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HEARING
ON
NATIONAL DEFENSE AUTHORIZATION ACT
FOR FISCAL YEAR 2022
AND
OVERSIGHT OF PREVIOUSLY AUTHORIZED
PROGRAMS
BEFORE THE
COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTEENTH CONGRESS
FIRST SESSION

SUBCOMMITTEE ON READINESS
MEETING JOINTLY WITH
SUBCOMMITTEE ON SEAPOWER AND
PROJECTION FORCES
OF THE
COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ON
**POSTURE AND READINESS OF THE
MOBILITY ENTERPRISE**

HEARING HELD
MAY 18, 2021



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POSTURE AND READINESS OF THE MOBILITY ENTERPRISE

HOUSE OF REPRESENTATIVES, COMMITTEE ON ARMED
SERVICES, SUBCOMMITTEE ON READINESS, MEETING
JOINTLY WITH THE SUBCOMMITTEE ON SEAPOWER AND
PROJECTION FORCES, *Washington, DC, Tuesday, May
18, 2021.*

The subcommittees met, pursuant to call, at 4:00 p.m., in room 2118, Rayburn House Office Building, Hon. John Garamendi (chairman of the Subcommittee on Readiness) presiding.

OPENING STATEMENT OF HON. JOHN GARAMENDI, A REPRESENTATIVE FROM CALIFORNIA, CHAIRMAN, SUBCOMMITTEE ON READINESS

Mr. GARAMENDI. The committee will come to order.

This joint hearing of the Readiness Subcommittee and the Seapower and Projections Forces Subcommittee of the House Armed Services Committee is now in order.

I will start with my opening statement.

I would like to thank the witnesses for appearing before us today to speak on the posture and readiness of the mobility enterprise. We have before us General Stephen Lyons, the commander of the United States Transportation Command [USTRANSCOM]. General, welcome. We have Ms. Lucinda Lessley, the acting administrator of the United States Maritime Administration [MARAD]; and Mr. Kevin Tokarski—close—the associate MARAD administrator for sealift requirements.

I want to thank all of you for joining us today. As you know, mobility is an incredibly important subject. If you can't get to or sustain the fight, you have no chance of winning it. Yet in spite of this fact, each year's budget request doesn't fully fund mobility to meet our combatant command requirements. I suspect that this will be the case with this year's soon, or maybe late, to be released budget request as well.

In last year's budget request, the Air Force requested to retire 10 KC-10 aircraft, 13 KC-135, in spite of the fact that the KC-46A was incapable of performing operational boom refueling sorties.

General Lyons, you opposed this last year. I suspect you will tell us why it is no longer a problem. Your specific statement was that the retirement of those aircraft would create a capacity gap with significant impacts to the combatant command daily competition and wartime missions. Congress heard you loud and clear, and we enacted legislation that prohibited the retirement of the KC-135

aircraft until 2025, curtailed the rate at which the Air Force would retire the KC-10.

General Lyons, I look forward to hearing from you and why you think we ought to change that law sometime before 2025.

Regarding sealift, we must study our history to better invent our future. General Washington's success was due in part to the French fleet preventing the resupply of the British forces. Conversely, America's ability to surge forces and material across the Atlantic and Pacific created the conditions for success in the Second World War.

So let's now turn to our current sealift system. Oh, my. The average age of the Ready Reserve fleet is 44 years old. I looked at that average. You mean some of these are more than 44 years of age? Oh, my. The surge fleet averages 30 years old. The prepositioning fleet averages 28 years old.

General Lyons, Ms. Lessley, is this a winning hand?

The Navy's near-term solution is to recapitalize our old ships with used but newer old ships, commercial vessels, and to delay the new ship procurement until after 2026, which is the current law on which they are supposed to be delivered. Is this a winning solution?

I remain concerned that we are not doing enough now to recapitalize our sealift fleet to meet capacity requirements. We need a national sealift fleet of smaller, affordable, more numerous ships, and we have to start this effort now. Failure to do so will place the Marines, the Army, the Navy, and anybody else that wants to fight anywhere in the world in an unacceptable risk in force projection capability beginning in 2024; actually, today.

I ask our witnesses today to explain in detail how they intend to get after this problem and to elaborate on whether the services are providing the necessary resources to solve this problem before it becomes a crisis.

Lastly, General Lyons, please provide an update on the Defense Personal Property Program [DPPP]. We are aware that the GAO [Government Accountability Office] sustained protests to the Global Household Goods Contract and that you have taken corrective actions based upon their recommendations. I also understand that you are in source selection and, therefore, limited on what you can say. However, I am quite interested to hear in whatever you do have to say on how you are overseeing this contract.

We want to avoid another version of—oh, God, our favorite issue—the privatized housing debacle. So I would ask you to speak on your plan for ensuring that the warfighter is taken care of and, most importantly, their spouse and children.

With that, I want to thank the witnesses for appearing today. And I now turn to Mr. Lamborn, the ranking member of the Readiness Subcommittee, for his remarks.

[The prepared statement of Mr. Garamendi can be found in the Appendix on page 45.]

**STATEMENT OF HON. DOUG LAMBORN, A REPRESENTATIVE
FROM COLORADO, RANKING MEMBER, SUBCOMMITTEE ON
READINESS.**

Mr. LAMBORN. Thank you, Chairman Garamendi. And I also want to thank our witnesses who are here today from MARAD and TRANSCOM.

Together, our mobility enterprise is responsible for the sealift, airlift, and ground logistics and distribution for our armed services. I wish we could have had this important discussion after receiving the budget, and we eagerly await its delivery. I am sure we will have some more questions after its arrival.

Our mobility enterprise must be ready to support the combatant commands in the face of evolving global threats, yet I am concerned we are underprepared to support tomorrow's fight. Detering our near-peer competitors subjects our military to the tyranny of distance, which underscores the importance of logistics and strategic lift.

I hope today that our witnesses can preview the upcoming update to the Mobility Capabilities Requirements Study, which we expect to be delivered next month. And given the current state of our sealift capability, it would appear that we are in trouble. Almost all of our forward combat unit equipment moves by sea, but our ships are old and some near obsolete. The Army has stated that planned fleet reductions could result in, quote, unacceptable risk in force projection capability beginning in 2024, unquote.

I know that TRANSCOM can influence but not direct service budget decisions, but I look forward to hearing concrete solutions and long-term plans, not simply relying on service life extensions to rebuild the fleet. Aging airlift and air refueling assets present another challenge specifically as we work through recapitalizing the air refueling tanker fleet.

General Lyons, when we spoke last week, you mentioned continued issues with the KC-46. I look forward to hearing about plans to operate the KC-46, perhaps in a limited fashion, and ongoing retirement plans for our KC-10 and KC-135 aircraft. Our threats are evolving and the mobility enterprise must keep pace. It is critical that we are meeting the obligation to sustain, repair, and recapitalize our mobility support assets. Our ability to project and sustain our force is at stake.

So I want to thank the witnesses for their time here today, and I look forward to having an open and candid discussion.

And I yield back.

[The prepared statement of Mr. Lamborn can be found in the Appendix on page 48.]

**STATEMENT OF HON. JOE COURTNEY, A REPRESENTATIVE
FROM CONNECTICUT, CHAIRMAN, SUBCOMMITTEE ON SEA-
POWER AND PROJECTION FORCES**

Mr. COURTNEY [presiding]. Thank you, Mr. Lamborn.

I am going to be pinch-hitting here for Mr. Garamendi for a few minutes while he votes.

Good morning, and thank you to the chairman and Ranking Member—actually, afternoon—Mr. Lamborn, and also to my colleague from the Seapower Subcommittee, Rob Wittman, for con-

ducting this joint hearing to examine posture and readiness of the mobility enterprise.

I also want to thank the witnesses, General Lyons, Ms. Lessley, and Mr. Tokarski, for being with us today. Again, you all bring a lifetime of expertise to this issue, and, I know, a commitment to addressing the problems which were mentioned in the opening statement.

As our witnesses know, under the National Defense Strategy, with its focus on the Indo-Pacific and European Command, the ability to move quickly goods, equipment, and people at a moment's notice is an urgent priority of our defense operations and plans.

As both subcommittees know all too well, the ships and the aircraft that comprise our sealift and air mobility capabilities are increasingly challenged by advanced age, readiness shortfalls, and obsolescence. The disturbing 2019 turbo activation stress test conducted by MARAD, TRANSCOM, and the Navy, made blindingly obvious the need to recapitalize the fleet.

In 2020, the United States Maritime Administration and Transportation Command phased out its obstacles with the ongoing COVID-19 pandemic. Yet despite that backdrop, in last year's NDAA [National Defense Authorization Act], Congress, working with MARAD and TRANSCOM, passed multiple maritime provisions to significantly modernize and boost the fleet.

A major bipartisan accomplishment was the establishment of the Tanker Sealift Security Program, modeled after the highly successful Maritime Security Program. This new program authorizes an adequate stipend to private shipowners who make their tankers available during time of war or national emergencies.

We also secured an additional \$388 million for the National Security Multi-Mission Vessel, which is, again, a newbuild program that is showing great promise in terms of an efficient, cost-effective way to produce American-made ships. This was in addition to new priority grants for small coastal ports and terminals to help with the ongoing COVID-19 pandemic, \$30 million for the Title XI loan guarantee program, a new strategic program focused on merchant marine recruitment, training, and retention, and the extension of the Jones Act and other Federal laws to offshore renewable energy.

It is important to note that our subcommittee also included a provision in the Maritime System Emergency Relief Act in last year's NDAA. With this inclusion, we were able to provide relief to those in the maritime industry during a national emergency, increase training opportunities for merchant mariners, authorize a new grant program for smaller ports and terminals, and establish the National Shipper Advisory Committee to give our importers and exporters a formal way to interact with the Federal Maritime Commission.

We also initiated a three-pronged approach of extending the current sealift ships: Number one, buying used vessels; number two, requiring a start of a domestic newbuild ship, with added authorities to build these new ships using existing designs and alternative contracting approaches that can save time and money.

However, we know work remains. The COVID-19 pandemic is still ongoing. We recently saw a cyber attack on the Colonial Pipeline, resulting in fuel shortages, price spikes, and four total Jones

Act waiver requests as of today: two waiver requests to transport jet fuel, gasoline, and ultra-low sulfur diesel between coastwise points, and two additional waiver requests to transport motor fuel between coastwise points.

I personally, and I think a lot of my colleagues, continue to believe that waivers such as these should be thoroughly vetted, rare, short, and only granted in exceptional emergency circumstances, such as the one that we found ourselves in a couple of weeks ago.

Finally, we have continued a rigorous oversight of our aerial refueling capabilities in the rollout of the KC-46 tanker. We remain concerned by the six Category 1 deficiencies on the KC-46 as of this week and expect follow-up from the agencies before us, as well as the Air Force, to ensure that the platform we are delivering to our airmen is safe, effective, and reliable. They deserve nothing less.

As we prepare to begin the work on the 2022 defense authorization bill in the coming weeks, I look forward to learning more from our witnesses and their important work in addressing these challenges.

And with that, I will now yield to the ranking member on the Seapower Subcommittee—actually, we could have called ourselves the sealift subcommittee last year—my good friend, Mr. Wittman from Virginia.

STATEMENT OF HON. ROBERT J. WITTMAN, A REPRESENTATIVE FROM VIRGINIA, RANKING MEMBER, SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES

Mr. WITTMAN. Well, thank you, Chairman Courtney. Joe, I appreciate your leadership and your friendship.

And I want to thank Chairman Garamendi and especially, again, our Chairman Joe Courtney and Ranking Member Doug Lamborn for participating in this detailed review of our Nation's mobility posture.

I also want to thank our two witnesses for participating today—actually, three witnesses for participating today.

And, most importantly, General Lyons, I want to thank you for your years of service in the military. I would note that this will likely be your last hearing before this committee. General Lyons, you have worn the Transportation Command mantle well, always forthright and honest to this committee and an outspoken mobility advocate who is willing to call out the improvements and the deficiencies of the military services. This committee and our Nation is better because of your service, and we honor you, and we will miss you. Thank you.

As I was preparing for this hearing, I am reminded of the grim statistics of our surge sealift forces, and I am sure this comes as no surprise to any of you. However, we are once again having no capitalization in fiscal year 2020. The average age of our surge sealift, as has been so eloquently stated here, has increased by another year to almost 46 years old. And the plight of our forces is so bad that after having the U.S. Coast Guard pulling the certificate of inspection of a number of Ready Reserve Force vessels, MARAD made a decision to reduce 10 percent of the fleet, from 46 to 41 vessels.

This reduction further limits our ability to project forces in times of conflict. In my estimation, this is quite simply a dereliction of duty and the definition of a classic seam issue with DOD [Department of Defense]. We must do better.

And as to the tankers, the KC-46A continues to lag in providing relevant capability to General Lyons. General Van Ovost, the next TRANSCOM commander, has called the KC-46 aircraft a lemon.

I understand that the earliest fix for this aircraft will be September of 2023, but this contract and Boeing losing over \$5 billion to date on this contract is embarrassing. In my estimation, the overall procurement of this commercial aircraft and the penalty built into the contract requiring minimum orders of deficient airplanes is at best procurement malpractice or at worst an illegal binding of Congress requiring annual procurements without any specific multiyear procurement authorization.

On top of this, we are forced to hear semi-triumphant Air Force messaging that these aircraft fixes are on Boeing's dime, not the Pentagon. However, this does not account for the whole story, because it is not Boeing who is paying to keep these old aircraft flying. The cost is on the shoulders of the taxpayer. And I look forward to better addressing this issue in the fiscal year 2022 NDAA.

Additionally, Chairman Smith has discussed his concern about a concept called vendor lock, which allows contractors to recoup procurement losses in sustainment because of sole source sustainment contracts. I am afraid we are already starting down this line with the KC-46A tanker sustainment effort to the detriment of our Nation's taxpayers.

Finally, we debated the overall tanker force structure last year and supported General Lyons' minimum tanker fleet. I am pleased to note in General Lyons' testimony that he supports the United States Air Force tanker retirement schedule, and I look forward to amending the fiscal year 2021 NDAA to more efficiently manage our legacy tanker force structure.

As we consider how to best address our mobility woes in the fiscal year 2022 budget request, I am reminded of the words that have been attributed to Winston Churchill where he said, "Let our advance worrying become advance thinking and planning." It is time that we stop talking the talk and start walking the walk. We need to take a serious look at these rather simple issues and turning our worrying into advance thinking and an actual plan.

Again, I appreciate Chairman Courtney and Chairman Garamendi's support for having this important hearing, and I yield back the balance of my time.

Mr. GARAMENDI [presiding]. We have managed to learn the trick of the game, be the last person to vote on the first vote and the first person to vote on the last vote. So some of my colleagues will be leaving shortly.

