Her physician recommended partial sedation during the test, but TRICARE did not cover it. Why would TRICARE not cover something my daughter's doctor recommended? She may need to have this test done again in the future, so we didn't want her to have a traumatic experience during it."*
>
> *—Karen, Army Spouse*

The voiding cystourethrogram (VCUG) is used to diagnose a number of bladder conditions. It is a procedure performed mainly on infants and young children. An NIH article[2] reported that most unsedated children experience an unacceptable level of distress (serious or severe distress or panic) during the VCUG that could be avoided with sedation. Just because Medicare does not have a reimbursement policy for sedation during this procedure (and many other pediatric procedures) does not mean sedation is not the right course of action for pediatric patients.

We believe a pediatric definition of medical necessity is the best way to address TRICARE'S wide variety and evolving pediatric coverage gaps. After our Association, together with the TRICARE for Kids Coalition, repeatedly raised this issue at Military Family Readiness Council meetings, senior DOD leadership requested the Defense Health Board (DHB) to examine opportunities to improve the overall provision of health care and related services for children of members of the Armed Forces. The July 2016 report request specifically directed the DHB to:

> Address any issues associated with the TRICARE definition of "medical necessity" as it might specifically pertain to children and determine if the requirement for TRICARE to comply with Medicare standards disadvantages children from receiving needed health care.

The DHB Pediatric Health Care Services Report[3] was released December 18, 2017. The report documented TRICARE is out of step with commercial plans and Medicaid and concluded TRICARE's current definition of medical necessity dis-

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[2] *https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2443423/*

[3] Defense Health Board Pediatric Health Care Services Report—December 18, 2017 *https://health.mil/About-MHS/Defense-Health-Agency/Special-Staff/Defense-Health-Board/Reports*

advantages children from receiving some needed services. The DHB recommended the MHS:

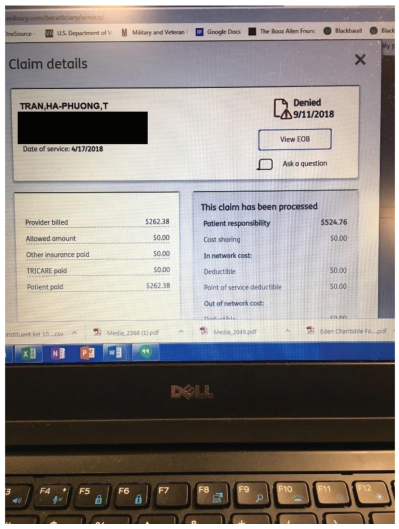
> Modify the administrative interpretation of the regulatory language in 32 Code of Federal Regulations 199.2 to broaden the use of the "hierarchy of reliable evidence" for the benefit of pediatric beneficiaries. Exclusions to the hierarchy described under "reliable evidence" in 32 Code of Federal Regulations 199.2 should not preclude pediatric services (a) meeting definitions of medical necessity used broadly in civilian practice or (b) recommended by recognized medical organizations.

Unfortunately, the DOD's December 2018 Report to Armed Services Committees, *The Plan to Improve Pediatric Care and Related Services for Children of Members of the Armed Forces*[4], announced DOD is not planning to develop a uniform definition of pediatric medical necessity and presented no alternative plan to address pediatric care coverage gaps. *We ask Congress to urge DOD to implement the Defense Health Board's recommendation to broaden TRICARE's definition of pediatric medical necessity.* Fixing TRICARE's reimbursement problems related to pediatric care is an essential part of the TRICARE reform effort.

T17 Contract Transition Issues

Throughout 2018, military families were plagued by TRICARE contractor transition issues. The problems have been well documented with contractors themselves regularly reporting on performance shortfalls. We appreciate the steps Congress and committee staff took to hold DHA and the managed care support contractors accountable. For families, inaccurate claims processing—particularly in the East Region—has been a problem throughout the year, but this issue is not captured in contract performance metrics. While Humana has been very responsive in addressing individual claims errors we've brought to their attention, it seems they were slow to address systemic issues. Customer service has also been ineffective in helping families resolve obvious problems with claims. There seems to be no process to escalate claims errors to someone at the contractor who can help resolve them.

As an example, one family made twelve calls to Humana before contacting us. When this photo was taken, the Patient Responsibility had doubled versus the amount the provider billed. The family was eventually reimbursed after working with our contact at Humana. After twelve calls with no results, what would this family have done if they had not known about our Association? We appreciate the efforts you have made on the T17 transition and ask for continued oversight of contract implementation.



[4] *https://health.mil/Reference-Center/Congressional-Testimonies/2018/12/26/Report-on-Plan-to-Improve-Pediatric-Care-and-Related-Services-for-Children-of-Armed-Forces*

DIRECT CARE SYSTEM/MILITARY HOSPITALS AND CLINICS

During the MHS reform process, our Association detailed challenges military families face within the Direct Care system, including MTF appointment shortages and scheduling hurdles, variable quality and safety across the Direct Care system, and policies and patient experiences that vary greatly across MTFs. As reform efforts continue, we hope DHA and the Services maintain a focus on addressing these challenges.

We appreciate and strongly support the fiscal year 2017 NDAA provision that requires DHA to assume responsibility for the administration of all MTFs. Currently, DHA sets policy but MTFs have no accountability to the Agency for implementation of that policy. Consolidating MTF administration under DHA should allow the Agency to enforce policy and ensure more consistent communication.

While we also support MHS reform intended to right-size the Direct Care system, retaining only beneficiary care that directly contributes to the readiness mission, we urge DHA to ensure access for beneficiaries who must transition care to the private sector as a result. If right-sizing includes specialty care consolidation into a handful of military medical centers of excellence, we trust military family preferences will be considered when determining where families will obtain specialty care.

TRICARE DENTAL PROGRAM FOR ACTIVE DUTY FAMILY MEMBERS TRANSITION TO FEDVIP

We appreciate Congress and committee staff listened to our concerns about the reduced quality and value of the TRICARE Dental Program (TDP) following the transition to United Concordia in May 2017. Thank you for expanding Federal Employees Dental and Vision Insurance Program (FEDVIP) eligibility to Active Duty family members, while maintaining DOD's premium contribution, in the fiscal year 2019 NDAA. We believe FEDVIP will provide military families with a variety of coverage levels to meet their needs and allow them to choose a plan with sufficient network providers in their geographic area.

We have been working closely with DHA, the Office of Personnel Management (OPM) and the contractors during the TRICARE Retiree Dental Program transition to FEDVIP. We have reviewed lessons learned from that process and stand by to assist with the more complicated transition from TDP to FEDVIP. *We request Congress monitor and provide oversight on the TDP to FEDVIP transition.*

SPECIAL NEEDS MILITARY FAMILIES

Exceptional Family Member Program (EFMP) Assignment Coordination

Military families complain that EFMP assignment coordination is not thorough. Some say they are sent to areas with insufficient medical assets to meet their needs. In other cases, providers exist but long waitlists preclude access. At the moment, this seems to be a particular problem for families with children on the autism spectrum at Joint Base Lewis-McChord (JBLM.) Many families being sent to JBLM report long wait lists for therapies even with the opening of the Center for Autism Resources, Education and Services (JBLM CARES.) We ask Congress to require DOD to develop and publish performance metrics to evaluate assignment coordination effectiveness.

A May 2018 Government Accountability Office (GAO) report *DOD Should Improve Its Oversight of the Exceptional Family Member Program*[5], indicates each service uses various mechanisms to monitor how servicemembers are assigned to installations, but the report contains no details on how the individual services are monitoring assignment coordination effectiveness. We agree with GAO's recommendation that the Office of Special Needs (OSN) develop performance metrics for assignment coordination, specifically:

- OSN should develop common assignment coordination performance metrics across the Services. Metrics should include measures of military family satisfaction with the assignment coordination process focused on the ability to obtain necessary medical care at the gaining installation.
- Metrics should track compassionate reassignments/off schedule PCS moves due to inadequate medical resources at the gaining installation for EFMP families that were approved for that location. Compassionate reassignments of this nature indicate system failure and should be monitored to identify and address process breakdowns.
- Metrics should be reported at the installation level to provide actionable information.