Okay. If only they would allow remote voting while we are actually in Washington. That is not the game.

I believe we now turn to our witnesses. General Lyons, please. Thank you for being here. We look forward to your testimony.

**STATEMENT OF GEN STEPHEN R. LYONS, USA, COMMANDER,
U.S. TRANSPORTATION COMMAND**

General LYONS. Chairman Garamendi, Chairman Courtney, Ranking Member Lamborn, Ranking Member Wittman, it is my distinct honor and pleasure to represent the men and women of the United States Transportation Command that are operating around the globe this very day 24/7.

Powered by the dedicated soldiers, sailors, airmen, Marines, coastguardsmen, and civilians, TRANSCOM underwrites the lethality of the joint force. Our enduring purpose is to project and sustain military forces globally at our time and place of choosing, providing our national leadership with strategic competitive advantage and a wide range of options to enable the advancements of U.S. national security interests, enable us to assure our allies and partners and, if necessary, respond with a decisive force to win.

Given the unprecedented challenges amid the COVID-19 global pandemic, I could not be more proud of the men and women of TRANSCOM, who have continued their impressive support to the joint force and support to whole-of-government efforts to help American citizens right here at home.

I appreciate this committee's continued support on important global mobility issues. Many of them have been mentioned, including sealift recapitalization, aerial refueling modernization, and Defense Personal Property reform efforts, as well as your acknowledgment of the future challenges of logistics operations in an all-domain contested environment.

Today, I am pleased to join Acting Maritime Administrator Lessley. I thank you very much for your continued leadership and support for our military forces, and I look forward, gentlemen, to your questions.

[The prepared statement of General Lyons can be found in the Appendix on page 49.]

Mr. GARAMENDI. Thank you, General Lyons.

We now turn to acting administrator of the United States Maritime Administration, Ms. Lucinda Lessley.

Ms. Lessley, I understand that you have one prepared statement for both yourself and Mr. Tokarski.

**STATEMENT OF LUCINDA LESSLEY, DEPUTY ADMINISTRATOR,
MARITIME ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION;
AND KEVIN M. TOKARSKI, ASSOCIATE ADMINISTRATOR FOR STRATEGIC SEALIFT,
MARITIME ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION**

Ms. LESSLEY. Good afternoon, Chairman Garamendi, Chairman Courtney, Ranking Member Lamborn, Ranking Member Wittman, and members of the subcommittees. Thank you for the opportunity to discuss the Maritime Administration's role in supporting the Nation's strategic sealift capabilities. I am pleased to join General Lyons and to be joined by Associate Administrator Kevin Tokarski.

Having worked on the Hill for approximately 16 years, I am humbled and honored to be here today. As a former staffer, I could not help thinking with a sense of amazement that my words would be appearing in the proceedings of a committee of the House of

Representatives. And I wanted my first words in that permanent record to be words of gratitude.

I thank Congressman Elijah Cummings for whom I worked for nearly 15 years. Without the opportunities he gave me, I would not be here today. More importantly, the guidance, counsel, and support he gave me and the wisdom and grace of his example made me a better person, and I am blessed that, as he would have said, our lives eclipsed.

I also want to thank the colleagues with whom I now work. The dedication to excellence and service to our Nation exhibited by the men and women of MARAD inspires me every day, and I am honored to work with these extraordinary public servants.

I also thank Secretary Buttigieg for his leadership and support and for his commitment to the maritime industry.

America's strategic sealift helps the Nation project power globally during peacetime and wartime. The government-owned sealift fleet, which includes the MARAD-maintained Ready Reserve Force and the Military Sealift Command's surge sealift fleet, are supported by a fleet of commercially operated U.S.-flag vessels, including those in the Maritime Security Program [MSP]. These fleets are supported by strong and highly qualified U.S. merchant marine and by shoreside personnel.

The members of the U.S. merchant marine have gone above and beyond to ensure the continued operation of our Maritime Transportation System during the COVID-19 pandemic. MARAD appreciates Congress' support for the U.S. maritime industry, especially the leadership of the members of this committee. However, more work remains to sustain a strong and effective sealift capability, as you have all noted.

The 41 Ready Reserve Force vessels and the MSC [Military Sealift Command] vessels provide sealift surge capability during initial stages of a response to a major contingency. However, Ready Reserve vessels average more than 46 years in age, well past their expected use, which makes recapitalization critical to maintain readiness.

As authorized in the fiscal year 2018 NDAA, MARAD solicited for a vessel acquisition manager, or a VAM, in early 2020, and an award is imminent. This is critical to advancing a recapitalization effort.

The U.S.-flag commercial fleet provides much of the sustainment sealift following surge operations. The MSP is the heart of sustainment sealift. The program encompasses a fleet of 60 commercially viable, militarily useful vessels that are active in international trade and available on call to meet DOD contingency requirements.

In addition, the newly authorized Tanker Security Program [TSP] has the potential to address the need for more U.S.-flag product tankers in support of both national economic needs and DOD contingency requirements. Thank you for your work to make the authorization of the TSP possible in the 2021 NDAA.

Cargo preference requirements keep vessels operating under the U.S. flag and create U.S. mariner jobs. MARAD is committed to ensuring compliance with cargo preference requirements, and we continue outreach to Federal agencies and industry to assist them in understanding and meeting these requirements.

MARAD is also committed to supporting the domestic U.S.-flag trading fleet. The requirements under our coastwise laws support U.S. shipyards and sustain American shipbuilding supply chains. Aside from the tens of thousands of tugboats, towboats, and barges that ply our domestic waterways, about 100 U.S.-flag oceangoing vessels operate in the Jones Act fleet.

Access to a pool of qualified mariners from a robust commercial maritime fleet is essential to maintain sealift readiness. Due to the small number of ships in the U.S.-flag oceangoing fleet, MARAD is concerned about our ability to quickly assemble an adequate number of qualified mariners should an extended mobilization occur.

MARAD, of course, continues to proudly support mariner education and training through the U.S. Merchant Marine Academy and the six State maritime academies. Congress has recognized the need to replace the aging training ships used at these institutions and has appropriated funding for four National Security Multi-Mission Vessels. Construction is underway on the first two ships, and the first NSMV is expected to be delivered in fiscal year 2023.

We are committed to providing our DOD and TRANSCOM partners with the sealift capabilities needed to meet our national security objectives.

Thank you for the opportunity to address this committee on the state of our Nation's sealift as a component of the mobility enterprise. I ask that my written statement be entered in the record, and look forward to working with you to advance U.S. maritime transportation interests. And I am happy to take any questions.

Thank you, sir.

[The prepared statement of Ms. Lessley can be found in the Appendix on page 59.]

Mr. GARAMENDI. Thank you very much for your testimony.

As you can see, we are going to be moving around on our side. Please excuse us. We will blame that on, I don't know, Steny Hoyer. Why did he do that to us?

In any case, a series of questions. In my opening statement, General Lyons, I raised a question. Let's get this issue of the current law out of the way, and tell us why we should keep the law or not. This has to do with the aerial—the KC-10s and the KC-135s.

General LYONS. Well, Chairman, let me just start by thanking this committee for your support, particularly last year, on this issue.

Mr. GARAMENDI. Yes.

General LYONS. So, last year, you asked a question quite legitimately—can you hear me okay? Okay—what was the impact of the Boeing KC-46 delay combined with the legacy retirements on operations. And at that time, the implications for day-to-day operations were significant.

Since that time, United States Air Force has done some incredible work. First, to make sure that Boeing is signed up to complete the work that they are under contract to complete. Second, to work through some interim capability releases to allow us to use the KC-46 in operations, albeit not across all receivers, but certainly across a large portion. Also, to delay some of the retirements on the KC-10 fleet and then increase the contributions for the Guard and Reserve. And that combined has put us in a good position.

I really appreciate the support of the Air Force. I have talked to the chief about this. I think we are in a very good place, and I do think it is the right decision to allow the Air Force to retire the KC-135s that they have requested retire.

Mr. GARAMENDI. Very good.

Mr. Courtney and Mr. Wittman have both left the hearing. This is their turf, and we will pick it up—they may want to pick it up when they come back. I think most of the members of this committee have had the opportunity to be on the KC-46 and observe the changes and the operation.

I want to now move to the sealift capacity. And I would like to stay with you, General Lyons, if I could. What do you propose we do about what is, in our view and perhaps yours, a very serious shortcoming in TRANSCOM's ability to meet the requirements of moving personnel and equipment across the oceans? General Lyons.

General LYONS. Well, Chairman, again, I want to thank this committee, and particularly you, for your personal support on this particular issue.

We share that sense of urgency that the Department must address the aging sealift fleet. And I am proud to report over the last year, the Department, the Secretary himself, Secretary Esper, the Navy, TRANSCOM, supported by Maritime Administration, has spent a lot of time on this issue over the last year. I think there is a good way forward, a strategy, as you alluded to it, used buy strategy of military useful vessels off the market at one-tenth the price of what it would cost to build a new sealift ship.

You, this committee, has authorized the procurement of at least the first nine vessels, at least the first four, without connecting it to a newbuild sealift ship. And I think you heard the acting administrator talk about this year, this year, we should be able to deliver the first or second purchase—the first two purchases of a used sealift ship to begin the recapitalization of the fleet.

And I think you are aware, as we look across 10 years, 33 ships out of 50 ships will meet end of useful life. So we have a lot of work ahead of us. The Department has put money in the program. I know the President's budget hasn't made it here yet, but I think you will be pleased with the resources that have been applied to this, and I think you would be pleased with the priority that the CNO [Chief of Naval Operations] has placed on this particular issue.

Mr. GARAMENDI. Thank you.

I would like now to turn to MARAD and Ms. Lessley and to go down the same path. Is it going to work? Are we actually going to be able to find the resources to purchase the ships and put them into the Ready Reserve program and also into the Navy's ongoing program?

So, Ms. Lessley, let's talk about that, what strategies MARAD has in mind to fully meet the requirements. Some of this you touched in your opening statement, but let's go into detail here.

Ms. LESSLEY. Thank you for that question, sir.

Mr. GARAMENDI. If you would use that microphone and be real personal with it, it would be helpful.

Ms. LESSLEY. Yes, sir. Thank you, sir.

As mentioned, we anticipate the award of the vessel acquisition management contract shortly, and there is—obviously, the Navy is the program of record for the funding, but funding available for this year to bring at least into contract two vessels. And then, of course, we do have ongoing maintenance on the vessels that we will be retaining in the Ready Reserve fleet.

Mr. GARAMENDI. Can we get there with the current strategy? Can we actually achieve the goal of having ships that are reasonable in shape and preparedness, given the current number of ships that we are buying, two a year? If the average age of the Ready Reserve fleet is 44 and we are buying two a year, my guess is we are falling further behind every year.

Ms. LESSLEY. Thank you, sir. I am going to turn it over to Mr. Tokarski in a minute, but to say that it is to bring two under contract this year. And I believe the authorization currently available is to bring seven ships in, again, recognizing that the Navy is the program of record for the funding. But the vast majority of the Ready Reserve now is comprised of ships that were bought and then modified to meet our needs.

And I will turn it to Mr. Tokarski for additional information.

Mr. TOKARSKI. Mr. Chairman, thank you very much. I think that the strategy that we do have that we, collectively with the Transportation Command, the Department of the Navy, and Department of Transportation through the Maritime Administration, will work. We have shown and proven that over the history of this program to be able to go and acquire sealift vessels with the right level of resources.

The Navy has committed this year with the resources to enable us to purchase the first two. I think there is a recognition within the Navy that additional resources above this minimal amount is going to be required. We do know that the plans are to accelerate. There are plans for acquisition in the following years. So we do envision next fiscal year for the procurement of seven ships—five additional ships to a total of seven.

But it is not a clean straightforward because there are some restrictions in terms of how many we can acquire at a given moment, so not only just the resources alone.

The other sphere of this attack is also to be able to put the resources into the ships that we do have in the fleet today that are going to remain in the fleet. And the Navy has resourced us, at the President's requested level in the last administration, to make sure that we are putting the right resources in the ships that we are going to keep. We are not putting good money into bad ships. We are putting money into the ships that we are going to keep in the program that we are going to need to be able to sustain.

Thank you.

Mr. GARAMENDI. A couple of years ago, we received from MARAD a chart, ships aging out, ships coming in, ships being purchased, ships being built. It appears as though the original discussion we had several years ago in which we would try to purchase newer used ships, hopefully American built, repurpose them, and then also build American-built new ships.

General Lyons, is that new ship—new American-built ships still on the agenda?

General LYONS. Chairman, you know, I will defer to the Navy on this. I can say where I believe we are as a department is that we proceed, to the maximum extent possible, with the acquisition of used ships with high military utility, do conversion in the U.S. yards, and fix the fleet.

I think, you know, as this committee looks at budgets across time, it is going to be a pretty steep bill at 10 times the cost to build a new sealift ship. But I wouldn't say it is off the tables, sir, but I would say that there is large consensus that the right way to move forward to invest the money wisely would be acquire used vessels.

Mr. GARAMENDI. I asked Ms. Lessley to tell us ships out, ships in, new ships, refurbished ships. General Lyons, I would suppose that you would be working with MARAD in putting together that table of acquisitions and the like. Is that correct?

General LYONS. That is correct, sir. We are very much part of that process.

Mr. GARAMENDI. Here is my concern. We have heard from the Navy about what their shortcomings are, specifically with regard to shipyards, the private shipyards. The strategy that we tried to put in place 5 years ago now was to give work to the private shipyards, and that work would be the rebuilding of the American surge fleet. That seems to be almost dead, even though that policy is still in the law.

We are going to have to look at this holistically. The shipyards, American private shipyards, are principally building naval kinetic vessels of all kinds, and we have almost no capacity—excuse me, very limited capacity to build ships that are for surge capacity, surge use. And this is a significant security issue for the United States. And so I am not prepared to give up on the notion of building these ships, but I am thinking about a different plan.

Before I go there, the Tanker Security Program, I thought Mr. Wittman would be here. When he comes back, I do want to go in—if he does not, we will come back with a second round of questions on the Tanker Security Program to really understand how that gets built out. It appears to me there are going to be a lot of naval vessels in the far-off stretches of the ocean that will not have fuel, given the current tanker fleet that the Navy has, and that is not a good thing.

So I am going to hold on that. Give it some thought, and when we come back to it—where I want to go, I want to go to Mr. Tokarski. Tokarski. Did I get it right that time? Close enough.

We had talked about a strategy of a national security fleet that would be using Jones Act ships that are built to be militarily useful, of all kinds, roll-on/roll-off tankers, I don't know, LNG [liquid natural gas] if the Navy ever goes there. Also ships that are single purpose, ships that are particularly useful for providing fuel in remote locations, onto land. Also ships that are heavy-lift ships. It turns out that the American Jones Act fleet has some of these ships available and could have more, if we actually obey the law that this committee passed, on the Outer Continental Shelf, the wind industry, which is going to be very big, and they are going to need heavy-lift vessels to build those turbines, if those are American built, and are also available for the Navy when and if needed.