[5] *https://www.gao.gov/products/GAO–18–348*

TRICARE Extended Care Health Option (ECHO)

We appreciate DOD's August 2018 proposed rule[6] eliminating the concurrent ECHO benefit requirement. This would allow beneficiaries enrolled in ECHO to receive respite care regardless of whether another ECHO benefit is received in the same month. We are grateful the proposed rule eliminates this barrier to ECHO respite services. While eliminating the concurrent ECHO benefit requirement is a step in the right direction, *we ask Congress to expand ECHO respite care hours to align more closely with state Medicaid waiver programs* to ensure special needs military families receive adequate support.

Medicaid waiver programs provide long-term care services in home- and community-based settings to those who would otherwise require care in an institutional environment. Many states have lengthy waitlists for their Medicaid waiver programs leaving military families unable to access services when they PCS from one state to another before reaching the top of the waitlist.

> *"I have two special needs children and have never been able to access Medicaid services till our recent assignment. When we move out of state this summer, we will again lose services. In 9 years, we have received only 9 months of Medicaid waiver services due to frequent military moves. The process takes so long each time we PCS. It is really discouraging."*
>
> *—Peggy, Navy Spouse*

Congress established TRICARE's Extended Care Health Option (ECHO) as a substitute for state Medicaid waiver services that are often unavailable to mobile military families. Medicaid waiver program services should serve as the benchmark for ECHO covered services. However, ECHO currently falls short, relative to Medicaid waiver services, particularly in terms of respite care.

The Military Compensation and Retirement Modernization Commission (MCRMC) validated this issue in their 2015 report[7] and recommended ECHO covered services be increased to more closely align with state Medicaid waiver programs. The MCRMC's state-by-state Medicaid waiver analysis showed the average state Medicaid waiver provides 695 respite hours per year while ECHO provides only 192 respite hours annually.

While the proposed rule eliminating the concurrent ECHO benefit requirement is a helpful first step, we believe it is important for DOD to further address ECHO deficiencies by increasing the total number of respite hours available to families. The current level of 16 hours per month disadvantages military families relative to state Medicaid waiver recipients. The low number of ECHO authorized respite hours also presents a barrier to receiving any respite care, since many families report difficulties finding a respite provider willing to work with them given the low number of hours involved. Managed care support contractors verify that many home health agencies don't want to play in intermittent, low hours care.

MILITARY DEPENDENT MEDICAL RECORDS

In 2018, the Military Times published two articles[8] about the Services accessing military dependent medical records of children who subsequently joined the military themselves. These articles have raised concerns among military families about the impact of mental health notations in their children's records. For years, DOD has encouraged military families to seek behavioral health care to help deal with the strains of military life compounded by 17 years of combat operations. DOD messaging rightly promoted behavioral health care as a sign of strength and a way of building resilience. The policy of accessing dependent medical records sends exactly the opposite message.

Our Association has many concerns about this issue including the overall impact on stigma. We believe the first step in addressing these concerns is a better understanding of the policy and process for accessing minor medical records of former military dependents. We ask Congress to require a DOD report providing transparency to the process of accessing military dependent medical records by requesting the Services answer the following questions:

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[6] *https://www.federalregister.gov/documents/2018/08/17/2018–17463/tricare-extended-care-health-option-echo-respite-care*

[7] *https://docs.house.gov/meetings/AS/AS00/20150204/102859/HHRG–114–AS00–20150204–SD001.pdf*

[8] *https://www.airforcetimes.com/pay-benefits/military-benefits/health-care-benefits/2018/03/29/they-sought-help-when-their-army-dad-deployed-now-theyre-barred-from-joining-the-military/; https://www.armytimes.com/pay-benefits/military-benefits/health-care-benefits/2018/04/05/sailors-bounced-from-recruit-training-thanks-to-dependent-medical-records-parents-say/*

- What is the scope of the issue?
  - How many military dependents' medical records have been accessed?
  - How many military kids have been denied enlistment or involuntarily separated due to information in their dependent medical records?
  - Under what circumstances do the Services access MHS dependent medical records? Is this a random sample or prompted by something specific?
  - Which military entrants are subject to having their dependent medical records evaluated? Enlistees? Service academy cadets and midshipmen? Reserve Officers' Training Corps students? Those entering via other commissioning sources?
- What guidelines are the Services using when evaluating information in dependent medical records? How is dependent medical information used in "fit for duty" determinations? What other information (medical or otherwise) is used in conjunction with dependent medical records in "fit for duty" determinations?
- Who is charged with evaluating information in dependent medical records? What are their qualifications? What guidance do they receive before conducting such evaluations?
- What oversight is provided to ensure dependent medical record information is interpreted and used appropriately?
- What is the appeal process for those who are recommended for involuntary separation based on information in their dependent medical record?
- What is the policy for examining minor medical records of entrants who are not former military dependents?

DEFENSE RESALE

Our Association has long viewed the commissary as an essential element of military compensation. Families agreed, telling us often over the years that the commissary—and the savings families realize when shopping there—is one of their most valued benefits. However, in any discussion of defense resale, there is no ignoring the elephant in the room: commissary sales have been declining for years, and the trend shows no sign of reversing.

To be fair, much of the sales decline is most likely due to factors outside the Defense Commissary Agency's (DeCA's) control. Both the retail landscape and the military lifestyle have changed dramatically in recent years, making it increasingly difficult for the commissary to compete. The market is dominated by big box, low cost stores such as Costco and Wal-Mart, while Amazon offers convenience to shoppers who prefer to order their groceries online. At the same time, more military families are choosing to live off base, meaning the commissary is no longer the most convenient place to shop.

It's also true that DeCA does not have all the tools that a typical retailer can use to increase revenue. There's little it can do, for example, to expand its customer base—although the extension of commissary privileges to Purple Heart and Medal of Honor recipients as well as veterans with service-connected disabilities is a welcome step in that direction. It has limited ability to advertise and can't close underperforming locations. Those steps that DeCA has taken to increase efficiency and appeal to customers, such as introducing private label products, have not yet led to increased sales.

However, although fewer military families seem to be taking advantage of their commissary benefit, it remains vital to many, especially those stationed overseas or in remote locations, as well as families who are struggling financially. We are grateful Congress has shown a commitment to preserving the benefit, including mandating in law that DeCA meet savings targets. *We request Congress to continue close oversight as the commissary continues implementing new business practices.*

Like the commissary, the Service Exchanges play a vital role in the military community, providing essential services and helping fund Morale, Welfare and Recreation (MWR) programs. That funding is especially important as the Services face increased pressure to redirect MWR funds toward readiness.

Recently, DOD conducted a business case analysis to study whether and how to consolidate the commissary and Exchanges. The analysis concluded that significant efficiencies could be realized through consolidation and recommended moving forward. We have serious concerns about this proposal. While we recognize the need for efficiency and acknowledge that combining some functions could reduce operating costs, it's also true that there are costs associated with consolidation. Where will that money come from? The cost of consolidation must not come at the expense of MWR funding, commissary savings, or services offered by the Exchanges. *Any*

proposal to change the defense resale system must ensure the programs, services and savings military families rely on are preserved.

The defense resale system is complex and merging its disparate elements will be difficult and present some risk. We urge caution before embarking on wholesale change to a system relied upon by servicemembers and their families. At a minimum, Congress should ensure the voices of all stakeholders are heard—leadership of DeCA and the Exchanges, industry partners, and—most importantly—patrons. *We also recommend an independent GAO review of the recommendations in the business case analysis.*

WHAT DO TODAY'S MILITARY FAMILIES NEED TO ENSURE READINESS?

It has often been said while the military recruits a servicemember, it must retain a family. Our Association has long argued in order to build and maintain the quality force our Nation demands, the military must support servicemembers as they balance the competing demands of Military Service and family life. We urge Congress to strengthen the programs and services available to support all troops and families in diminishing uncertainty and meeting the daily challenges of military life.

We thank Congress for providing military families with greater flexibility in timing their relocation either before or after a servicemember's permanent change of station (PCS) report date in the fiscal year 2018 NDAA. We are anxious to see how the Services implement this new policy and will monitor whether it minimizes the upheaval associated with moving.

Yet, budget issues have increased stress and anxiety for families facing a military-ordered move. The military must evolve to meet the needs of today's military families, but it needs a predictable budget and appropriation to do so.

PRIVATIZED MILITARY HOUSING

In recent weeks we've heard from thousands of military families who have endured deplorable conditions within privatized military housing. We are encouraged, and thankful Congress has taken the first steps to address the situation. We urge Congress and the Services to move forward with improved oversight and management of the contractors and housing officials responsible for these conditions which have, and continue to, affect the health, safety and well-being of servicemembers and their families.

Nearly twenty years ago when Congress and DOD were considering privatization of military housing, our Association was encouraged by the promise that conditions faced by military families living in military-run facilities would be drastically improved as civilian contractors took over and built and maintained housing to civilian standards. However, we strongly warned Congress of the consequences if the military abandoned its oversight over the housing developers. In fact we specifically warned, "If the Services' oversight of developers mirrors their own care of housing, we could foresee families caught in the vise of the new management company blaming failures on the construction company, the Services blaming both, and families left with the residual mess." It saddens and angers us to have to say, "We told you so." After almost twenty years, families are still looking for the answers to these questions:

- *Who provides oversight of housing management and maintenance?*
- *What is the role of the installation commander?*
- *Who is the advocate for family members living in the housing?*

With 50-year contracts and millions of dollars, we've witnessed and experienced what privatization of military housing with a lack of proper oversight yields. We continue to be horrified at stories of mold growing through walls and inhabiting heating, ventilation and air condition (HVAC) systems, a lack of proper installation of windows and insulation causing major problems with temperature regulation, vegetation such as mushrooms and moss growing in bathrooms and out of carpets, infestations of vermin and the disgusting list goes on. We've also heard from families that in some places maintenance workers and housing officials have stonewalled efforts to improve conditions—from telling the families that they're simply not going to fix a problem to presenting nondisclosure agreements to tenants living in these conditions who desire to move their family to a clean and safe environment.

Further complicating the situation is the notion that a servicemember may be deployed or remotely assigned and concerned about conditions in which his/her family is living. This affects not only the readiness of the individual, but also the safety of their units and jeopardizes operational success on the battlefield.

Families want to know:

- What has changed for those who are currently experiencing problems?
- What has changed for those who discover issues in a month?
- How are the Services going to address the short and long-term health problems of families? What if the servicemember has separated from the military? How will families receive care?

What will Congress include in the fiscal year 2020 NDAA to address these questions?

CHILD CARE

Military families often tell us that finding high-quality, affordable childcare is one of their biggest challenges. In part, of course, this reflects a national shortage of affordable childcare options. The demographics of the military family community make the issue particularly acute: two-thirds of the more than 1.6 million military-connected children are under the age of twelve and the largest cohort—nearly 38 percent—is under age 5.[9]

DOD is to be commended for recognizing the importance of ensuring military families have access to high-quality, affordable childcare and for taking concrete steps to provide this care. Its facilities are usually top-notch and offer curricula developed by experts in early childhood education. In addition, it provides admirable training and professional development opportunities to CDC employees as well as care providers in its network of Family Child Care (FCC) homes. It developed a single website, MilitaryChildCare.com, to provide better information about on-base childcare options and allow parents to seek a space for their child in advance of a PCS move. In response to concerns that lengthy background check requirements were leading to hiring delays and staff shortages, DOD implemented procedures to speed the process while still ensuring the safety of children in their care.

Yet, despite these efforts, gaps remain. Families still complain of long waiting lists, especially overseas and at larger joint bases. These waiting lists don't even tell the full story, as many families, faced with a waiting list of 6 months or more, look elsewhere to find childcare. It is no doubt true that DOD will never be able to meet the childcare needs of every military family. However, access to quality, affordable childcare is essential to military readiness. The unique challenges of military life—distance from extended family who might otherwise assist with care, long hours and overnight shifts—often mean that seeking care in the civilian community isn't feasible. Military families will continue to look to DOD to meet their childcare needs, and DOD must continue to do more.

While the issue of military childcare may appear to be intractable, there are several steps DOD could take to address the problem:

Increase participation in the fee assistance program: The fee assistance program operated by the Services is an innovative, effective approach to the problem of insufficient childcare availability on base. The program helps offset the cost of childcare in the civilian community, ensuring participating families can access high quality care at an affordable cost. Unfortunately, relatively few families take advantage of this benefit. Expanding participation in the childcare fee assistance program would address many families' childcare needs.

One reason why relatively few military families participate in the fee assistance program is a lack of eligible providers. DOD has stringent requirements for childcare providers participating in the fee assistance program, to include national certification, regular inspections, and background checks. However, many states have less stringent requirements for providers. In those locations, families often have difficulty locating a provider who meets DOD's eligibility requirements. The Office of Military Community and Family Policy and the Defense State Liaison Office (DSLO) have worked together to encourage states to increase their standards to meet DOD's and have had a great deal of success in this regard. We encourage them to continue with this effort. We also encourage DOD to consider ways it could broaden the pool of providers eligible to participate in the program while still maintaining its commitment to high quality care.

The second, more pressing reason why few families take advantage of the fee assistance program is simply a lack of funds. Navy families reported for months their Service fee assistance program was not even accepting new families to its waiting list due to lack of available funds. We urge the Services to direct more resources to this program which is essential to many families and relieves pressure on installation childcare services.

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[9] 2017 Demographics: Profile of the Military Community, *http://download.militaryonesource.mil/12038/MOS/Reports/2017-demographics-report.pdf*

Analyze role of FCC Homes: For many years, childcare providers who offered care in their on-installation homes were an important part of the military childcare system. These providers receive training and professional development from DOD much like that given to CDC employees and must comply with stringent DOD inspections and background checks. They provide a flexible care option for parents whose schedules don't work with CDC hours and offer employment opportunities for military spouses. However, the number of FCC Homes has been declining for years. DOD should survey current providers as well as those who leave the program to assess why fewer people are offering this service and what, if anything, could be done to attract and retain in-home care providers.

Part of the problem may be that if an FCC provider moves and no longer lives on an installation, he or she is subject to the licensing requirements of the state. Given DOD's stringent requirements, we expect FCC providers would meet or exceed most states' requirements for licensing an in-home day care. For that reason, we suggest DOD and the DSLO work with states to expedite licensing for approved FCC providers, so they can quickly reopen their in-home day care in their new location.

Increase availability of part-time and hourly care: We hear from many military families frustrated by the lack of hourly or drop-in care at installation CDCs. Many military families—especially those overseas or in remote locations—do not have easy access to reliable caregivers. For those families, access to drop-in care at an installation childcare facility can greatly enhance their quality of life, enabling parents to go to medical appointments, run errands, and volunteer in their communities. This service can be especially vital when a servicemember is deployed, providing the at-home parent with a much-needed break. Increasing the number of hourly slots would also help address a common conundrum faced by military spouses after a PCS move: they can't look for work without childcare, but thanks to DOD priority guidelines, they aren't eligible for childcare if they're not working. DOD should evaluate the programs at installation CDCs to ensure the mix of care offered—full time, part-time and hourly—meets the needs of the families they serve.

MILITARY FAMILIES AND FOOD INSECURITY

The 2017 Survey of Active Duty Spouses (2017 ADSS) conducted by the DOD reported 11 percent of Active Duty spouses described their financial situation as "not comfortable." Another 21 percent of spouses reported they had experienced some financial difficulty. Although the survey did not address the issue directly, there is evidence that military families' financial stress sometimes leads to food insecurity:

- Food pantries operate on or near virtually every military installation—four near Camp Pendleton alone;
- The demand for low- or no-interest loans or grants from the Service relief societies. For example, in 2018 the Navy-Marine Corps Relief Society provided more than $18 million to assist servicemembers and families with basic living expenses such as food and rent. [10]
- DeCA reports nearly $55 million in Supplemental Nutrition Assistance Program (SNAP) benefits were spent in military commissaries in fiscal year 2017.

Our Association has argued that military families should be able to benefit from the same social safety net programs that support their civilian neighbors and friends. There should be no shame or stigma in accepting assistance to ensure you are able to put healthy food on the table. Our concern, rather, is for military families who may be falling through the cracks, either because they are not aware of programs that could assist them, or they fall just over income eligibility thresholds.