Could you please comment on this kind of a strategy, and the laws that are currently on the books, how we might utilize existing programs and laws that may be on the shelf but nonetheless available to us?

Mr. TOKARSKI. Mr. Chairman, thank you for that question. The history of our Nation, and particularly in ensuring that we have sealift capability, has intrinsically been linked to having a defined strategy that invests in commercial sealift vessels, whether it is through construction programs that have expired, construction differential subsidy, operating differential subsidies. We recognized that our approach was to invest in these commercial vessels. There were financial assistance programs given to those. And then those ships in that were entered into commercial service typically for about 25 years, and at the end of that period of time, there is a requirement that the vessels be turned over, in essence, either purchased or we did an exchange program where we would exchange out old tonnage for equal scrap steel, and they were turned into the fleet, to our National Defense Reserve Fleet.

That is how we built our sealift capabilities in the early days of the Ready Reserve Force. We had a strategy that linked our investment in commercial enterprises that planned for those vessels at the end of that time period to turn into and actually became the newer ships into our fleet.

So, today, when we look at the programs that we have of record that can support Title XI mortgage guarantee program is available for domestic shipbuilding opportunities. Vessels in that we are excited about offshore energy development and the new construction of vessels to be able to support those type of operations. Those ships likely will have military capability and be militarily useful.

But I still think that the strategy about a longer term defined, where we have a broader investment, if you will, for domestic building with an end state that we are going to see that return back into our sealift fleet really then presents a link strategy, then today, where we go and we see what is available for purchase on the open market.

Thank you.

Mr. GARAMENDI. I want to pursue this strategy. Presently, we are bouncing from one thing to another here, and it appears to me we are not going to be successful anytime soon in rebuilding our sealift surge—our sealift capacity. It is just not in the cards where we are going.

I want to—I would like MARAD to develop the strategy that you just talked about, Mr. Tokarski, and present that to this committee, as well as to the Coast Guard Maritime Committee [Subcommittee on Coast Guard and Maritime Transportation of the House Committee on Transportation and Infrastructure], so that we can proceed with what is already on the books. It is already the law, but not really utilized in any way.

We do have the Tanker Security Program out there, and it is a piece of the puzzle. We do have the purchase of used but not so old ships and repurposing them, but these are all short term. If we go back to what you talked about and lay in place a strategy for the future, recognizing that in the first 25 years, the ships could be available because they have received a subsidy from the Federal

Government, and they could be called upon, just as airplanes are currently called upon that are held by the airline industry when needed, maybe specialty ships, maybe roll-on/roll-offs or other kinds of ships, and that the Navy and the Ready Reserve be very special ships, munition ships, for example, that are not going to be—hopefully, not in the commercial marketplace. If they are, we have got a different set of problems.

So, General Lyons, what do you think?

And then I am going to turn to Mr. Wilson.

Heads up, Mr. Wilson, you will be next, followed by Brown and Scott.

General LYONS. Well, Chairman, you and I are in complete agreement on the essence of having a strong U.S.-flag mariner fleet, both organic and commercial. And then the mariners that sail both of them are a critical component of our national defense and our national security.

You know, I think the work this committee has done on the Tanker Security Program is great work. We fully support that. We fully support the Jones Act, the Maritime Security Program.

I think the question that you are alluding to, sir, is whether you could sweep the Jones Act into the National Defense [Reserve] Fleet in time of emergency, like a Civil Reserve Aviation Fleet. And in wargaming, what we have discovered is we would probably not want to uncover the economic viability of the coastal wise trade for the purposes of American support. But there are examples, there are exceptions to that, I believe, where there could be some utility in some of those ships and certainly in the mariners.

So what I would say, sir, is we are in complete agreement with the need for a strong U.S. merchant fleet sailed by highly qualified mariners. It is critical to national defense.

Mr. GARAMENDI. Before I turn it over to—thank you, General.

Before I turn over to Mr. Wilson, we have been working on this in multiple ways. In last year's bill, the committee required that the U.S. military use the commercial fleet with minimal or very little exception; in other words, to give cargo to the commercial fleet so that its economic viability could be more secure. And we are going to continue that effort and provide very few, or hopefully very few exceptions to that.

I think my colleagues know I can go on for hours about this, and that is not a good thing at this moment.

Mr. Wilson, it is your turn.

Mr. WILSON. Thank you, Chairman John Garamendi. And, indeed, I want to thank the three witnesses here today.

Mr. GARAMENDI. Mr. Wilson, would you turn on your mic, please?

Mr. WILSON. Am I on?

Thank you, Chairman John Garamendi, and thank you to the three witnesses—

Mr. GARAMENDI. As always, Mr. Wilson, you are making a brilliant statement that we cannot hear.

So somebody get his mute.

Mr. WILSON. It says that I am not muted.

Can you hear now? It has green on mute.

Mr. GARAMENDI. Perhaps, Mr. Wilson, the problem lies with our staff.

Mr. WILSON. No, no. It couldn't possibly be——

Mr. GARAMENDI. Hold on just a second.

My staff tells me the problem lies with you, Mr. Wilson.

Mr. BROWN. Mr. Chairman?

Mr. GARAMENDI. Hang on a second.

Mr. BROWN. Mr. Chairman, this is Congressman Brown. I can actually hear Mr. Wilson.

Mr. GARAMENDI. Mr. Scott, are you live?

Mr. WILSON. And I can hear Congressman Brown. He sounds very eloquent.

Mr. GARAMENDI. Mr. Wilson, stand by for a second.

I think this is Pogo; we have discovered the problem, and it is us.

Mr. WILSON. Oh, my goodness.

Mr. Chairman?

Mr. GARAMENDI. Take a deep breath. Get your coffee——

Mr. WILSON. Anthony, it is good to see you.

Mr. BROWN. Good to see you, Joe.

Mr. GARAMENDI. Mr. Brown, are you live?

Mr. BROWN. Oh, yes. Mr. Chairman, I was just telling you that I can hear Mr. Wilson.

Mr. GARAMENDI. Mr. Brown, hit your mute button, please.

Mr. WILSON. What a beautiful chandelier.

Mr. GARAMENDI. Mr. Lamborn, you may have saved this hearing. Being the ranking member, it is your turn while staff busies themselves to figure out what the problem is with remote.

So my colleagues who are remote, stand by.

Mr. Lamborn, your turn for questions.

Mr. LAMBORN. All right. Thank you.

General Lyons, I want to repeat what others have said. Thank you for your great service and distinguished and long service to our country.

We talked about the KC-46 on the phone the other day, and I think I mentioned to you I went up in one when I was down in Altus Air Force Base in Oklahoma a little while back, and it looks like it is a great plane to fly, and the pilots and crew love it. There is this problem with the remote video feed, though, of the docking system.

So where does that stand? And how soon will we have a fix on that?

General LYONS. Well, sir, first let me just say thanks for your interest in taking the time to go up. I know the crews absolutely loved it and appreciated your attention and interest in this critical weapon system.

I think, you know, the delays of the KC-46 have been discussed in many different venues. I appreciate the fact that the Air Force and Boeing have come to an agreement where Boeing is committed now to deliver what they were always committed to, which was an aircraft equally capable as the KC-135 is today. And so that includes the remote visual system repairs, modifications through an RVS [Remote Vision System] 2.0. I will defer to the Air Force and the program manager on timelines and programmatics.

I will say in the meantime, though, sir, you know, relative to where we were last year, the Air Force has done a lot of great work

in presenting an interim capability. I think you saw that weapon system's ability to support a number of receivers, not all receivers, not in all conditions, but certainly a capable platform to do work in the day-to-day competitive space.

So the Air Force has proffered that capability under certain limitations. They have also made some delays in the KC-10 profile of retirements, enhanced some Guard and Reserve contributions, and I think we are in a good place now. But to your point, sir, there is a lot of work to be done between now and the actual delivery of an updated KC-46, what is anticipated to be late fiscal year 2023.

Mr. LAMBORN. Okay. Thank you.

And, lastly, I will shift gears and ask you about household goods delivery. When we had a hearing 2 years ago and talked about it, I was very concerned about access to the program for small businesses. And so now that we are further down the road, what steps have you taken to ensure that the move manager won't privilege companies with which it has preexisting relationships which would shut out other small companies of the DOD relocation business?

General LYONS. Yes, sir. No, thanks for the question. And thanks again.

You know, 2 years ago, there were a lot of complaints about this program and, frankly, I agreed with every one of them. We knew we had to do some significant change to instill some accountability, and we are still on that road. We have made some great progress this past year in improving customer satisfaction rates and doing some smart things, but we still have some structural work to do with the Global Household Goods Contract that you are referring to.

As I always say, with our commercial partners, if they have a viable, good, quality moving company today, I guarantee their services will be required in the future. The issue with the market is, you know, particularly during peak season when we try to move 400,000 service members around the globe, is capacity, and we are trying to settle our relationship with industries so we incentivize the growth in capacity, gain accountability, and being able to optimize a larger network.

But, sir, to answer your question directly, there is a place for small business in this program.

Mr. LAMBORN. Okay. That is great to hear.

Once again, thank you for your service, and I want to thank all of you for being here today.

Mr. Chairman, I yield back.

Mr. GARAMENDI. Thank you.

For all of my colleagues here and remote, the movement in and out to vote makes the gavel order, at best, complex and probably maddening to all of you.

Mr. Wilson, you were up. Unfortunately, you missed your slot. It was taken by Mr. Lamborn. We now—as is the process, we go back and forth, and that would then be——

Mr. WILSON. And he is not here.

Mr. GARAMENDI. Mr. Norcross, you are up. The chairman of the Seapower and Projection task force arrived 30 seconds ahead of you, Mr. Norcross.

Joe, you are up.

Mr. COURTNEY. Great. Thank you.

I would just like to go back to one of the items I mentioned in the opening statement was the enactment of the Tanker Security Program in last year's NDAA. Again, General, as you know, this was a 2-year process, and we were finally successful in the conference committee for NDAA to—when the Senate acceded to the House position and, again, authorized and stood up the program in law.

Again, just for the record—and I know this has been alluded, this may be, you know, possibly be one of your last hearings. I am not so sure we are going to let you go at Seapower in the next few months or so. But can you just elaborate a little bit about why getting this program in place is critical, and why, you know, we obviously need to push to get some funding through the appropriations process?

General LYONS. Yes, sir, happy to. And, again, let just me thank the committee, because the committee did a lot of work in this area and led the effort in the Tanker Security Program.

It is critical, in my view, when I look what the liquid energy value chain and what that represents, the way it operates today, and the way we will need to war fit to operate under all-domain persistent attack. It is clear that we need to have a U.S.-flag capability to meet our national defense and national security needs.

Today, that is not the case. We have a large dependency, not just on commercial tankering, but foreign-flag commercial tankering. I think this program will be an important step to move us to a U.S.-flag dependency, which I think is critical to national defense, sir.

Mr. COURTNEY. Well, thank you. And I know, you know, we realize, you know, we have still got follow-up work to do here now that we have the framework in place, and we are just going to make sure that it becomes, you know, fully operational.

Ms. Lessley, again, in your opening statement, you alluded to the new Multi-Mission Vessel program, which, again, is a new construction program, which, again, was a multiyear process in terms of getting that recognized. But as you point out, the primary goal is to create training vessels for maritime mariners of the future, which is a really important workforce challenge for the country.

But also, I mean, there is a way that MARAD was authorized to proceed in the contracting process, which, again, I think is—I think it is important to elaborate a little bit on that today because, frankly, it may solve other problems that we have in terms of new construction for sealift. And maybe you could talk about that a little bit.

Ms. LESSLEY. Thank you, sir. Thank you so much for the question.

Yes, the Maritime Administration is extremely excited about this program. Obviously, it is early days, but we do have appropriations for four vessels with two under construction, and we are anticipating delivery of the first ship in April of 2023.

We had a recent IG [inspector general] report on the program with two recommendations. The first recommendation is closed. We are working to close the second one, but note that the IG cited several important aspects of the program that have contributed to what we hope will be a very successful program; that is, having

mature designs in place and using the marine design firm that helped to develop those designs to conduct subsequent oversight, and then using firm fixed-price orders after getting a vessel construction manager in place so the vessel construction manager is using the best private sector construction techniques. MARAD's job is to oversee the VCM, but we hold the V—the vessel construction manager responsible for the delivery.

And, again, the IG cited these important steps as being critical to getting the program up and running and hopefully to delivering ships on budget to design specifications on time.

Mr. COURTNEY. So the intent, obviously, was to try and, you know, again, create a program that can get true cadence in terms of, you know, serial production. And I know, Mr. Tokarski, you were sort of, you know, present at the creation with some of this. But, I mean, that is sort of the vision that we have here, which is that, you know, you sort of try to debug a lot of the program at the beginning and then really it gives a sense to sort of get that cadence in serial production. Is that a good way to describe it or is there—

Mr. TOKARSKI. Mr. Chairman, thank you very much for that question, and thank you very much for your support for the National Security Multi-Mission Vessel program. And, in fact, I think it was this committee's direction to our agency that helped us to be able to map out a pathway forward, not an easy pathway, but one in the sense of making sure that we had the rigor of how we did the contracting part for this.

You challenged us to use an entity other than ourselves to contract for the construction of the vessel, and I think that wisdom was that we didn't want to see this project take a long time, and we wanted you to do it within the time bounds of a fixed budget over a fixed price structure. And you saw the wisdom that commercial companies build ships today, and when they build them, they have got to build them on time and it has got to be on budget.

And so this mechanism that we use, the vessel acquisition manager, first time we believe this has ever been tried to do this approach, to be able to build a multiple number of ships, and we didn't have appropriations for all five, still don't, but in recognizing it as a means to be able to give flexibility to the Congress, if we showed success in that, to be able to appropriate the programs that moved forward, but allowing the vessel construction manager then to use their commercial needs, something that they do very well, to be able to go out and solicit shipyards and, in essence, to build a commercial vessel to our requirements and our standards.

And we are on track right now, as Acting Administrator Lessley reported, to be able to deliver that ship on time and on budget and, most importantly, they are going to build what we ask them to build. So we are not changing the requirements along the way. So that is the discipline, I think, that the Congress gave us in terms of how we structured this.

Thank you.

Mr. COURTNEY. Right. And, again, to be specific, the work now is in Philadelphia, adjacent to the Navy Yard?

Mr. TOKARSKI. Yes, sir. There is a construction manager. TOTE Services awarded the contract to Philly Ship. And so it is what

used to be formerly called the Aker Shipyard, but Philly Ship is building it.