One example of this issue is military families' eligibility for SNAP benefits. SNAP is designed to support families whose incomes put them below 130 percent of the federal poverty level. (Some states set a higher threshold—they may go up to 185 percent of the federal poverty level.) However, because the military Basic Allowance for Housing (BAH) is included when determining SNAP eligibility, it's rare for military families to qualify. Paradoxically, families stationed in high cost of living areas are most affected by this barrier—their higher BAH prevents them from qualifying for SNAP, but the high cost of everything from food to utilities and transportation puts them under great financial strain.

In the past, Congress and DOD have acted to address the issue of military family financial stress and food insecurity. For example, in the late 1990s Congress authorized the Family Supplemental Subsistence Allowance (FSSA), which was designed

[10] Navy-Marine Corps Relief Society 2018 Year in Review Infographic, *http://www.nmcrs.org/page/-/Infographic—2018—Financials——Feb—05—19—Interim.pdf*

to assist families whose income and household size put them below 130 percent of the federal poverty level. However, few families participated in this program and in 2016 it ended domestically at the recommendation of the Military Compensation and Retirement Modernization Commission (MCRMC), which noted that most eligible families would be better off participating in SNAP.

While we agree with the MCRMC that SNAP is in many ways a more valuable and effective program to assist military families struggling with food insecurity, the fact remains that many families in need are unable to access it due to the inclusion of BAH. For that reason, we ask Congress to reinstitute the FSSA, but with key changes to make it more effective for military families:

- Set eligibility at 200 percent of the federal poverty guidelines, based on income and number of dependents;
- Exclude BAH when determining eligibility;
- Using data from the Defense Finance and Accounting Service (DFAS), automatically notify servicemembers of their potential eligibility for the FSSA. (Previously, servicemembers had to apply for the FSSA through their chain of command, which could be a barrier to participation.) Servicemembers could then provide information about household size and other sources of income to confirm their eligibility.

We would also like to draw attention to the Women, Infants and Children (WIC) program, which supports families with pregnant or nursing mothers and young children up to age 5. WIC offers support in the form of vouchers or electronic benefits cards that may be used to purchase foods such as formula, baby food, eggs, peanut butter, bread, milk and fruits and vegetables. Participants in the program also receive nutritional counseling and breastfeeding support. Given the young demographics of the military family community and the fact that the largest cohort of military children (nearly 40 percent) is under age 5, this program in many respects is tailor-made to support military families. In addition, because BAH is not counted in determining WIC eligibility, it is much easier for military families to qualify—in fact, nearly every E–6 or below with one or more children could potentially qualify, assuming there is no additional household income.

While we were unable to find statistics on the usage of WIC among military families, we are certain many more families potentially qualify than currently take advantage of this valuable program, which is unfortunate. We would like to see DOD take steps to raise awareness of WIC among young military families. One easy step would be to require pediatricians in Military Treatment Facilities (MTFs) to screen patients for food insecurity and provide information about applying for WIC.

The majority of military families may never face food insecurity, and for those who do it is often a short-term problem that is resolved through promotion. However, we firmly believe no military family should ever struggle to put food on the table, especially when programs exist that can provide support. Raising awareness of WIC and making relatively simple changes to the FSSA would provide much needed support to the youngest, most vulnerable military families.

MILITARY CHILDREN'S EDUCATION

Like most parents, military families care deeply about the quality of their children's education. They also worry about the effect that the military lifestyle has on their children's education—specifically, the frequent military-ordered moves. Typically, military families move every 2 to 3 years, so a military-connected child can expect to attend six or more schools before their senior year of high school.

The Interstate Compact on Educational Opportunity for Military Children, which has been adopted by all 50 states and the District of Columbia, as well as the Department of Defense Education Activity (DODEA), addresses many of the most common transition-related challenges faced by military-connected children moving to new schools. In addition, the widespread adoption of Common Core or similar standards means that military children are more likely to find familiar curricula and academic standards in their new schools. Together, these two developments help provide today's military children with smoother transitions and a more consistent academic experience than previous generations. Still, the fact remains local public schools are locally controlled—and financed—so policies, resources, and requirements vary from state-to-state and even district-to-district. Understandably, this is a source of stress for military families, who want their children to have the best possible education.

In February 2018, the Secretaries of the Army, Navy and Air Force sent a letter to the National Governor's Association affirming the importance of education to military families and calling on governors to ensure military-connected children in

their state receive the best possible education. We commend the Secretaries for highlighting the importance of education and agree states and districts should set policies and allocate resources to support military children and provide them with a high-quality education. However, we believe the Federal Government has a role to play as well.

Districts serving large numbers of military children rely on Impact Aid funding from the Department of Education and the Department of Defense to help offset the additional expenses they incur, as well as compensate for lost property tax revenue when a district includes federal property such as a military installation. It is incumbent on DOD and the Federal Government to ensure schools charged with serving military-connected children have the support they need to provide the best possible education. We are grateful to Congress for authorizing $40 million for DOD Impact Aid and $10 million in Impact Aid for schools serving military children with special needs in the fiscal year 2019 NDAA. *We ask Congress to maintain this funding to offset the costs incurred by districts educating large numbers of military children.*

We continue to be concerned about the financial burden posed on school districts educating large numbers of military children with special needs. We wholeheartedly support sending military families with special needs family members to locations where their medical and educational needs can be met. However, in practice, this has led to concentrations of special needs military families in locations such as Joint Base Lewis-McCord, where a large MTF and other specialized services are available. While the ready availability of services through the military and local civilian community benefits the special needs military families, we are concerned about the unintended burden on the school districts serving these installations, which must provide special education services. Serving unusually large numbers of children with severe special needs places great strain on the budgets of these school districts. We fear that in the long term this financial pressure will affect the quality of the education services these districts are able to provide. *We ask Congress to require DOD to study where military families with severe special needs are concentrated and whether DOD Impact Aid for schools serving military children with special needs is appropriately allocated.*

SPOUSE EMPLOYMENT AND EDUCATION SUPPORT

Spouse employment and education support is a critical component of military family readiness. Much like their civilian counterparts, many military families rely on two incomes in order to help make ends meet. However, military spouses face barriers hindering their educational pursuits and career progression due in large part to challenges associated with the military lifestyle.

We are gratified in recent years Congress, DOD, the White House, and individual States have all taken steps to lessen the burden of an Act s, including DOD's portfolio of Spouse Education and Career Opportunities (SECO), which provides educational funding for select military spouses, career counseling, employment support, and the DOD State Liaison Office's (DSLO) state-level initiatives. However, while progress has been made in certain areas, the military spouse unemployment rate remain stagnant at 24 percent and military spouses continue to face significantly lower earnings as well as higher levels of unemployment and underemployment than their civilian counterparts, greatly impacting their families' financial stability.[11]

We appreciate that Congress recognized the difficulty military spouses have in moving their careers from state-to-state by providing up to $500 reimbursement for re-licensing and re-certification because of a PCS in the fiscal year 2018 NDAA. However, we have yet to see implementation of this program, leaving over 30 percent of employed military spouses anxiously waiting for much needed relief as they PCS and face financial strains due to re-licensure/re-certification within a new state. *We urge Congress to hold the Services responsible for the implementation. We ask Congress to extend the proposed 2022 program sunset allowing military spouses to access the reimbursement for a full 5 years as Congress intended.*

Grow Our Own

As military families struggle to cope with the effects of 17 years of war, we are seeing an increasing demand for mental health services within our families and community. Unfortunately, access to high quality care is limited. The shortage of mental health professionals nationally is mirrored in the military community; it is even greater at military installations in remote areas. We believe our Nation has

[11] Hiring Our Heroes, Military Spouses in the Workplace, U.S. Chamber of Commerce Foundation June 2017: *https://www.uschamberfoundation.org/sites/default/files/Militarypercent20 Spousespercent20in percent20the percent20Workplace.pdf*

an obligation to prevent, diagnose, and treat the mental health needs of servicemembers and their families. Doing so, in the face of a nationwide shortage of mental health professionals, will require innovative solutions and strategic public-private partnerships including Congress, DOD, the VA, and other organizations.

One of our Association's top priorities is to ensure adequate access to mental and behavioral health providers who are attuned to the unique stressors of military life for servicemembers and their families who have endured years of repeated deployments, long separations, and possible injuries or illnesses. We support efforts to educate and employ military spouses as professionals in these fields.

Since 2004, NMFA's military spouse scholarship and professional funds program has had over 100,000 applicants and awarded over $5 million in funds. The number of spouses pursuing mental health careers continues to increase. Our 2018 applicant pool had 767 spouses planning to pursue careers in mental health fields which shows a growth of 50 percent from the previous year.

Many of our military spouses pursuing careers in mental health fields intend to serve military families. Helping these spouses overcome obstacles and pursue their careers has the dual benefit of assisting the individual spouse and family while addressing the shortage of mental health providers in the military community. However, these spouses face obstacles due to the unique challenges of the military lifestyle. Just this month in Facebook posts these spouses share experiences all too common for military spouse mental health professionals:

> *Hi everyone! I have a few questions that I'm hoping you can help me with. I'm currently licensed in New Mexico as an LMSW and have almost finished my clinical supervision to test for my LCSW. My husband is stationed in Florida and we are planning to move there soon. Is it better to finish my hours here and test in NM then transfer my license or start the process to get licensed there? I heard you can test before you finish your hours there, is that true? Also, if we were to move, can I still have a NM supervisor? I have also heard about a Valor Program that is temporary licensure for military spouses. Any info on this? Thank you for your help!*

> *Hi everyone!! ADVICE/INPUT NEEDED!! I am graduating this May (MS in Clinical Mental health). I know I need to start 3000 post grad hours after I am done. HOWEVER, we might be moving in the near future (most likely within a year but no orders yet!!) so I am debating whether to start getting the hours or wait for an unknown period of time till we move?? Did anyone start accumulating hours in one state and then moved??? PLEASE ADVISE! TIA!!*

One of the many challenges which these spouses highlight is that of obtaining supervision hours—not only the sheer number of hours spread over years that are likely to be interrupted by a PCS, but also the cost associated with accumulating hours. One scholarship applicant writes, "The cost of each individual hour is $70. With this financial support I would be able to accumulate hours at a faster pace." In recognizing this financial strain, we offer scholarship funds to be used toward supervision hours in addition to licensure and certification costs. *We urge Congress to expand the MyCAA program to allow funds to be used toward obtaining supervision hours.*

Federal Student Loan Forgiveness

Federal student loan forgiveness and repayment programs provide incentive for those who wish to give back to their community. With the well documented shortage of mental health providers, both nationally and within the military community, we believe adding mental health professions to the federal student loan forgiveness program would provide a much needed incentive to spur growth in these fields.

We urge Congress to enhance federal student loan forgiveness programs and protect against any attempts to degrade programs in place.

We offer the following recommendations for Congress to consider:

- Facilitate easier paths to both licensure and employment for military spouses and veterans in the mental health field when they work with servicemembers and families;
- Pass legislation to allow military spouses full reciprocity when transferring an active unrestricted mental or behavioral health license from one state to another due to PCS;
- Support partnerships between the Military Health System and the VA to ease spouse difficulties in obtaining clinical supervision hours, reduce licensing bar-

riers, and spur employment of military spouses and veterans in the mental health field;

- Expand the MyCAA program to include the coverage of supervision hours and increase rank eligibility to E–6 and O–3.

MILITARY LENDING ACT

For more than a decade, military families have enjoyed a reprieve, seeing a decrease in predatory lending due in large part to the passage of the Military Lending Act (MLA). However, recently we have become alarmed about the Consumer Financial Protection Bureau's (CFPB) decision to no longer enforce supervision of the MLA. While CFPB seems to be concerned with the overall financial readiness of servicemembers and their families, forgoing their previously recognized authority opens military families up to fraudulent lending by financial institutions. Furthermore, this reversal puts the onus on military families to catch potential fraud based on their understanding of the law and its protections and work through the process of reporting potential fraud to CFPB in the hopes of reconciliation.

In January of this year, CFPB's own Office of Servicemember Affairs reports complaints and requests for assistance have continued to increase over time. In fact, the report states, "From 2016 to 2017 there was a 47 percent increase in complaints received by servicemembers." If, even with supervision of the MLA during the last decade, servicemember complaints have continued to increase what does CFPB expect will happen as a result of no supervision? Surely this disturbing trend will continue to grow at expediential rates. *We urge CFPB to reverse their decision to no longer supervise financial institutions in compliance with the MLA.*

We understand that CFPB has proposed a legislative fix to explicitly grant authority to supervise the MLA. However, we believe that CFPB already possesses the authority and are concerned that any attempts to revise the MLA could in turn water-down protections already in place.

MILITARY FAMILIES IN CRISIS

Our country is still at war and military families continue to live extraordinarily challenging lives. Reintegration continues to pose challenges for some. Others are anxious about their financial futures. Most military families are resilient and will successfully address whatever challenges come their way. However, some will need help. It is critical military families trust DOD services and programs and feel comfortable turning to them in times of need. These programs and services must be staffed and resourced adequately so when families reach out for help, they can trust it is available. Military families must be assured our Nation will support them in times of family or personal crisis.

Suicide

In 2014, the Defense Suicide Prevention Office (DSPO) released a report outlining an approach for tracking military family member suicides. The report, Suicide and Military Families: A Report on the Feasibility of Tracking Deaths by Suicide among Military Family Members, was requested by the Senate and House Armed Services Committees.

Our Association was pleased when Senators Kaine and Murray sent a letter in July 2018 to DOD requesting the status of the military family member suicide data. We were stunned when DOD responded saying they were in compliance with the law. DOD may have developed a policy for tracking military family member suicide, but they have not reported those suicides. We believe the law is very clear.

SEC. 567. IMPROVED CONSISTENCY IN DATA COLLECTION AND REPORTING IN ARMED FORCES SUICIDE PREVENTION EFFORTS.

(a) POLICY FOR STANDARD SUICIDE DATA COLLECTION, REPORTING, AND ASSESSMENT.

(1) POLICY REQUIRED.

The Secretary of Defense shall prescribe a policy for the development of a standard method for collecting, reporting, and assessing information regarding—

(A) any suicide or attempted suicide involving a member of the Armed Forces, including Reserve components thereof; and

(B) any death that is reported as a suicide involving a dependent of a member of the Armed Forces.

(b) SUBMISSION AND IMPLEMENTATION OF POLICY.

(1) SUBMISSION. Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit the policy developed under subsection (a) to the Committees on Armed Services of the Senate and the House of Representatives.

(2) IMPLEMENTATION. The Secretaries of the Military Departments shall implement the policy developed under subsection (a) not later than 180 days after the date of the submittal of the policy under paragraph (1).

We appreciate Congress including a provision directing DOD to track military family suicides as well as Reserve Component suicides in the fiscal year 2015 NDAA but are frustrated by DOD's delays in reporting this information. If we don't have accurate information on the extent of the issue, targeting solutions is impossible.

Preventing Child Abuse and Neglect, and Domestic Violence

Research commissioned by our Association[12] and others during the past decade documents the toll of multiple deployments on children and families, the difficulties many families face on the servicemember's return, and the added strain a servicemember's physical and invisible wounds can place on a family. These stressors put military families at risk for marital/relationship problems and compromised parenting that must be addressed with preventative programs.

Those looking for budget cuts may find it tempting to slash family support, family advocacy, and reintegration programs. However, bringing the troops home from war zones does not end our military's mission, family separations, or the necessity to support military families. "Rotations" and "training exercises" of units to Europe and elsewhere must be accompanied by the same high levels of family support as if servicemembers were heading on a combat deployment. To family members, especially young children, "gone is gone".

We are concerned the extraordinary stress military families face could lead to increased domestic violence as well. Preventive programs focused on effective parenting and rebuilding adult relationships are essential. The government should ensure military families have the tools to remain ready and to support the readiness of their servicemembers.

We are encouraged the Family Advocacy Program, a congressionally mandated DOD program designed to prevent and respond to child abuse/neglect and domestic abuse in military families, has redoubled its focus on prevention programs. Their efforts to repair relationships and strengthen family function will be essential. Programs like New Parent Support focus on helping young parents build strong parenting skills early on.

We encourage Congress and the DOD to ensure Family Advocacy programs are funded and resourced appropriately to help families heal and aid in the prevention of child and domestic abuse.