Right now, we have four ships under contract. The first two have started full construction.

Mr. COURTNEY. Well, it is great to see, again, one of our heritage shipyards kind of coming back to life with this initiative.

And, again, looking forward, we sort of struggle with the sealift recapitalization. And, again, we now have a new plan submitted by the Navy that is talking about significantly increasing the number of used ships and delaying new procurement sealift until 2026.

We are going to hear from them, and obviously it seems like another sort of, I wouldn't call it a U-turn, but certainly a change in direction from where over the last few years we have sort of had put before us.

But assuming this vessel construction manager kind of model really shows some success, I mean, in my opinion, anyway, and maybe you could just sort of comment, both of you, and maybe General Lyons, that that is a model that we could transfer and transplant into sealift recapitalization in terms of, again, trying to get some volume in terms of construction.

Again, I don't know if any of the witnesses want to sort of comment on that.

General LYONS. Chairman, I will take it.

I mean, I completely agree with your assessment. And I appreciate MARAD and Navy really moving in that direction. That is exactly the approach they are taking with a vessel acquisition manager soon to be under contract and soon to acquire the first two ships to begin the recapitalization effort of the sealift ships. So we fully support.

Mr. COURTNEY. Great.

You look like you want to make a comment, Mr. Tokarski.

Mr. TOKARSKI. Sir, thank you for that follow-on question.

What I have observed over the years in the sealift business, if you will, and I have been doing this for a long time, for the business that we have to do in terms of having vessels to be able to support the Department of Defense, this is a capability that the commercial industry can do very well.

Our Maritime Security Program, all the ships that we have in that program, they are all militarily useful. They know how to go out and acquire the ships. The vessel acquisition manager was using the same thing. Let's leverage what commercial industry does on a regular basis in terms of going out and identifying new ships to bring into U.S. flag. They operate them commercially. They do the economic model for the right ships to be able to do that. They can do this.

And if you are asking if I think the vessel construction manager could be extended to building, in essence, our commercial roll-on/roll-off or sealift-capable vessels, I see no reason why that would not be possible.

Mr. COURTNEY [presiding]. Great. Well, thank you.

I mean, my goal is to have a subcommittee CODEL [congressional delegation] to Philadelphia when the time is right where we can actually see some tangible movement on that program, because

I think it is really, frankly, a really significant development for the future of the issues that we are talking about here today.

So, with that, I will now recognize Mr. Wittman.

Mr. WITTMAN. Thank you, Chairman Courtney.

I want to, again, thank our witnesses for being with us.

General Lyons and Ms. Lessley, I understand, as I stated earlier, that there is a 10 percent reduction in the Ready Reserve Force since we have gone from 46 ships down to 41. And I am just curious as to what are the problems with delivering the necessary force structure. Why have we had to reduce those number of ships?

I understand it is about Coast Guard certification. But seems like to me that that would even heighten the importance of bringing new ships or newer ships into the force.

And what is the practical impact of this reduced force structure? I mean, if the call goes out tonight this is pretty precarious, and then if you look at any other vessels that aren't certified to go to sea.

And, listen, I have to agree with the chairman in his question about what is the long-term strategy. There doesn't seem to be one. If there is not a long-term strategy about how we recapitalize, then it deeply concerns me, especially since we have been emphasizing this now, I know, between Chairman Courtney and myself, Chairman Garamendi and Mr. Lamborn, now this is going on 4 years, and we still haven't gotten to the point of getting two additional ships in.

I can tell you, by any other measure in any other place, that would be unacceptable, and I would say it is unacceptable here.

So I just want to hear your perspective on where that leaves you, General Lyons, as far as force availability, and, Ms. Lessley, about what is the path forward.

General LYONS. Well, sir, it is a great question, and it is a fair question.

We have spent a lot of time on this issue this past year, with the Secretary himself, with the SECNAV [Secretary of the Navy], CNO, MARAD. As a matter of fact, Secretary Esper at the time took such interest he dedicated an issue team to look at it and to look at what we were going to do as a Department to move forward to align our strategy and then align the resources behind that strategy.

So there were several things that came out of that effort, one of which you just alluded to, which was the retirement of a number of ships that are currently in the Ready Reserve fleet, some of them in the surge fleet.

So a couple of those were retired because there was no longer a utility. Two of them were Cape Mays that were—or Cape Ms [heavy lift ships] that were required for special missions. A couple were crane ships that were no longer required based on OPLAN [operational plan] analysis.

But the ones you are alluding to really are seven roll-on/roll-off ships, and we made a conscious decision to allow those to be retired a couple years early so that we were not continuing to put good money into bad, after a bad effort, in other words, to spare a dry dock down the road, with the full intent of moving forward as fast

as possible given the authorization that you provided to us a few years ago to start the acquisition of used ships.

And, as the administrator mentioned, I believe at the end of this year we will have the first two ships that you authorized a few years ago. You will see, as the budget comes over and what follows that in the program is a real resource line to go ahead and begin continuously, year after year, a couple ships, five ships, a couple ships, to begin that recapitalization effort.

And I share your frustration, because I wanted to move faster, but we are heading in that direction, sir.

Mr. WITTMAN. Very good.

Ms. Lessley.

Ms. LESSLEY. Thank you, sir.

I reiterate what the general said. Our plan is to have the vessel acquisition manager in place as quickly as possible, and then to bring two ships under contract at least this year. I believe we are authorized to bring seven ships and hope to accelerate the acquisition once the vessel acquisition manager is in place. So that is our component of the "sealift the Nation needs" plan.

If the associate administrator has anything to add?

Mr. TOKARSKI. Congressman, we addressed—is there a long-term strategy? The Navy has submitted a plan to the Congress for a long-term strategy, and I believe you have expressed your views to me more than once about that.

But, following the chairman's question earlier, I do think that we are on a pathway that will lead to bringing in newer tonnage into the fleet. It is going to be older than a newly constructed vessel. But we are going to be able to find the right ships for it.

This is how we built this sealift fleet that served this Nation very, very well from that standpoint.

I mentioned earlier, too, with the chairman that there are some parts to that which maybe are not linked for a long term. And that is an area that I think the chair has already asked us to look at coming back and reporting to the committee on maybe some other approaches to that.

Thank you.

Mr. WITTMAN. Yeah. I would like to follow up on that, Mr. Tokarski, with you and Ms. Lessley, about the lack of at least execution of a plan. I would argue that the plan that we have is non-specific at best, and it is aspirational. You talk about these seven ships to be procured, obviously used ships.

The question then becomes, though, we really need to have a long-term plan. We have a 30-year shipbuilding plan to build combat ships, yet we have nothing that even remotely resembles that in how we recapitalize the Ready Reserve fleet. It seems like we are just kind of making this up as we go along, which is not the way to do this.

So the question becomes, if we are going to go through the first seven ships in this recapitalization, this buying used ships, are there other alternatives? And where do you see the path going forward to sustain the effort that needs to keep us in maintaining the proper number of modern capable ships in our Ready Reserve fleet? Because you can't just forget about this and then push the button and expect it all to come back.

And I can tell you, this is from experience. The best man in my wedding was Dave Jansen. Dave Jansen was an engineer down there. And I remember talking to him all the time about what he was doing as an engineer to plan for the repair and upkeep of those ships. It is significant.

So I have had decades of experience in listening to Dave and his concerns with that. So, anyway, I just wanted to get your perspective on that.

Mr. TOKARSKI. Thank you, sir, for that question again.

The second part of that question, in terms of the investment that we are making, we are and we have developed a plan with the Navy in that to make sure that we are making selective investments in the sealift ships that we are going to retain in the program.

And I think, when I look at the readiness numbers of the fleet today from where they were a year ago, we are about 10 percentage points higher in terms of overall readiness today.

I am not where I need to be. I need this fleet at a minimum of 85 percent. It fluctuates on a daily basis. Today we are at 71 percent.

So I am short of capability, and I know what the challenge is. But we are working very strongly with the Navy's support to make sure we are making the right investments for that.

The first part of the question is, are there other alternatives for ways to be able to rebuild the sealift fleet? I think maybe there are. And I think, as with the chairman's guidance and discussion before, there may be some ways to look at things that we did in the past and may be able to make an investment so that we can.

And I appreciate wanting to build ships in American shipyards. I am happy to sit here before you and tell you I have got four under contract when many have said that we would never do that. But it was this committee and other committees' support in the Congress that has allowed us to do that.

So I do think that there are ways that we can make that kind of investment to make sure that we have got a long, steady plan that will recapitalize naturally ships into the program.

The Maritime Security Program fleet, the average age of that fleet today is probably 13 years, 13 or 14. It is interesting, because that fleet, we pay a substantially less amount and able to maintain it, but yet it maintains a younger fleet. Why is that? Because it is built in that it has self-recapitalization targets in there.

So those ships are going to come out of the Maritime Security Program. When they age out at 25 years, what happens to them? I want them to come into my National Defense Reserve Fleet.

I am buying them today, in essence, as part of the Maritime Security Program. We are investing in them. And I would like to invest with them for the next 25 years. Because I think we have got good sealift ships that we would be able to retain in the program, but I don't have the mechanisms in place to do that today.

Thank you.

Mr. WITTMAN. Very good.

Thank you, Mr. Chairman.

Mr. GARAMENDI [presiding]. Okay. I am going to do a technical issue here. All of you that are on virtual, remote, I want you to hit

your mute buttons and unmute, and then I am going to call the names that I see on the screen, and hopefully I will hear your voice. If not, we will keep smiling and keep listening, and we will try to work our way through this technical problem.

Are you ready? Okay. Hit your mute buttons, folks.

Okay. Mr. Wilson, can we hear you?

Mr. WILSON. I can hear you.

Mr. GARAMENDI. Oh, you are looking good, but we can't hear you.

Mr. WILSON. Oh, my goodness.

Can you hear me now?

Mr. GARAMENDI. Mr. Scott, would you like to say hello to us?

Mr. SCOTT. Hello, Mr. Chairman.

Mr. GARAMENDI. Yeah, well, you are out of luck.

Who else do we have there?

Kahele?

Mr. KAHELE. Aloha.

Mr. GARAMENDI. No, you have got—nope. Just give us that—no, we understand the Hawaii hand signals, but could you also speak?

Mr. KAHELE. Yes, sir, Mr. Chair. I am here.

Mr. GARAMENDI. Apparently not.

Mr. KAHELE. Aloha.

Mr. GARAMENDI. Who else do we have on the screen?

VOICE. The problem is on his side.

Mr. KAHELE. Yeah, I can hear Jerry and Joe and everyone.

Mr. GARAMENDI. All right. All of you disrespected us by not bothering to come in here and see us personally. For the moment, you are out of luck unless you want to send a written question.

I know, Mr. Scott, you were up next, but no, you are not going to come on board until we get you on board.

Mr. SCOTT. It is on your side, Mr. Chairman.

Mr. GARAMENDI. The team is trying to get you guys on board. I would suggest that you keep your mute button on. In other words—ooh, somebody is talking to me. Who is that?

Mr. WILSON. Can you hear me? Mr. Chairman?

Mr. GARAMENDI. All right. Now, now that you are on, don't hit the mute button, but Mr. Norcross is up next as we are working our way through this.

Mr. Norcross.

Mr. NORCROSS. Thank you, Chairman. Appreciate it.

General Lyons, I echo the other comments. Congratulations—

Mr. GARAMENDI. Okay. Apparently, those of you that are remote are coming online. So now you can hit your mute button on your side. Our team will not hit the mute button. Hit your mute button, those of you that are remote.

Mr. Norcross, you have the floor.

Mr. NORCROSS. Thank you.

I had the opportunity to go with Chief Brown on the KC-46 along with Mr. Wittman a few weeks ago and see them run through their trials, refueling each other. An incredible plane, but certainly a long time getting here.

We were told there is a fix that both sides have agreed upon. Has that been memorialized and signed?

General LYONS. Congressman, my understanding is that is correct. The Air Force and Boeing have a written agreement to proceed on the requirements for the Remote Visual System 2.0.

Mr. NORCROSS. So that is the good news. The bad news is certainly much longer than we ever anticipated. But on the good side of this, we have a system that literally is 10 years newer using technology that was not even available. So with that, at least there is a silver lining.

And certainly there are features and enhancements on the Pegasus [KC-46A] that's not available to us that we can't talk about in open session.

I just want to shift the gear here for a moment. As I understand it, about 95 million gallons of fuel in air-to-air operations each year. I am not sure how much that fluctuates, but that is a lot.

We have seen, over the course of the last 2 months, two major interruptions in the fuel supply, particularly for the northeast. Texas shut down their refining capacity when they lost power. That meant that the coastal, beginning of that pipeline where the fuel goes in, interrupted that.

Coastal has been operating above its maximum capacity for years. It is that critical point of failure.

But what also is one of those issues that we look at, I have Joint Base McGuire just north of me, but we have many bases up and down the coast that really depend on that fuel. You have storage that will take care of some of that bump, but you heard Chairman Courtney talk about the Jones Act. They are looking for waivers, because we don't even have the capacity to move that fuel.

But when we look at some of those reasons, if we had gone back just a few years, 10 refineries have shut down in the last 2 years. So we are looking at refining capacity on the northeast shutting down, which even puts more pressure on that coastal pipeline, which we can't expend.

Are you looking at this from a national security point, that that refining capacity is close to where the users are, they don't need that pipeline, or are there other methods? Have you in TRANSCOM taken a look at that, if we have a long-term problem, that we really need this, what we are going to do?

General LYONS. Sir, I would offer a couple things.

When the Colonial Pipeline issue occurred here in the last week, I had multiple discussions in coordination with the Defense Logistics Agency director, who procures liquid energy fuel for the Department, and I can assure you that she assured me, as well as the Secretary, there were no implications for DOD relative to the Colonial Pipeline shutdown.

Having said that, I think what we saw, what we all saw, was that cyber vulnerabilities in the commercial sector can very well lead to national security vulnerabilities if we are not mindful.

Mr. NORCROSS. I understand that. So we had a 1-week shutdown. Not good at all. But if there was a major disruption over weeks, again, you have the tanks obviously to take care of that bump. But in the event that that was out for a longer term, do we have a long-term strategy, with the loss of 10 refineries, to make that up?

General LYONS. Sir, on that particular question I would defer to Homeland Security and Department of Energy on that particular domestically related question, which I think you are alluding to.

Mr. NORCROSS. Because that is the last thing we would ever want.

Just to shift over real quickly to the multi-mission vessels. The workforce is so important to develop. Courtney knows that when it comes his subs. Philadelphia Shipyard has had that legacy and are building back up. So just to give a shoutout on the great things they are doing over there and the authorities that were allowed.

I am out of time, and I will yield back.

Mr. GARAMENDI. Thank you very much, Mr. Norcross.

First of all, to all of my colleagues, apparently we have solved the communication problem. I don't want to bet my career on it, but apparently it is solved.

Here is the order we presently have, the gavel order. Wilson, Luria, Scott, Kahele, Bergman, Carl.

So I am going to apologize on behalf of the technicians and turn to Mr. Wilson.

Mr. Wilson, go for it.

Mr. WILSON. I can see Anthony Brown. Is that good?

Mr. GARAMENDI. You are good to go.

Mr. WILSON. Well, hey, thank you, Chairman John Garamendi, for holding this hearing. And I appreciate your coordinating in the midst of scheduling challenges what is going on. And I appreciate your technical proficiency to get us back on schedule.

With that, I want to thank our witnesses for being here, and how important what they do is for our country.

And at this time, with General Lyons, I am encouraged that America has joined with a Dutch-led European Union [EU] mobility project that enhances the EU-NATO [North Atlantic Treaty Organization] cooperation, improves the ability to mobilize across Europe.

In your assessment, what remains as the most serious infrastructural challenge to the mobility of armored combat brigade teams and personnel throughout Europe, especially and particularly in our valued allies in Central and Eastern Europe who were suppressed by communism for about 50 years? What can this committee do to help?

General LYONS. Sir, thanks. Thanks for the question.

I really admire the work that NATO and the EU, SACEUR [Supreme Allied Commander Europe], is doing, particularly in Europe, with regard to mobility corridors.

I think you are aware we can push the force faster than they can absorb it based on some of the infrastructure limitations the farther east that you go.

And so there is a major effort led by EUCOM [U.S. European Command] and the allied contingents to invest in infrastructure—bridges, rail, heavy transport. And that has taken, I think, a great deal of momentum and achieved some resources. And it will take some time, but I think that's moving in the right direction, sir.

Mr. WILSON. And I am encouraged. I have actually seen the improvements in Bulgaria and Romania. And obviously it has com-

mercial implications that are positive for our very valued allies of Central and Eastern Europe.

Additionally, General, this month I introduced the National Guard Cybersecurity Support Act along with Congressman Andy Kim of New Jersey. It ensures that the Guard has the statutory support to lean forward in regard to cybersecurity defense of critical infrastructure.

To what extent is TRANSCOM evaluating its cyber vulnerabilities, especially among the commercial partners in the Military Sealift Command? What impact would this have on your ability to conduct operations?

General LYONS. Sir, I can't comment specifically on the legislation because I haven't seen it. I can say, though, that, to answer your question on what we have been doing in the area of cybersecurity, it has been a—remains a major priority for the command, both on the DODIN [Department of Defense Information Network], working very closely with General Nakasone at CYBERCOM [U.S. Cyber Command] and NSA [National Security Agency], and off DODIN, working with our commercial partners.

We have got an incredible amount of information sharing going on. We have got several initiatives vis-a-vis cyber hygiene, contractual compliance, self-reporting, as well as some special projects that link up select providers with certain defense intelligence agencies to help see themselves more clearly and buy down the risk.

So we are making progress. I would report to you that, when I talk to at least C-suite-level executives, they really do get it, and we are pushing on an open door. So in that regard I think it is good news, but a lot of work to do.

Mr. WILSON. Well, we appreciate your efforts.

And, Ms. Lessley, I want to commend you for your service as a congressional staff member, and there is life after Congress. Best wishes to you.

What are the actions that TRANSCOM and MARAD are taking to ensure that there are sufficient qualified mariners to sustain a prolonged activation should it become necessary?

Ms. LESSLEY. Thank you, sir. Thank you for the question.

Yes, obviously ensuring an adequate number of mariners for a sustained prolonged mobilization is of critical importance to MARAD.

We are working through the tasks that were given to us in the 2021 NDAA, including developing a strategic plan for workforce development. And of course this is due every 5 years until the administrator determines that there is an adequate number of mariners for sustained strategic sealift.

We are also reviewing the Federal resources available to assist individuals who want to come into the industry and/or upgrade a credential as they move forward in their career.

And of course we continue our support for the six State maritime academies in addition to operating the U.S. Merchant Marine Academy.

So we are pushing forward on all fronts, but certainly do share the concern to ensure that we have an adequate number of mariners.

Mr. WILSON. And thank you for providing extraordinary job opportunities for young people.

I yield back.

Ms. LESSLEY. Thank you, sir.

Mr. GARAMENDI. Thank you, Mr. Wilson.

Because of the coming and going of the members, we are going to try to keep the original gavel order as much as possible. If your name is called and you are not here, we will get back to you with the next opportunity given Democrat, Republican back and forth.

Mrs. Luria, you are next.

Mrs. LURIA. Thank you.

Thank you, General, Ms. Lessley, for appearing today.

Ms. Lessley, I wanted to address this to you.

This hearing is the posture and readiness of the mobility enterprise, and the maritime component of the mobility enterprise is not limited to just the Ready Reserve Force, the strategic sealift fleet, and the MSP VISA [Voluntary Intermodal Sealift Agreement] vessels, but encompasses the entirety of the civilian U.S. maritime industry, including available U.S. mariners, commercial shipyards, and U.S.-flagged vessels.

And I just wanted to quote Alfred Thayer Mahan, who we all know well. He said, "The commercial value cannot be separated from military in sea strategy, for the greatest interest of the sea is commerce."

So, on that note, I was just looking at the number of ships operating today. There are some 44,000 ships in the world operating, ships involved in international trade. And of that 44,000, how many of those are U.S.-flagged?

Ms. LESSLEY. Thank you.

It is just over 80 U.S.-flagged vessels in the foreign trade.

Mrs. LURIA. Thank you.

And I understand there are others who are just involved in the Jones Act as well.

Ms. LESSLEY. Yes.

Mrs. LURIA. Jones Act trade.

Ms. LESSLEY. We do have Jones Act vessels that are deep-sea-going, yes, correct.

Mrs. LURIA. So in the typical year, how many oceangoing cargo ships are built in the U.S.?

Ms. LESSLEY. All of the Jones Act fleet would be built in the U.S.

Mrs. LURIA. Of those conducting international trade?

Ms. LESSLEY. Yeah, I am not aware of any that have been recently built.

Mrs. LURIA. Right.

So I did a little research. I see that there are two that have been built in U.S. shipyards since the 1990s, and for the Jones Act vessels, approximately an average of 5 per year, with a peak of 10 in 2016.

To contrast that, how many ships are built per year in Asia? Just order of magnitude.

Ms. LESSLEY. I am sorry, ma'am. I will have to take that back for the record. But significantly more than are built here.

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

Mrs. LURIA. Okay. Well as the Maritime Administration, I would think that we would have a perspective on the scope.

So my research shows that somewhere between 1,500 and 2,000 vessels are built in shipyards in Asia.

And does China subsidize its commercial shipbuilding industry?

Ms. LESSLEY. Yes, ma'am, to my understanding.

Mrs. LURIA. So approximately 7 years ago Congress mandated the Department of Transportation submit a national maritime strategy to Congress to specifically make recommendations to increase the use of U.S.-flagged vessels to carry imported and exported cargo from the U.S., yet today it is 7 years later, and I am not aware of any policy recommendations that have been made, and the U.S. maritime enterprise has continued to decline.

Just to confirm, there is currently no requirement or any percentage of U.S. commercial imports or exports other than government-generated cargo that is required to be carried on U.S.-built and U.S.-manned vessels. Is that correct?

Ms. LESSLEY. Yes. The cargo preference requirement applies to the government-impelled cargos, you are correct.

Mrs. LURIA. And so, if Congress implemented a law that required a percentage of commercial maritime import and exports to be carried on U.S.-built and flagged vessels, what effect would that have on U.S. shipbuilding, the number of U.S.-flagged vessels, the number of U.S. mariners?

Ms. LESSLEY. Yes, ma'am. I understand where you are going with the question. And, obviously, for our commercial fleet, cargo is king. So providing cargo will have the effect of increasing the vessels under the U.S. flag.

And, to your point, obviously 46 U.S.C. [United States Code] 5101 states as the purpose of having a merchant marine both the national defense and the development of the domestic and foreign commerce of the United States.

And as you know, as we have discussed, it also states that a substantial part of the waterborne export and import foreign commerce of the United States should be carried on U.S.-flagged vessels. At the present time, it is MARAD's estimation, less than 2 percent—

Mrs. LURIA. So we have no policy, nothing that compels commercial shippers to ship anything on U.S.-flagged vessels? There are no requirements and, to my awareness, as mentioned, no recommendations that have been made by the Department of Transportation since the Coble Act was passed in 2014, which called for recommendations from the Department of Transportation?

Ms. LESSLEY. In the last administration the maritime transportation strategy was released. Goal number one is to strengthen U.S. maritime capabilities essential to national security and economic prosperity.

Obviously, I have just come in, but I am reviewing the strategy, and we are looking at prioritization of the goals and objectives in the strategy, and also to ensure that they comport with the administration's priorities.

Mrs. LURIA. So basically I would just say that it feels like we—

Mr. GARAMENDI. Mrs. Luria.

Mrs. LURIA [continuing]. Just keep saying that there is—we are waiting on a plan and we are waiting to refine the plan.

So I understand my time has expired, and I will yield back.

Mr. GARAMENDI. Thank you, Mrs. Luria.

I want to refer you to the Energizing the American Shipbuilding Act, which has been introduced repeatedly for the last 6 or 7 years. It deals in part with your issue.

Here is the order, the gavel order, as it exists now: Scott, Kahele, Bergman, Carl, Gallagher. If you are not here when we call your name, we will get you back in the queue immediately thereafter.

Mr. Scott, you are up.

Mr. SCOTT. Thank you, Mr. Chairman. And as the other members, I have been going back and forth between this committee hearing and the floor, so if some of my questions have been asked, I apologize.

But Mrs. Luria was talking somewhat about the Jones Act, I believe, and the importance of it. And certainly I understand that there may come emergency circumstances where we might need a waiver. There was discussion of a waiver. I am from Georgia, and so the Colonial Pipeline.

But I think we need to be very careful about waivers to the Jones Act. I am not saying it could never be done, but just saying it is something we need to defer on the side of caution on that.

The other thing I think we need to be very much aware of as we push through this next National Defense Authorization Act is the increased costs of steel and raw materials and what it will do to the cost of building ships. And interested in any comments that the panel may have on that.

And the Coast Guard seems to do a better job of contracting than we do through the naval services. Any comments on that I would be interested in.

And then one final comment. Coming from Georgia, we have got the *John Lewis* class of tankers and replenishment ships that are coming out. When do we expect the first of those 20 ships to actually be christened? And how long will it take from start to finish to get the first ship in the water on the *John Lewis*-class of ships?

Those are my questions.

Mr. GARAMENDI. It appears as though our witnesses are looking at each other.

The last question you had was the *John Lewis* ships, what is the status of those, of that line of ships, and where are they?

Mr. SCOTT. Yes, sir.

General LYONS. Chairman, I would have to defer to the Navy on that one. TRANSCOM doesn't have that equity.

Mr. SCOTT. Okay.

General LYONS. But—I'm sorry I can't answer that question.

Mr. SCOTT. All right. Let me ask you this.

General LYONS. I will say, sir, just on your comment about the Jones Act, I completely agree with you. I think any waiver in that space should be a rare exception. And I acknowledge and agree with the importance of that.

You asked about materials. I can't talk from the industrial base. From the service perspective, I can see in a limited view what we

see, and we do see increases in material costs we acknowledge will drive certain costs in the contract.

And I cannot, sir, talk to the Coast Guard. Although I am a huge fan of the United States Coast Guard, I just don't know how they conduct their contracting.

I will defer to the acting administrator for any additional comment.

Ms. LESSLEY. Thank you, sir.

And I will just pick up on the Jones Act and emphasize on how the administration has made clear its support for the Jones Act as part of the "Made in America" executive order, which explicitly names the Jones Act.

And in the case of the waivers, I can only comment on MARAD's role in the process is to determine whether there are vessels available should a waiver request be presented.

Mr. SCOTT. Okay. The Merchant Marine Academy is under the Department of Transportation. Is that correct? So that is not under either one of you?

Ms. LESSLEY. No, that—the Merchant Marine Academy is under the Maritime Administration within the DOT, yes, sir.

Mr. SCOTT. Okay. And as far as the accreditation of the Merchant Marine Academy—just one suggestion with Merchant Marine Academy. I think we should move it closer to the way our other academies operate with regard to the way that students are treated with regard to payment and healthcare.

I know there would be an increased cost to that, but I think that would be a big plus to the Merchant Marine Academy, which plays a valuable role obviously in TRANSCOM in making sure that we have the professionals out there to get the equipment that we need across the seas.

Mr. Chairman, I will yield with a thank you to the people that are there on the panel.

Mr. GARAMENDI. Thank you, Mr. Scott.

I see that Mr. Brown has returned, so he now moves ahead of Mr. Kahele. And so here is the present order. It will be Mr. Brown, Mr. Kahele, Mr. Bergman, Mr. Carl, and Mr. Gallagher until somebody goes to vote, in which the dance will continue.

Ms. SPEIER. And Ms. Speier.

Mr. GARAMENDI. Mr. Brown, you are up.

Mr. BROWN. Thank you, Mr. Chairman. Can you hear me?

Mr. GARAMENDI. You are on.

Mr. BROWN. Am I on?

Mr. GARAMENDI. Please continue. You are on, Mr. Brown.

Mr. BROWN. Okay. Thanks.

General, my question is for you. The Chief of the Naval Reserve, Vice Admiral Mustin, recently testified that his top equipment priority is procurement of the C-130J to replace the legacy KC-130T. I understand that the current KC-130T does not have the capacity to meet wartime intra-theater logistics requirements and unmet lift requests reflect a gap between demand and capacity.

The question is, what is the recapitalization plan for the KC-130T to ensure U.S. forces have the capability to meet the rise in demand for airlift?

General LYONS. Representative Brown, thanks for the question. That is a Navy-specific program. We do not have that weapon system in our inventory. So I would have to defer to the Navy on that particular question, sir.

Mr. BROWN. Okay. The other question, which may have been asked—I have been back and forth like so many members. I think Mr. Lamborn was boasting about his time on the KC-46. I don't know if he had to replace the boom operator and do some aerial refueling himself, I don't know. But I too had an opportunity to take a demonstration flight, and I was able to speak with some of the boom operators and see the RVS issue for myself.

The question is, how confident are you that Boeing will be able to deliver the RVS fix by 2023? And what impact, if any, does the delay of the KC-46 have on the mobility enterprise?

General LYONS. Congressman, I will defer to the Air Force program manager on the programmatic of potential delivery timelines and delay. We are tracking against a fiscal year 2023 delivery of the RVS 2.0. Of course, that begins a fielding of the next iteration of the KC-46, so that is just the beginning of the process. There is a lot of retrofit that will have to take place.