TODAY'S SURVIVING SPOUSES NEED THE DIC OFFSET ELIMINATED

Our Association has long believed the benefit change that would provide the most significant long-term advantage to the financial security of all surviving families would be to end the Dependency and Indemnity Compensation (DIC) offset to the Survivor Benefit Plan (SBP). Although we know there is a significant price tag associated with this change, ending this offset would correct an inequity that has existed for many years. Each payment serves a different purpose. The DIC is a special indemnity (compensation or insurance) payment paid by the VA to the survivor when the servicemember's service causes his or her death. The SBP annuity, paid by the DOD, reflects the military member's length of service. It is ordinarily calculated at 55 percent of retired pay. Military retirees who elect SBP pay a portion of their retired pay to ensure their family has a guaranteed income should the retiree die. If that retiree dies due to a service-connected disability, their survivor becomes eligible for DIC.

[12] Anita Chandra, et al., RAND Center for Military Health Policy Research, Views from the Homefront: The Experiences of Youth and Spouses from Military Families, 2011

We ask the DIC offset to SBP be eliminated to recognize the length of commitment and service of the career servicemember and spouse.

MILITARY FAMILIES—CONTINUING TO SERVE

Recent national fiscal challenges have left military families confused and concerned about whether the programs, resources, and benefits contributing to their strength, resilience, and readiness will remain available to support them and be flexible enough to address emerging needs. The Department of Defense must provide the level of programs and resources to meet these needs.

Servicemembers and their families have kept trust with America, through 17 years of war, with multiple deployments and separations. We ask the Nation to keep the trust with military families and not try to balance budget shortfalls from the pockets of those who serve.

Evolving world conflicts keep our military servicemembers on call. Our military families continue this call as well, even as they are dealing with the long-term effects of almost 2 decades at war. The government should ensure military families have the tools to remain ready and to provide for the readiness of their servicemembers. Effective support for military families must involve a broad network of government agencies, community groups, businesses, and concerned citizens.

PREPARED STATEMENT BY THE TRICARE FOR KIDS COALITION

Chairman Tillis and Ranking Member Gillibrand. The Tricare for Kids Coalition is a stakeholder group of children's health care advocacy and professional organizations, disability advocacy groups, military and veterans' service organizations and military families committed to ensuring that the children of military families receive the unique care, supports and services they need.

We appreciate the opportunity to submit testimony regarding issues impacting the health and well-being of children in military families as it is a major element of family readiness. Areas of emphasis in this statement are 1) the Coalition's response and reaction to the Defense Health Agency's (DHA) most recent report to the Committee on pediatrics, 2) Exceptional Family Member Program, and 3) Health and safety hazards in military base housing.

1. RESPONSE AND REACTION TO THE MOST RECENT DEFENSE HEALTH AGENCY REPORT SUBMISSION TO THE COMMITTEE IN DECEMBER 2018.

Tricare is based generally on Medicare, which is formulated and maintained for older adults; and regularly results in "square peg, round hole" situations for children and their families.

Our Coalition was created around passage of legislation known as "Tricare for Kids", passed in the 2013 NDAA requiring the Secretary of Defense to complete a comprehensive review of all pediatric policies and practices, and report on plans and progress to address those gaps and barriers to care. In the wake of less than fulsome reporting, subsequent NDAAs have required additional information.

The Coalition is pleased with the continued interest and commitment by the Committee to continue to oversee pediatric health care services and support developments. The Coalition is concerned about the timeliness of DHA progress, including implementing improvements, addressing gaps and barriers, as well some of the direction of decisions, for example, the decision not to instill a pediatric medical necessity standard.

The Coalition respectfully requests the Committee consider providing more specific direction to DHA regarding pediatric care, aligning with the details discussed below. The agency took a great step forward by tasking the independent advisory council, the Defense Health Board (DHB), with a report on Pediatric Health Care Services, completed in 2017. The Defense Health Agency has stated its agreement with the DHB recommendations and conclusions, yet we continue to see disconnects, included some pointed out below. *Specific direction from the Committee to DHA to align with the DHB conclusions in a timely manner may now be warranted.*

(Full DHB report available: *https://health.mil/About-MHS/OASDHA/Defense-Health-Agency/Defense-Health-Board/Reports*)

The following analyses of excerpts from the most recent report by DHA to Congressional oversight committees as required in the 2018 NDAA, along with Tricare for Kids responses, demonstrate the need for specific direction to DHA concerning pediatric care.

(Full report available: *https://www.health.mil/About-MHS/OASDHA/Defense-Health-Agency/Congressional-Relations/Reports-to-Congress/Signed-in-2018*)

1. With respect to *"MHS plans to align preventive pediatric care with the standards of such care under PPACA, guidelines established under Medicaid, and with recommendations by organizations that specialize in pediatrics"* the DHA reported that a gap analysis is currently in progress with an expected completion in 2019. The gap analysis is expansive, and includes all age groups of beneficiaries with a focus on traditional clinical practice, and international models of preventive care with the inclusion of social determinants of health. . . . The preventive care comprehensive gap analysis will be complete by December 31, 2019, and a review of findings from the gap analysis and final recommendations will occur no later than December 31, 2020.
   - TFK: DHA announced alignment with AAP [American Academy of Pediatrics] Bright Futures guidelines for a segment of children in 2016 but it is unclear exactly how and whether this has been implemented. Timeliness and the seeming need to "reinvent the wheel" are common elements throughout DHA's response to the original Tricare for Kids legislation, and preventive care provides a good example. A 10 year old child will have reached adulthood from the time the original legislation passed and DHA is still studying preventive care. Preventive care guidelines and Bright Futures protocols are widely accepted norms and have been for some time; and are updated regularly to address issues such as social determinants of health. It would be more effective and efficient it seems, to align with best practices

and widely accepted norms rather than use agency resources to research and create its own practices. This is especially true as the volume of pediatric beneficiaries in Tricare isn't large enough to make parochial protocols make sense (other than for issues unique to military children, such as specifics to address exposure to base housing hazards); furthermore, children move on and off Tricare regularly with various transitions among commercial or public health insurance options, at times such as separation from service, activation or deployment status, non-military parent's employment status, need for Medicaid or CHIP [Children's Health Insurance Program], and so forth. Having Tricare pave its own way with standards that are unlike others is not efficient nor does it serve the needs of Tricare covered children well.

Our Coalition would like to see DHA directed to adopt (and adapt with) fully developed best practices without having to reinvent the wheel each time, using DHA time and resources to develop something specific only when the unique needs of its population warrant it—for example, creating a response to the base housing health and safety crisis.

2. Regarding *MHS plans to develop a uniform definition of "pediatric medical necessity." The DHA reported that it does not plan to develop a uniform definition of "pediatric medical necessity."* Rather, MHS plans to continue to utilize the uniform definition of "medical necessity"... MHS has no plans to change the existing uniform definition of medical necessity...
   - TFK: It is troubling to learn of the DHA intent to "continue" to use the "existing definition" when Congress, the DHB and the TFK Coalition have all expressed grave concerns about current practices and limitations negatively affecting children's access to medically necessary care. Furthermore, DHA arrived at its conclusion although it regularly reports that it agrees with all the recent Defense Health Board recommendations regarding pediatric care, and pediatric medical necessity concerns were a major element of the DHB publication.

     Our Coalition would like to see the Committee direct DHA to implement an existing pediatric medical necessity standard (which are discussed thoroughly in the DHB report) particularly we recommend the American Academy of Pediatrics model language.
3. DHA stated that *MHS' improvements of the quality of and access to behavioral healthcare, including intensive outpatient and partial hospitalization services:*
   a) were largely implemented through statutory changes in the TRICARE benefit in fiscal year 2016.
      - TFK: The September 2016 final rule expanding behavioral health services and streamlining authorization of institutional providers offered a tremendous opportunity to increase access to needed services. Actual implementation has been slow, with TRICARE policy manual updates not completed until more than a year after the final rule's effective date, just as regional consolidation, new managed care support contracts and benefit plan changes were being implemented. The most significant barrier to accessing behavioral health services is a lack of clear, accurate information, for both providers and families.