What I am really pleased about this year is the work the Air Force has done to deliver interim capability, as well as some decisions about the KC-10, as well as increase in Guard and Reserve contributions to meet day-to-day and crisis response kind of timelines.

So as we sit today we are in great alignment with the Air Force. I would confess to you, my view from looking at this, I think we have got a long way to go on the KC-46 with regard to Boeing and the work that has to be done between now and 2023. And we will continue to monitor that closely.

But the Air Force will be in a better place to answer that question, sir.

Mr. BROWN. Thank you.

My last question, Mr. Chairman, again for the general, what role does the Coast Guard play in the mobility enterprise? Do they contribute assets to the sealift capability that we have?

General LYONS. Sir, they don't contribute in that sense where they are contributing mobility assets, but they play an incredibly important role in standards and safety and just a wide range of activities regarding security, surveillance across the globe that facilitate our mission.

So we have a very close working relationship with the Coast Guard, and we actually have coastguardsmen that work inside of our headquarters, a very close collaboration. But we don't rely on the Coast Guard specifically for lift, if that helps.

Mr. BROWN. Thank you, General.

And thank you, Mr. Chairman. I yield back.

Mr. COURTNEY [presiding]. Thank you, Mr. Brown.

So, again, as the members are sort of coming in and going off to vote, the latest revised list is Mr. Gallagher is up next.

Mr. GALLAGHER. Thank you.

Earlier this year, former INDOPACOM [U.S. Indo-Pacific Command] commander Admiral Davidson warned that the Chinese Communist Party could take action against Taiwan within the next

6 years. I am increasingly concerned that our modernization plans, while well intentioned, do not reflect the sense of urgency we need in order to be prepared, not for conflict in 2045, but in 2025.

So with that in mind, looking across the maritime lift enterprise, where does our—how does our current capacity stack up against what we would need to fight and win if we had to go to war in INDOPACOM tomorrow? I mean, what are the no-kidding, most pressing gaps, and how can we quantify them?

General LYONS. Well, sir, thanks for the question.

We spend a lot of time working analysis on that particular problem, all the, really, the problem sets, but you mentioned specifically a China problem set.

Without getting into a classified venue, certainly there are a number of challenges there. The great news is we move across the globe every single day. Every single day, we are moving forces around the globe. It is an incredible deterrent. It is an incredible assurant factor for our allies and partners.

I think we demonstrate quite clearly, just in the last year or so, our ability to move with immediate force and follow with a decisive force.

So I have great confidence in the mobility enterprise to do anything that the President or Secretary asks us to do.

Having said that, we know, as we move into the future, the environment is changing rapidly in front of us. We know that we have to be able to operate under all-domain persistent attack.

And so in our mobility studies that we are working on now, we have introduced that kind of aspect to a contested environment, and how would that play out, and how would that degrade our ability as a Nation to deliver the force?

So it is a great question, sir. We spend a lot of time on that particular issue. And we are going to continue to evolve as a command to ensure that we can maintain our ability to project and sustain our force globally.

Mr. GALLAGHER. I mean, in a classified setting, I mean, would we be able to kind of pull the string on that and get a sense of—depending on what scenario you are playing out and what assumptions you are making—what the points of failure are?

General LYONS. Certainly, we can share that with you.

Mr. GALLAGHER. That would be great. I mean, I have been an advocate of DOD—I know it is maybe above your pay grade—but DOD inviting Congress into its war games so we can all just get on the same page.

You don't need to respond to that lest you rankle some people in the far side of the building.

But I guess I would ask, is America's present network of bases and alliances in the Indo-Pacific optimized for our maritime lift needs in support of both the contact and blunt layers? In other words, what authorities or additional facilities would you need to optimize that network for conflict?

General LYONS. Well, that is a great question, and I am sure that Admiral Davidson talked about this as well as the current task force that is working on a China focus.

I think there is an effort and initiative to look at global posture that is well needed and will be well received to reorient our posture in the Pacific.

What is key in my view is that we have a global posture and a regional posture that gives us a physical, psychological, and temporal advantage over a potential adversary. So from our perspective that means we can come and we will come at any time that the President asks us to do so.

And so I think the reorientation is very helpful. I think it will help us in the competitive phase. And it would certainly facilitate a transition to conflict, which nobody wants, but we need to be prepared to do.

Mr. GALLAGHER. Okay. Thank you. I yield back.

General LYONS. Sir.

Mr. COURTNEY. Thank you, Mr. Gallagher.

General, just to follow up real quick on that, I mean actually that was one of the driving forces of the Tanker Sealift Security Program, which was to relatively quickly get stipends out so that we are strengthening that fuel supply line for places that are far away, like the Indo-Pacific. Isn't that correct?

General LYONS. Sir, that is correct. I can think of any number of scenarios, but what we want is the ability to rely on U.S.-flag capability.

Mr. COURTNEY. Great. Thank you.

Ms. Speier is up next.

The floor is yours, Jackie.

Ms. SPEIER. Thank you, Mr. Chairman.

My question to you, General—let me just get to my—I thought I was farther down at the line. Here I go. Okay.

General, one of the challenges that the Defense Personal Property Program faces is a markedly low response rate to post-move surveys. The data is essential for holding moving companies accountable for their services to military families.

What is being done to assess the reason for such a low response rate and take corrective action?

General LYONS. Ma'am, when we look at the survey information that comes in, our estimate is about 30 percent of the customers, so to speak, respond on surveys. And my guess is we get both extremes. But we could do better in that population.

We have taken initiative and have put a company under contract to improve our survey process, and that is underway at the moment, actually, to make sure it is more accurate, more thorough, easy, and the analytics on the back end are more meaningful to drive better business decisions.

So that is one of many initiatives in the area of Defense Personal Property reform, so I really appreciate your continued push on that and support on that.

Thank you.

Ms. SPEIER. And, General, I have one last question on that issue.

The American Roll-On Roll-Off [Carrier] got the contract. It was then challenged. It was determined that it was still successful. It was regranted. And then GAO did an evaluation and found that there were violations in 11 out of the 75 allegations that were made.

So I guess there is a new contract that is being crafted now. Is that correct?

General LYONS. Yes, ma'am. That is correct. We anticipate an award sometime this fall, in the September timeframe. Given that timeline, we would want to implement that in the peak season of 2022.

Ms. SPEIER. All right. Thank you.

Ms. Lessley, in addition to the Merchant Marine Academy and the State maritime academies, what is MARAD doing to recruit and train a diverse and robust maritime workforce?

Ms. LESSLEY. Thank you so much for that question.

As mentioned, we are carrying out the tasks that were assigned to us in the 2021 NDAA, developing a strategy and also looking at Federal assistance, and we hope to very soon name the first centers of excellence in maritime education, another task given to the Maritime Administration in a prior NDAA.

We are really excited about that program, because it will obviously designate the schools that enable them to enter partnerships with MARAD. And this could be the beginning of an effort to expand MARAD's reach not only at the college level, but at the community college level, and looking even lower, to the high school level, to make people aware of the many well-paying career opportunities that are available in the maritime industry, and then to begin to recruit people into the industry.

Ms. SPEIER. That is really very important, and I think getting young people interested in high school is really key, because many of them are looking for career tracks, and this is one that can be very profitable.

And congratulations on your new post as well.

Finally, General Lyons, TRANSCOM cannot rely solely on encrypted defense networks for communication, because you need to communicate with the commercial sector. But what are you doing to reduce the risk of intercept or other intrusions? What steps would you like for the industry to take to make their communications more secure?

General LYONS. Ma'am, we work very closely with industry on this issue. This remains a top priority for the command.

So in the range of issues we have enacted contractual language to improve cyber hygiene, as well as analysis that follows their self-reporting. We have got a proof of principle on the table to do third-party verification. We have got a couple different initiatives with intelligence agencies to share information with select service providers.

So there is a wide range of activities. Our assessments that come back tell us that the fundamentals, the basics, basic things like multifactor encryption and so forth, would go a long way to protect our industry partners. And we know that cyber vulnerabilities in our industry partners can very well equate to cyber vulnerabilities in our national defense infrastructure.

So the good news, as I've mentioned previously, though, the C-suite executives, we are pushing on an open door. They get it. They want to move in the right direction. And I think there is a great deal of illumination ongoing.

Ms. SPEIER. Thank you. I am sure, with Colonial Pipeline, we all recognize now that the vulnerabilities for contractors, subcontractors is real, and we really need to address it.

So I thank you, and I yield back.

Mr. COURTNEY. Thank you, Congresswoman Speier.

Next up is Mr. Kahele.

Mr. KAHELE. Aloha, mahalo, Chairman

And aloha, General Lyons and the rest of our panel of speakers today.

Sir, I am a strong supporter of the Pacific Deterrence Initiative [PDI] established in the fiscal year 2021 NDAA primarily to enhance the U.S. deterrence and defense posture in the Indo-Pacific region.

Given what is happening—and I think my colleagues have touched on Indo-Pacific and China throughout the course of this briefing, especially in the South China Sea, the East China Sea, and the Taiwan Strait regions, which are being increasingly militarized and contested—I strongly support one of the PDI's programs, which is a new multinational movement coordination center in the Pacific.

The center would coordinate the movement of friendly nations' military aircraft and vessels across the Indo-Pacific region. My understanding is it is supposed to be located at INDOPACOM.

Could you please, if you can, provide your views on how this new center would potentially impact TRANSCOM?

General LYONS. Well, thanks, sir. I am a big advocate for what they are doing.

To some degree, it mirrors what exists today in the ATARES [Air Transport and Air-to-Air Refuelling and other Exchanges of Services] program in EUCOM, but I think that they will probably even take it to another level.

So very important from my view to be able to collaborate with your allies and partners on all things, but particularly also on movement.

So we see it as an advantage, as an enabler, and we are happy to plug in with them.

Mr. KAHELE. Okay.

In reading the testimony on Air Mobility Command [AMC], it talks about the force structure of primarily our C-17, C-5 primary means of strategic airlift, and potential reductions in the C-130 fleet, some of which is required by the previous NDAA's and others because of aging aircraft.

And one of the statements in the testimony is that the C-130 force structure may be a source of discussion in this NDAA, whether that is TRANSCOM or AMC 130s or National Guard 130s.

Can you elaborate on that?

General LYONS. I can, sir.

You know, when we do the Mobility Capabilities Requirements Study we look at the entire package of force elements, to include theater airlift, most of which is assigned to TRANSCOM and then allocated further to geographic combatant commands.

When we look at the future joint warfighting concept and the associated supporting concepts, and when we look at some of the war

plans that are evolving right now, we see a much higher demand on theater lift. Not just airlift. It could also be lift in the littoral.

So we have got to think our way through how do we continue to present multiple options and create multiple dilemmas for an adversary, and you want to be able to come at them from any direction.

So we are working very closely with the other combatant commands as well as the Air Force to assess risk against the program and the potential future plan reductions. Right now, I think we are in a good place, but we are watching closely to what that profile looks like and how much risk we are willing to accept.

Mr. KAHELE. Okay. Thank you.

And then last question relates to INDOPACOM and what is happening in terms of China and Korea and TRANSCOM's role. I know we exercise it through Ulchi Freedom Guardian annually, or at least every few years. But that would be TRANSCOM's role in NEO [noncombatant evacuation operations] operations off the pen [peninsula], using gray tails [military transport aircraft] to move American service members and their families to white-tail [civilian] jets, probably in our bases in Japan, and then back to the United States.

Have we looked at the amount of TRANSCOM assets that we have, whether they are with ones assigned to PACAF [Pacific Air Forces] or already out in the theater versus what we need to bring in, and how quickly we would be able to do that if an incident occurred on the Korean Peninsula?

General LYONS. We have, sir. We have looked at several scenarios, both with USFK [U.S. Forces Korea] and INDOPACOM. And the work we do to size the fleet is typically against the highest, what we call the pacing, demand.

And then, for our other contingencies or branch plans—you mentioned the potential NEO. It could be anywhere on the globe. We do that analysis as well and look to see where they would fit. It would be a function of priorities, of the temporal nature, of how big the demand is.

But the great thing about the mobility enterprise is we are extraordinarily flexible and resilient. So if the Secretary or the President decide they want to shift strategic priorities to a particular area, we can very, very rapidly shift to the priority.

Mr. KAHELE. Great. Well, thank you, sir. I look forward to working with you and your team out in the Indo-Pacific.

General LYONS. Thank you.

Mr. KAHELE. Thank you, Chair. I yield my time.

Mr. GARAMENDI [presiding]. Mr. Kahele, thank you.

Yes, it has been one of those days.

I believe we have some of the members that missed the first round. I see a lot of blank screens.

The very last vote is up, and, since it includes about 15 bills en bloc, I would expect the members to return—some of them to return, some of whom we missed in the first round because of the votes taking place and the technical difficulties.

I am going to—I have got a couple of questions of my own, and then we will see if the members.

Mr. Courtney, thank you. I think you have completed your questions.

So throughout this hearing it appears as though the effort that has been made by MARAD, by TRANSCOM, and Navy, and by the committee has not been successful. We have made a little bit of progress here and there, but we really have not been able to really put in place a comprehensive strategy and then carry it out. We have had bits and pieces.

I want to thank the committee members past and some of whom are still present for various votes and various efforts that have been made. The Tanker Security Program, it is there. It is a piece of the puzzle. The legislation this last year in the NDAA that calls for all military cargo to be on American ships and planes, that is another piece of the puzzle.

There are other efforts that have been made. The national maritime—multipurpose—I guess this is for the various maritime academies, those are now in process. I believe two or three or four—oh, I love that number—four are actually scheduled and I believe appropriated. Good.

And there is another—Vallejo and the California coming up. All right. Good.

So these pieces of the puzzle are there. However, we still lack a comprehensive program.

Mr. Tokarski, you talked about this. I want to go back and plow that field again with you. Mr. Wittman expressed his concerns about a comprehensive program.

Here is what I am proposing—then, Mr. Tokarski, I want to go back and hit this again with you—is that we have a roundtable. Invite members of the two committees, Mr. Courtney's committee and my committee, to participate, staff and members of the Maritime Committee of the Transportation and Infrastructure Committee.

That sometime within the next month we sit down, invite General Lyons or whomever you would like to send to that meeting, and that we develop for this year's NDAA a strategy that would provide over—both dealing with the immediate—meaning now, this year, next year—appropriations as well as the NDAA, and long-term.

Mr. Tokarski, you laid out a long-term strategy. Actually, what is new is old. So we will go back at that old strategy and look to see if we can develop a strategy that would be long-term over the next decade, two decades, be as immediate as possible, bringing on the two ships that are to come on board and be repurposed.

I see some of my colleagues have returned.

I don't know if, Mr. Bergman, if you have had a—oh, my goodness. Mr. Bergman is here.

I am going to finish my comment. I am going to lay it out there.

Mr. Courtney and I, together with our ranking members, Mr. Lamborn and Mr. Wittman, we are going to have a roundtable, and we are going to see if we can lay out a strategy, get that strategy into this year's NDAA, perhaps in the appropriation process, and work on that.

We have about 2 months to do that before the NDAA, which I now understand is in September timeframe. The appropriations

will precede it, so I want to be sure that we address that along the way.

With that, I think I have given our witnesses a sense of how we will call upon them to participate in that roundtable and see if we can lay out a strategy, pulling together the threads and the work that has been done into a comprehensive, overarching strategy.

Mr. Bergman, thank you for returning. Thank you for your willingness to be up and off and up and off. And now you are on, so go for it.

Mr. BERGMAN. Thank you, Mr. Chairman.

And I am going to make just one comment, because what I heard probably 45 minutes ago, the subject was we will do okay with people. We can talk about ships. We can talk about airplanes. We can talk about all sorts of things. You could literally, as we did in World War II, build airplanes and ships in an extremely brief period of time when you put the power of the industrial base and the government behind it. But you can't build an experienced mariner, let's put it this way, or aviator, whatever. And specifically here on the MARAD side and, you know, as a member of the Board of Visitors for the Merchant Marine Academy, it is a too-well-kept secret.

But I would ask you to take for the record to have a—in fact, part of our roundtable, I think, would be spectacular is a plan to show over a generation time period the development of educational and then post-educational opportunities, you know, whether it is at sea, whether it is in the shipbuilding industry, but a plan to bring young men and women into this absolutely spectacular career.

So I would just ask you to consider that. If you already have something, you know, of a background, send it to us, send it to me, I would love to look at it. But it is all about the ability to populate the systems that we will be using when we need to use them.

So I just thank you for that, Mr. Chairman. And in the interest of brevity, I yield back.

Mr. GARAMENDI. Mr. Bergman, thank you.

The comings and goings, the issue of mariners, the issue of skill sets has been discussed, and your interest in it would be to stay in touch and continue to work on that piece of it. I don't think we have a particularly good strategy to fulfill all the potential needs of the future.

Oh, my goodness, is that Mr. Carl I see? I do see him.

Mr. Carl, you have been in and out at least five times by my count, and I have been gone, so perhaps six or seven, but here you are. It is your turn, please.

Mr. CARL. Thank you, Mr. Chairman, and I certainly appreciate your patience. It is just one of those days, a zig and a zag.

As we all know, a majority of the Military Sealift Command ships are very large vessels. These ships are unable to operate in shallow waters and extreme environments. I know the Navy is looking to purchase some used commercial vessels to rebuild its sealift fleet. I am worried that the Navy will have more ships that are unable to navigate in such areas as the South China Sea.

General Lyons, my question is to you, sir. I know that TRANS-COM is currently completing the mobile capability requirement study required by the fiscal year 2020 NDAA. Can the committee still count on receiving that result for the study next month?

General LYONS. Yes, sir, you sure can.

Mr. CARL. All right. Thank you. And I look forward to thoroughly reviewing that study.

General LYONS. Thank you, sir. Appreciate it.

Mr. GARAMENDI. Thank you, Mr. Carl.

I believe we seem to have no one else on the screen, and only Mr. Lamborn and I are here in the hearing room.

And, Mr. Lamborn, if you have another question, it is your turn. Otherwise, we are going to wrap this up.

I have one more issue, and that takes us back to the household goods movement. We talked about that at the earlier part of this hearing. There is a possibility, General Lyons, that the strategy that you have in place may not work through the years, something may go awry in one way or another. And my question to you, and take this for the record, in the contract, is there an opportunity for the government to modify, to change, or to terminate the contract if there is a problem with the implementation of the program? If you can answer it now, fine. Otherwise, if you can for the record come back to us for that.

The reason I am asking is that in the base housing program, these are very, very long-term contracts, if I recall, 30 years, and I think one is actually 40 years. And through the passage of time, problems have developed, and the government has found it very difficult, in fact, in some cases impossible, to renegotiate the contract. So heads up, if you can answer and come back to us. If you want to take it up now, fine. Otherwise, come back to us later.

General LYONS. Well, Chairman, I will just follow up with you. But, I mean, I would just say there is always an option for the government to terminate on the government's conditions.

I think you make an important point, though, sir, on the housing analogy. This is part of precisely why we knew we needed to get our arms around the household goods industry, because we lacked clear accountability. So we have contracts with, quite literally, dozens, probably 40, 50, 60 vendors. We know—we do this professionally. We know how to write contracts. We know how to hold vendors accountable.

But to your point, there is always a means for the government to ensure accountability, and that is exactly why we moved in this direction. And I think it was reinforced by the Government Accounting Office and others who supported the strategy. But I admit to you that we must deliver for military families. That is the north star.

Mr. GARAMENDI. Indeed we must. The passage of time, things don't always work out as planned and, therefore, the ability of the government to modify, terminate, or otherwise deal with whatever issue might arise. We have had a very, very bad experience in housing, and I will let it go at that.

I believe we have run the course here. I don't see any more members.

So, General Lyons, thank you so very much for your patience and for the work, for your service over the many, many years. And sometime in the next 30, 45 days, you or whomever you would like to send, let's see if we can actually build a strategy and a program

to address the multiple pieces of this very complex and very necessary program.

Ms. Lessley, thank you. Thank you for your service as acting. I don't know what the future is going to hold for you, but we know that you have served this House well in the past. So thank you very much.

I am surely going to flub up your name again, Mr. Tokarski, but—did I get it right? Practice makes perfect. With me it takes a lot of practice. Thank you very much. I look forward to working with you and putting together an overarching program to deal with this complex sealift issue.

Thank you very much.

With that, this meeting is adjourned.

[Whereupon, at 6:09 p.m., the subcommittees were adjourned.]

A P P E N D I X

MAY 18, 2021

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

MAY 18, 2021

**Opening Statement of Chairman John Garamendi,
Subcommittee on Readiness
Joint Hearing of the Subcommittee on Readiness and the Subcommittee on
Seapower and Projection Forces
“Posture and Readiness of the Mobility Enterprise”
May 18, 2021**

Good afternoon ladies and gentlemen, I call to order this joint hearing of the Readiness Subcommittee and the Seapower and Projection Forces Subcommittee of the House Armed Services Committee.

The Chair reminds members of the committee that they are required to observe standards of courtesy and decorum during committee proceedings. This requirement includes the responsibility to protect public safety and health, particularly during a pandemic. Members, staff, and attendees are required to wear masks at all times in the hearing with the following exception. A person who is attending this proceeding in person may remove his or her mask briefly following recognition by the Chair for the purposes of speaking into a microphone. Any person who removes his or her mask for this purpose must replace it at the conclusion of his or her recognized remarks. The Chair expects all Members, staff, and attendees to adhere to this requirement as a sign of respect for the health, safety, and well-being of others. The Chair views the failure to adhere to this requirement as a serious breach of decorum.

Now, some administrative and technical notes. Members are reminded that they must be visible onscreen within the software platform for the purposes of identity verification. Members must continue to use the software platform's video function while attending the hearing unless they experience connectivity issues or other technical problems that render the member unable to fully participate on camera. If you experience technical difficulties, please contact the committee staff for assistance.

When you are recognized, video will be broadcast via the television and internet feeds. You will be recognized as normal for questions, but if you want to speak at another time you must seek recognition verbally. Please mute your microphone when you are not speaking and remember to unmute prior to speaking. Please be aware that there is a slight lag between when you start speaking and when the camera shot switches to you. Please also remember to keep the software platform's video function on for the entire time you are attending this hearing. If you leave for a short period for reasons other than joining a different proceeding, please leave your video function on. If you are leaving to join a different proceeding or will be absent for a significant period of time, you should exit the software platform entirely and then rejoin if you return.

Be advised that I have designated a committee staff member to mute unrecognized members' microphones if necessary. Please use the platform's chat feature only to communicate with staff regarding technical or logistical support

issues. Finally, you will see a 5-minute countdown clock on the software platform's display but, if necessary, I will remind you when your time is up.

Now that we've got that out of the way, I'd like to thank the witnesses for appearing before us today, to speak on the posture and readiness of the mobility enterprise. We have before us General Stephen Lyons, the Commander of United States Transportation Command; Ms. Lucinda Lessley, the Acting Administrator of the United States Maritime Administration; and, Mr. Kevin Tokarski, the Associate MARAD Administrator for Sealift Requirements. Thank you all for joining us today. As you know, mobility is an incredibly important subject – if you can't get to or sustain the fight, you have no chance of winning it. Yet in spite of this fact, each year's budget request doesn't fully fund mobility to meet our Combatant Command requirements; and I suspect that will be the case with this year's soon-to-be-released budget request as well.

In last year's budget request, the Air Force requested to retire 10 x KC-10 aircraft and 13 x KC-135 aircraft, in spite of the fact that the KC-46A was incapable of performing operational boom refueling sorties. General Lyons, you opposed the Air Force's request to retire legacy tanker aircraft and submitted an Unfunded Priorities List asking Congress to reverse that decision. Your specific statement was that retirement of those aircraft would "create a capacity gap with significant impacts to Combatant Command daily competition and wartime missions". Congress heard you loud and clear and we enacted legislation that prohibited retirement of KC-135 aircraft until 2025 and curtailed the rate at which the Air Force could retire the KC-10 aircraft. General Lyons, I look forward to hearing how that legislation helped you, and whether your perspective has changed due to a recent AMC decision to utilize the KC-46A in a limited operational role.

Regarding sealift, we must study our history to better invent our future. General Washington's success was due in part to the French fleet preventing resupply of British forces. Conversely, America's ability to surge forces and materiel across the Atlantic and Pacific Oceans created the conditions for success during the Second World War. So let us now turn to our current sealift system. The average age of the Ready Reserve Fleet is 44-years old. The surge fleet averages 30-years old. The Prepositioning Fleet averages 28-years old. General Lyons, Ms. Lessley, is this a winning hand? The Navy's near-term solution is to recapitalize our old ships with used commercial vessels, and to delay new ship procurement to 2026. Is this a winning solution? I remain concerned that we are not doing enough now to recapitalize our sealift fleet to meet capacity requirements. We need a National Sealift Fleet of smaller, affordable, and more numerous ships, and we must start this effort now. Failure to do so will place the Army in unacceptable risk in force projection capability beginning in 2024. I ask our witnesses today to explain in detail how they intend to get after this problem, and to elaborate on whether the Services are providing the necessary resources to solve this problem before it becomes a crisis.

Lastly, General Lyons, please provide an update on the Defense Personal Property Program contract. We are aware that GAO sustained protests to the

Global Household Goods contract, and that you have taken corrective actions based upon their recommendations. I also understand that you are in source selection and are therefore limited in what you can say; however, I am quite interested to hear how you intend to properly oversee this contract. We want to avoid another version of the Privatized Housing debacle, so I'd ask that you speak on your plan for ensuring that the warfighter is taken care of.

With that, I thank the witnesses for appearing today, and I now turn to Mr. Lamborn, the ranking member of the Readiness subcommittee, for his opening remarks.

Ranking Member Doug Lamborn Opening Remarks
Readiness Subcommittee Hearing
“Posture and Readiness of the Mobility Enterprise”
May 18, 2021

Thank you, Chairman Garamendi. And I also want to thank our witnesses here today from MARAD and TRANSCOM.

Together our mobility enterprise is responsible for the sealift, airlift and ground logistics and distribution for our armed services. I wish we could have had this important discussion after receiving the budget, and we eagerly await its delivery. I am sure we will have some more questions after its arrival.

Our mobility enterprise must be ready to support the combatant commands in the face of evolving global threats. Yet I am concerned we are under prepared to support tomorrow’s fight.

Deterring our near-peer competitors subjects our military to the tyranny of distance, underscoring the importance of logistics and strategic lift. I hope today that our witnesses can preview the upcoming update to the mobility capabilities requirement study, which we expect to be delivered next month.

Given the current state of our sealift capability, it would appear that we are in trouble. Almost all of our forward combat unit equipment moves by sea. But our ships are old and closing in on their life expectancies. The Army has stated planned fleet reductions will result in “unacceptable risk in force projection capability beginning in 2024.” I know that TRANSCOM can influence but not direct service budget decisions, but I look forward to hearing concrete solutions and long-term plans – not simply relying on service life extensions – to rebuild the fleet.

Aging airlift and air refueling assets present another challenge, specifically as we work through recapitalizing the air refueling tanker fleet. General Lyons, when we spoke last week you mentioned continued issues with the KC-46. I look forward to hearing about plans to operate the KC-46 in a limited fashion and ongoing retirement plans for our KC-10 and KC-135 aircraft.

Our threats are evolving, and the mobility enterprise must keep pace. It is critical that we are meeting the obligation to sustain repair and recapitalize our mobility support assets. Our ability to project and sustain our force is at stake.

I want to thank the witnesses for their time today. I look forward to having an open and candid discussions, and I yield back.

Statement of
General Stephen R. Lyons, United States Army
Commander, United States Transportation Command



Before the House Armed Services Committee
Readiness Subcommittee and the Seapower and Projection Forces Subcommittee
On the State of the Command
18 MAY 2021

Strategic Environment

The Interim National Security Strategic Guidance acknowledges an increasingly complex global security environment, characterized by overt challenges to the free and open international order and the reemergence of long term strategic competition between nations. These changes require a clear eyed appraisal of future threats, the changing character of warfare, and how the Department of Defense (DoD) will retain the ability to project forces globally to advance security interests and respond decisively to win if necessary.

Delivering for our Nation

TRANSCOM's enduring purpose is to project and sustain military forces anywhere on the globe at the time and place of our Nation's choosing. Our ability to rapidly move forces transoceanic distances is a strategic comparative advantage, providing a wide range of options in support of the National Defense Strategy (NDS) while creating multiple dilemmas for our adversaries. As 1 of 11 Combatant Commands, TRANSCOM is responsible for operating the Defense Transportation System and integrating the Joint Deployment and Distribution Enterprise (JDDE). Our Unified Command Plan tasks are executed through three assigned component commands (U.S. Army's Military Surface Deployment and Distribution Command, U.S. Navy's Military Sealift Command, and U.S. Air Force's Air Mobility Command) and one major subordinate command (Joint Enabling Capabilities Command). Our key mobility mission areas include airlift, air refueling, aeromedical evacuation, sealift, and domestic rail and motor freight, all of which are enabled by a global posture that provides the U.S. with positional, temporal, and psychological advantage to respond across the operational spectrum.