        In order to optimize the utilization and impact of statutory and policy improvements, our Coalition sees a need for:
      - *A checklist on Humana's and Health Net's TRICARE websites identifying the process, timeline, responsible entity for each step, and online location of forms and other information for institutional behavioral health providers that want to serve military families.* This is where the intended streamlining of provider certification and participation stalls, with each provider organization separately navigating a murky process with multiple players.
      - *A regularly updated list on https://health.mil of TRICARE-certified institutional behavioral health care providers, by type.* Behavioral health treatment is often quite specialized, e.g., targeting a particular age group or condition, and the most clinically appropriate treatment setting is not always in the family's community, state or TRICARE region. Both families and referring providers need this information.
      - *Regularly updated provider directories on Humana's and HealthNet's websites, with useful search functions.* The specialty nature of behavioral health care and the geographic spread of providers don't lend themselves to searches limited to zip codes, states, or proximity to MTFs. It also ap-

pears that the directories include only in-network providers, which may be acceptable under the managed care support contracts, but reinforces the need for a national list of all certified providers on *https://health.mil.*

b) and regarding Substance Use Disorder "SUD is rare in the pediatric population, and treatment for SUD mostly appears in the age 18–21 population. Across the whole population, 98 percent of SUD stays and 99 percent of SUD encounters are for patients aged 18 and older (including dependent children)."

- TFK: Once again, while the DHA purports to support and agree with the DHB recommendations, contrast the above DHA statement with this excerpt from the DHB report: "While the Board did not examine the issue of substance use in pediatric populations, it acknowledges that these disorders can significantly affect children and youth, in both civilian and military populations. In fiscal year 2014 through fiscal year 2016, among females ages 13–17, the top Medicare Severity Diagnosis-Related Group for inpatient admissions was 'poisoning & toxic effects of drugs age 0–17.' The Board feels substance use disorders are an important area that warrants further research and assessment." [emphasis added]

  Our Coalition would like to see a consistent understanding by DHA and resulting priority for this category.

4. The DHA reports that *MHS' mitigation of the impact of PCS and other service-related relocations on continuity of care for children who have special medical or behavioral health needs is an ongoing, collaborative process.* Mitigation of the impact of PCS includes increased access to resources and services, and MHS' many diverse programs are positively assisting families with relocation.

   - TFK: all efforts on this front are appreciated; effectiveness, however, is unclear, as the Coalition has yet to see evidence of any major improvement. The use of the term "collaborative process" while sounding promising, is unclear. While DHA does report some welcome progress coordinating with the Services and Office of Special Needs, advocates are only cautiously optimistic as this progress has been expected for years now. Furthermore, DHA does not appear to be working with families collaboratively.

     This issue is particularly important for EFMP families, who already face a myriad of challenges (see next item). In 2018 and continuing into 2019 to some degree, the managed care contract and plan design transitions have been disastrous for families with any non-typical family health needs as they have dealt with wildly inaccurate provider directories (which play a much larger role than most realize as they are used to determine EFMP assignments, plus incomplete or inaccurate listings wreak havoc with access and network/non-network categorization for all), increased cost shares, and inaccuracies by TRICARE in cost share payments, payments toward caps, coverage denials, and conflicting information at every turn. DHA is aware of problems and appear to be addressing issues, but the steps taken are often opaque to stakeholders and families, leaving us to wonder how targeted, strong and prioritized the DHA action may be toward our identified issues areas of concern.

     Beyond the obvious and immediate need for addressing transition and related barriers, for the long term DHB recommendations provide much fodder for DHA to work with in terms of improving the experiences. Two key items are the recommendation to "[r]equire inclusion of parents in working and policy groups at all levels" and the absolute need for better care coordination especially during PCSs. Again, aligning with best practices and working with organizations specializing in pediatrics (and not just pediatrics, but even the much smaller category of complex pediatrics) who have made headway in this space of complex care coordination, make much more sense than reinventing the wheel.

     Our Coalition would like to see DHA create more opportunities for family inclusion in policy groups, more regular stakeholder advocacy interaction on pediatric issues as the stakeholders bring necessary perspective from families and providers, and to work with stakeholders such as children's hospitals to improve care coordination for EFMP families.

5. Pediatric issues of importance and relevance to those in the DHA report, but not specifically referenced there:

   - *Emerging and high cost treatments in pediatrics.*

Children with rare and/or significant medical conditions are most likely to rely on high cost, emerging treatments that are often the target for cost cutting and utilization measures.

TFK is very concerned that Tricare must be nimble in order to ensure that children receive the care they need in a timely manner, which often differs greatly from timeliness for adults. There is a waterfall of emerging and promising treatments for rare and serious childhood conditions, which are almost all very expensive and have specific procedures for use in children, and don't fit neatly in Tricare payment methodologies. This reality which is already challenging, coupled with the new pharmacy tier benefit changes could spell disaster for families of the most vulnerable children. Furthermore, DHA is looking to align care between MTFs and purchased care sectors—while this is appropriate to provide all with robust care, it is likely that this initiative will be used to limit certain genetic and therapeutic testing currently only allowed at MTFs.

Our Coalition has expressed to DHA that we would appreciate an ongoing stakeholder presence in a concerted DHA effort to discuss and prepare for access, coverage, and payment for emerging pharmaceutical, genetic, and advancing technology treatments as they apply to children and pediatric care. Direction to DHA from the Committee in support of this request would be appreciated.

- *Extended Health Care Option (ECHO)*

In 2015 the Military Compensation Retirement Modernization Commission (MCRMC), in alignment with our Coalition's concerns, found that access to Medicaid home and community-based services (HCBS) waiver benefits provided at the state level is a ongoing issue for military families with exceptional family members (EFMs); that many servicemembers encounter HCBS waiting lists that exceed their time assigned to a location, and referenced an fiscal year 2013 DOD-commissioned study found that military families with special needs rely on Medicaid to obtain specific supplementary services that are either not provided or not fully covered by TRICARE

The MCRMC recommended that DHA increase services covered through the ECHO to more closely align with state Medicaid waiver programs, including custodial care and respite care hours that match state offerings, more flexible expanded services subject to existing ECHO benefit caps, and modernizing the program to better serve current demographics of the Force.

The Defense Health Board referenced the MCRMC findings as examples of the challenges facing Tricare covered families, and the fact that ECHO is only available to Active Duty members as an example of military health system lack of standardization and implementation of best practices enterprise-wide.

Other than recent modest changes to the respite care benefit, there has been no further movement on ECHO modernization or improvement. *The Coalition would like to see the Committee support its objectives of alignment with Medicaid based waiver services per the MCRMC recommendations, implementation of a grace period for eligibility upon separation from Active status to cover an average Medicaid waiting list timeframe, and a revisiting of program assumptions, as some of the care that is provided only pursuant to ECHO is medically necessary care and therefore should be available to all beneficiaries under the basic TRICARE program.*

2. EXCEPTIONAL FAMILY MEMBER PROGRAM (EFMP)

Continuing with EFMP challenges, again full generations of children with special, often complex needs, have been left without the services and supports needed, while their families are dealing with high op tempos, PCSing, a managed care transition that has been nothing short of disastrous in many quarters, and in some cases such as the subcommittee members heard in a recent hearing, the already serious issues have been compounded by hazardous living conditions on base.

On a positive note, regulations to update the EFMP were published this month, 3 years in the making. However, the situation has deteriorated to the point that families had to band together and request an Inspector General investigation, after years of failure by DOD to implement recommendations made by the Government Accountability Office and the Military Family Readiness Council. Why does a Congressionally mandated council on military family readiness, staffed with our most senior leaders, have problems helping military families? Much like the current housing crisis, these problems have been identified and recommendations made over the

years, but with no sense of urgency or accountability by the implementers, have been left to fester. Sadly, it seems to take Senators asking hard questions for DOD to take action and ensure proper accountability.

The Coalition is pleased that in last year's NDAA, the Committees directed DOD to brief Congress on the status of its response to the most recent GAO EFMP report by March 1, 2019.

At the February 27 hearing, it would be timely then, for panelists to be asked what is DOD's response to, and timeline for implementing the recommendations? Furthermore, given the egregious and longstanding problems, the Coalition respectfully requests the Committee to support the families' request to the DOD IG [Inspector General] to investigate the Exceptional Family Member Program's compliance with applicable statutes and instructions. Both would put DOD on notice that the Committee is serious about this issue and give these families confidence that the Senate is in their corner.

3. HEALTH AND SAFETY HAZARDS IN BASE HOUSING

The Coalition was pleased to submit testimony for the record for the recent hearings on base housing, and with the Committee's commitment to addressing housing issues. While that testimony lays out our concerns in more detail, we would like to take this opportunity to highlight for the Committee that even with its strong reaction since that date toward inspections and remediation, there remains a need for a public health oriented response to this crisis and its impact on our most vulnerable military families and children.

Military families depend on base housing for many reasons, including when housing on local economy is not affordable or in less appropriate neighborhoods. Furthermore, families who have children with special needs have even more limited housing options when moving to a new duty station. Sometimes, the only affordable housing that is ADA [Americans with Disabilities Act] compliant is on-post housing. We are concerned health of those with special needs may be further compromised in housing with these hazards.

The conditions of critical concern around base housing range from mold to vermin to lead and toxic waste. There is no easy answer to this; the problem needs leadership and ownership. A major concern is the apparent lack of ownership of the known health problems arising from these conditions, which prevents them from being addressed promptly and appropriately while the big picture of liability or responsibility is being sorted out.

Meanwhile, however, DHA, the MHS, and TRICARE own the prevention, treatment and promotion of health and well-being of its beneficiaries many of whom are especially vulnerable children who live on base and have been and are exposed to these safety and health risks regularly, often with dire consequences. DHA must step up and figure out how to address screening, testing and treatment needs, as well as families' concerns, at the very least.

Toward finding solutions, the Coalition respectfully requests that the Committee request DHA (as it is in the process of taking over management and responsibility for all MTFs, and that DHA work with the services regarding MTFs still under their respective umbrellas) to address the questions and concerns submitted earlier to this subcommittee, and to engage in a candid and meaningful dialogue with stakeholders and military families to better understand the issues, and identify ways we can work collectively to improve military housing and barracks.

The Tricare for Kids Coalition appreciates the opportunity to submit testimony for the record toward improving family readiness.

PREPARED STATEMENT BY COLONEL PAUL KANTWILL (RETIRED)

Thank you, Chairman Tillis, Ranking Member Gillibrand, and Members of the subcommittee for the opportunity to offer this testimony as you consider military personnel policies and issues related to military family readiness. Thank you for your assistance and support in protecting our servicemembers and their families in the consumer financial marketplace.

I serve currently as Senior Fellow at the Institute of Consumer Antitrust Studies, Loyola University of Chicago School of Law, where I lecture, conduct research, and organize programing on consumer protection law, with an emphasis on protecting the needs of servicemembers, veterans, and their families. The Institute is a non-partisan academic institute devoted to research, publication, programs, and advocacy to promote a more competitive consumer friendly economy. I also serve as Executive Director, Center for Veteran Protection and Advocacy, a non-profit organization dedicated to providing consumer protection, support, and advocacy for veterans and their families in the financial marketplace.

Prior to my current positions, I served as Assistant Director, Consumer Financial Protection Bureau, where I led the Office of Servicemember Affairs. Prior thereto, I served as the Director of the Office of Legal Policy, Under Secretary of Defense, Personnel & Readiness, where, among other duties, I had oversight of financial issues affecting the force and impacting military readiness. I was integrally involved in the Department's rulemaking resulting in the Limitations on Terms of Consumer Credit Extended to servicemembers and Dependents, 32 CFR [Code of Federal Regulations] Part 232, known commonly as the Department of Defense Final Rule Implementing the Military Lending Act (hereinafter the "MLA Final Rule").

From 1990 through 2014, I served on Active Duty as an Army Judge Advocate with many tours of duty across the globe and in active theaters of operation, including Iraq and Afghanistan, providing legal support to our troops and their families. In all of these capacities, I have seen first-hand, and continue to see, that a Servicemember burdened with concerns outside of the parameters of his or her mission cannot reach full combat effectiveness. I believe my experience in having assisted servicemembers in the field and leading legal and other organizations devoted to providing support to our servicemembers and their families, provides a unique lens through which to view financial issues which impact servicemembers, veterans, and their families, and continue to compromise military readiness.

I have testified frequently and spoken and written widely of the need to provide the greatest consumer protections possible to those who serve and have served. I believe that, through years of hard work and dedicated, collective effort, particularly through measures like the MLA Final Rule, we made great progress eliminating, or protecting our personnel and their families from, harmful financial products and services like predatory payday loans and fraudulent, deceptive, and abusive practices. Regrettably, I believe that much of that progress has ceased, and that individual and military readiness have been compromised and risk being compromised further.

Specifically, I have concerns regarding the position the Consumer Financial Protection Bureau (the Bureau) has taken regarding supervision under the Military Lending Act, and its proposed changes to the Payday Lending Rule. I believe that both actions reflect a profound lack of concern for military consumers and will have negative effects on servicemembers, veterans, their families, and on military readiness and national security.

I, and countless other consumer law experts, consumer advocacy groups, and military and veterans service organizations, have made our positions on supervision of the Military Lending Act well-known. Despite this, it appears that the Bureau will abandon the previously-successful supervisory activity that provided a necessary level of proactive protection to servicemembers and their families. I disagree not only with this interpretation of the Bureau's authorities, but also with the Bureau's proposed legislation on the issue, which is at once unnecessary, illusory, and duplicitous. Past practice should inform current interpretation, and I am unaware of any challenge to the Bureau's authority to conduct supervisory exams.

Even if the proposal were taken up by the Congress, there are no guarantees as to when it would be considered. Time is the enemy. The more time that passes without the Bureau performing supervisory functions, the greater the likelihood that servicemembers and their families will be the victims of fraudulent, deceptive, abusive, and predatory practices. This, of course, produces irreparable harm—harm that cannot be remedied by ex post facto enforcement action, and which ruins careers, destroys lives, and degrades military readiness.

As a tangible illustration of the importance of proactive protection of the type that supervision provides, the Department of Defense noted in the MLA final Rule: "Each

separation of a servicemember is estimated to cost the Department $58,250, and the Department estimates that each year approximately 4,640 to 7,580 servicemembers are involuntarily separated where financial distress is a contributing factor. If the Department's proposed regulation could reduce the annual number of involuntary separations where financial distress is a contributing factor from between 5 to 30 percent, the savings to the Department could be in the range of approximately $13.51 million to $132.52 million each year."

I observed the detrimental effects on readiness personally when making mission visits to operational units while leading the Office of Servicemember Affairs at the Bureau. During those visits I heard from troops, their non-commissioned officers, and unit commanders with startling frequency how excessive debt, especially that from payday loans and excessive auto financing, renders soldiers, sailors, airmen, and marines unable to gain a security clearance, or keep it once it has been obtained. This usually results in their non-deployability or their involuntary separation. This damage is not limited to the Active Duty population; current servicemembers and their families transition into veteran status and carry the burdens and effects of such predatory practices for the remainder of their lives.

Similarly, even if such a proposal were considered, we have no guarantees as to the outcome of the legislative process. I do not believe it hyperbole to suggest that the special interests to which the Bureau seems to be catering in these policy decisions can and will attempt to commandeer the legislation for their own purposes, change the proposal, or change or re-open the Military Lending Act or the MLA Final Rule to the detriment of servicemembers and their families, and ultimately to the warfighting readiness of the Armed Forces.

For example, special interests have been, and are today, hard at work in attempts to un-do the MLA Final Rule's protections against credit-related products in automobile financing transactions which have been documented as risks to readiness going back many years. The inappropriate inclusion of products marketed to servicemembers with a view toward increasing prices and financing fees traps members in excessive debt and allow creditors to circumvent interest rate caps. All would be wholly unacceptable results to military consumers.

I have similar concerns with the Bureau's proposed rescission of important provisions of the Payday Lending Rule. Since the Military Lending Act protects only Active Duty servicemembers and their dependents, the millions of members of the Service Reserves and National Guards and their families, and the tens of millions of veterans and their families, rely upon the protections offered by the Payday Lending Rule. Evidence shows clearly that military members and veterans are disproportionately affected by fraudulent, deceptive, abusive and predatory lending practices, and the Bureau's proposed actions would subject them to potential and irreparable harm.

The protection of those who answer the Nation's call to duty is not partisan and should not be subject to special interests. We have worked hard together to protect those most deserving of our protection. I hope that our work has not been in vain. Thank you for your continuing support of our servicemembers, veterans, and their families and for the opportunity to share my views.