The DoD's ability to project military forces is inextricably linked to commercial industry, which provides critical transportation capacity as well as global networks to meet day-

to-day and wartime requirements. TRANSCOM manages several emergency preparedness programs that call on industry to specifically support wartime requirements. They include the Civil Reserve Air Fleet (CRAF), Voluntary Intermodal Sealift Agreement (VISA), Strategic Seaport Program, Strategic Corridor Rail Network and the Strategic Highway Network. On behalf of the Department, TRANSCOM spends approximately 7 billion dollars with industry partners each year in transportation services to execute DoD mission requirements.

Year in Review

The COVID-19 pandemic posed significant challenges to TRANSCOM's continual efforts to project and sustain the joint force. At the beginning of last year, TRANSCOM rapidly deployed a Brigade Combat Team of the 82d Airborne Division to U.S. Central Command, delivering 800 Soldiers within 18 hours of notification to deter Iranian aggression. In total, the Brigade of 3,000 Soldiers closed in under five days. This no-notice deployment underscored the impressive capability of the Global Mobility Enterprise. In the year that ensued, TRANSCOM transported 33 brigade-sized units overseas in support of all six geographic combatant commands. TRANSCOM operated from all seven continents, delivering over 95 million gallons of fuel during air-to-air refueling operations resupplying nearly 60 thousand aircraft and directly supporting 38 Bomber Task Force missions. On short notice, our Joint Enabling Capabilities Command (JECC) established a JTF command post in support of Special Operations Command - Africa to reposture forces from Somalia. Additionally, TRANSCOM transported over 790,000 passengers, 315,000 tons of cargo and 24.2 million barrels of DoD petroleum products, all while complying with COVID-19 preventative measures, testing and restrictions.

TRANSCOM aeromedically evacuated 6,324 patients (71 having sustained battle injuries), 350 of whom were COVID-positive. Given the emergence of the COVID-19

pandemic, we are grateful for the exceptional efforts of the USAF, industry, and academia to deliver a material solution within 90 days to safely airlift highly infectious patients. I am extremely proud of the resilience and ingenuity of the aeromedical evacuation enterprise to meet these challenges this past year.

In support of the whole of government response to COVID-19, TRANSCOM repatriated 3,915 American citizens stranded worldwide and facilitated movement of over 2,000 ventilators, 4.4 million COVID test kits, 150 million needles and syringes, and continues to support vaccine distribution to DoD beneficiaries. TRANSCOM collaborated with the Defense Advanced Research Project Agency, USAF, and United Airlines to perform aerosol testing onboard commercial passenger airframes to determine the transmission risk of COVID-19 between passengers. The findings revealed a 99.7% reduction in aerosolized pathogens through aircraft ventilation and HEPA filtration systems thereby informing decisions on cabin occupancy, seating assignments, and contact-tracing procedures for the Patriot Express contracted rotator flights.

Throughout the pandemic, TRANSCOM frequently consulted with industry partners to assess their viability to support National Defense requirements. Cargo partners within the surface, sealift, and airlift industries appear to be on the path to recovery. However, the airline passenger industry will likely take many years to recover given 60 percent reduction in volume, resulting in over \$30 billion in lost revenue, as well as the divestment or parking of over 20 percent of aircraft inventories.

TRANSCOM Warfighting Framework

The success of DoD's power projection capability is contingent on three critical elements of TRANSCOM's organizational warfighting framework: Global Mobility Posture; Global Transport Capacity; and Global Command, Control, and Integration.

Global Mobility Posture

Global Mobility Posture is the foundation of power projection, enabled by a robust network of allies and partners, which includes access to global networks maintained by industry to support our nation's ability to mobilize and deploy. Diplomatic alignment with our allies and partners enables access, basing, and overflight for mobility forces, critically important to the rapid deployment of personnel and equipment across the globe. Our robust and resilient network also provides the U.S. positional advantage to rapidly advance our national security interests, deter adversaries, and when necessary, win decisively.

On the domestic front, TRANSCOM works closely with the U.S. Department of Transportation on numerous domestic transportation programs to include the administration of three National Defense Programs: Highways, Railroads, and Ports for National Defense. In order to ensure national security needs are recognized in civil highway policies and programs, TRANSCOM is working with the Federal Highway Administration to encourage investment to enhance infrastructure critical to national security.

Global Transport Capacity

Our Global Transport Capacity includes conveyances and platforms to move troops, supplies, fuel, and equipment through global transportation networks. These include rail, motor transport, sealift, air refueling, and airlift. More than 60% of TRANSCOM's organic transport capacity resides in the Reserve Components, underscoring our reliance on the Total Force.

Mobility force sizing and shaping are informed by Mobility Capability Requirements Studies (MCRS). TRANSCOM is conducting the FY 2020 NDAA-directed MCRS-20 to assess airlift force sufficiency, as well as air refueling and sealift capacities to meet NDS missions. In addition, we are conducting a concurrent study to determine requirements for U.S. flagged fuel

tanker vessel capacity and to assess the necessity of assured access provided by the FY 2021 NDAA-authorized Tanker Security Fleet. We will submit reports on these studies by June 2021.

Transport Capacity Modernization Priorities

Sealift

We are pleased with the progress over the past year working with OSD, USN, and the Maritime Administration (MARAD) on codifying a viable strategy to recapitalize the Department's sealift fleet. 33 of 50 USN Roll-On/Roll-Off sealift ships are forecasted to retire in the next 10 years. DoD, USN, and TRANSCOM endorse a strategy to acquire used sealift vessels from the open market. The FY 2021 NDAA, authorizes the procurement of the first four used ships, decoupled from a requirement to build new ships. We are working with MARAD on selecting a Vessel Acquisition Manager and plan to procure the first used vessel in CY 2021.

Aerial Refueling

TRANSCOM is aligned with the USAF on the way ahead for the air refueling portfolio. The fleet is critical to rapid global mobility and the lifeblood of the joint force's ability to deploy and employ the immediate and surge forces across all NDS mission areas. The current air refueling fleet is comprised of the aging KC-135 and KC-10 aircraft, and the new KC-46. We support the USAF's plan to adjust its force structure in order to meet day-to-day and crisis requirements.

Global Command, Control, and Integration

Global Command, Control, and Global Integration remains central to our ability to align scarce mobility resources consistent with the highest strategic priorities. Enabled by a portfolio of information technology systems, our ability to control mobility forces is contingent on secure

networks and continuous modernization efforts to retain the competitive edge against our adversaries in the cyber domain.

TRANSCOM is pursuing several initiatives in the area of cyber resiliency and digital modernization to mitigate the rapidly evolving threat in the cyber-contested environment. Mitigation initiatives include increasing cyber hygiene to harden our terrain and decrease adversary attack vectors, modernizing and optimizing our IT portfolio by taking advantage of technical advancements such as cloud services, and investing in critical data encryption to create trusted transactions. Additionally, we partnered with the U.S. Cyber Command to implement a DoD proof of principle using, “Zero Trust” on our network environment to further bolster defenses from capable adversaries. We also continue to collaborate with our commercial transportation providers, sharing information as able and facilitating the performance of annual cybersecurity self-assessments based on National Institute of Standards and Technology guidelines.

Defense Personal Property Program (DP3) Reform

TRANSCOM, on behalf of the Department, is leading a number of efforts to improve the relocation experience for DoD and Coast Guard personnel and their families. Together with the Services, TRANSCOM implemented COVID-19 protection protocols to keep families safe while relocating; enacted common-sense rule changes to address customer priorities ‘at the curb,’ and published a strategic plan to guide our collective action in the years ahead. TRANSCOM is currently addressing the issues the U.S. Government Accountability Office (GAO) highlighted regarding the award of the Global Household Goods Contract (GHC), and will re-award the contract no earlier than September 2021. While TRANSCOM has charted a clear path to

restructure its relationship with the moving industry, we are also taking initial steps to restructure our relationship with storage providers.

At the close of 2020, TRANSCOM recorded a 96% customer satisfaction rate—five points above 2018's score and above the Department's target of 95%. While I am pleased with this initial progress, there is still much work to do and it is still early in our journey to reform the \$2.5 billion Defense Personal Property Program. This initial progress is the product of incredible work from DoD personnel around the globe, from an active network of military family volunteers, and from many of our moving and storage providers. However, the foundation of this progress is leadership. I believe the program's multi-billion dollar value, consequential impact on servicemembers and their families, and continual interface with Congress, industry, and the Services warrant sustained executive leadership to ensure the success of the reform effort and deliver the quality and accountability military families deserve.

Space Mobility

As we look to the future, TRANSCOM has established Cooperative Research and Development Agreements with leaders in the space industry to explore the delivery of cargo and personnel via space anywhere on the globe in less than an hour. While rocket cargo will not replace current mobility capacity, it has the potential to offer unique and disruptive capability in the areas of rapid force deployment and humanitarian assistance and disaster relief. We look forward to continued development of space mobility and logistics in the coming year.

Conclusion

TRANSCOM provides the DoD the ability to project and sustain military forces at a time and place of the nation's choosing; a strategic comparative advantage that allows us to achieve national security interests. By maintaining favorable global posture, sufficient transportation

capacity, and the ability to command and control global mobility operations, DoD retains the ability to project immediate and surge forces required to compete, deter, respond, and win in order to meet U.S. strategic objectives. We continue to evolve and adapt to a rapidly changing security environment and address cyber security challenges. I thank Congress for the staunch and continued support of the U.S. Transportation Command and the Joint Deployment and Distribution Enterprise as together we work to defend the nation and advance American interests.

Underwritten by our dedicated Soldiers, Sailors, Marines, Airmen, Coast Guardsmen, civilians, and commercial partners performing TRANSCOM's mission, I am confident in our ability to deliver, and am proud to stand with them in commitment to our Nation's defense.

Together, We Deliver!

General Stephen R. Lyons

General Steve Lyons took command August 24, 2018, becoming the 13th commander of U.S. Transportation Command (USTRANSCOM), one of 11 Combatant Commands in the Department of Defense. USTRANSCOM's mission is to project and sustain military power globally in order to assure our friends and allies, deter potential adversaries, and if necessary respond to win decisively.

Lyons' experience spans 36 years of military service in positions of progressive leadership responsibility. He began his career in Germany during the Cold War and subsequently held a wide range of assignments to include command at every level, multiple operational deployments, and over 6 years of experience in joint assignments. As a battalion commander in 2003, he participated in 3d Infantry Division's major combat operations to invade Iraq. Since 2003, he has spent over 40 months deployed to the U.S. Central Command area of responsibility in support of Operation Iraqi Freedom and Operation Enduring Freedom (Afghanistan). He also served as the 14th USTRANSCOM deputy commander from 2015-2017.

A native of Rensselaer, New York, Lyons graduated from the Rochester Institute of Technology (RIT) and was commissioned a second lieutenant in the US Army in 1983. He holds two master's degrees, one from the Naval Postgraduate School in logistics management (1993); and a second from the Industrial College of the Armed Forces in national resource strategy (2005).

His awards include the Defense Distinguished Service Medal and the Master Parachutist Badge.

Lyons is married to Maureen Lyons and they have two children, Kara, and Dylan.

(Current as of October 2019)

**STATEMENT OF
LUCINDA LESSLEY
DEPUTY ADMINISTRATOR
MARITIME ADMINISTRATION
U.S. DEPARTMENT OF TRANSPORTATION**

**BEFORE THE
COMMITTEE ON ARMED SERVICES
SUBCOMMITTEE ON READINESS
AND SUBCOMMITTEE ON SEAPOWER AND PROJECTION FORCES
U.S. HOUSE OF REPRESENTATIVES**

HEARING ON THE POSTURE AND READINESS OF THE MOBILITY ENTERPRISE

May 18, 2021

Good afternoon, Chairman Garamendi, Chairman Courtney, Ranking Member Lamborn, Ranking Member Wittman, and members of the Subcommittees. Thank you for the opportunity to discuss the Maritime Administration's (MARAD) role in supporting the Department of Defense's (DOD) strategic sealift capabilities and the very real and immediate capacity challenges that we face today.

America's strategic sealift provides the Nation with the capability to project power globally by deploying forces and moving cargoes worldwide during peacetime, wartime, and/or in any contested environment. Sealift requires a combination of commercial and Federal resources to succeed. The Government-owned sealift fleet, which includes the MARAD-maintained Ready Reserve Force (RRF) and Military Sealift Command's (MSC) surge sealift fleet, are supported by a fleet of privately owned, commercially operated U.S.-flag vessels in the Maritime Security Program (MSP).

These programs are supported by a strong and highly qualified U.S. Merchant Marine and shoreside personnel who are critical to our Nation's ability to provide robust, effective, and efficient strategic sealift. As they always have during times of crisis in our Nation's history, during the COVID-19 pandemic, the members of the U.S. Merchant Marine have gone above and beyond to ensure the effective and efficient operations of the entire maritime transportation system.

MARAD appreciates Congress' support for the U.S. maritime industry, especially the strong leadership of those on this Committee. However, more work remains to sustain a strong and effective strategic sealift capability. Within the Government-owned sealift fleet, the aging RRF fleet needs recapitalization to maintain readiness. MARAD is working closely with the U.S. Transportation Command (TRANSCOM), the Navy, and MSC to execute Congress' authorizations to buy used vessels to meet the Nation's sealift requirements. In addition to an aging fleet, strategic sealift is hindered by operations in increasingly contested environments, the limited share of international trade volume being carried by U.S.-flag vessel, effective adherence

to cargo preference laws, the risk of a shortage of available mariners, and unprecedented readiness challenges brought on by the COVID-19 pandemic.

MARAD alone cannot solve all of the maritime challenges facing the Nation, but we can fulfill our statutory mandate by promoting sound policies and programs that strengthen our maritime capabilities, and by raising awareness among the public of the vital role our Merchant Marine plays in meeting our economic and national security needs.

Aging Ready Reserve Force

The RRF is a fleet of 41 Government-owned vessels available to transport DOD cargo and meet other mission requirements. The RRF vessels, along with a smaller number of MSC vessels, provide sealift surge capability to deliver DOD equipment and supplies where needed during the initial stages of a response to a major contingency.

The RRF vessels average more than 46 years in age—some well past their expected use—which makes recapitalization critical. The fleet is still capable, but MARAD struggles to maintain the fleet’s readiness at levels that provide confidence to operational commanders. USTRANSCOM utilizes short notice activations, called Turbo activations, to gain insight into the readiness of the fleet and areas on which to focus more resources; however, significant steelwork and obsolete equipment typical of aging vessels make conducting these activations more difficult with each passing year.

Through 2020 and into 2021, the COVID-19 pandemic has exacerbated difficulties in establishing and maintaining ship readiness. The challenges associated with navigating varying local public health control measures as well as shipyard delays due to COVID-19 positive test results have resulted in longer out-of-readiness periods. Despite these challenges, sealift vessels were successfully activated in FY20 through significant efforts by USTRANSCOM, MSC, MARAD, and all of the RRF ship managers and workforce personnel.

As authorized in the FY18 National Defense Authorization Act (NDAA), MARAD advanced the acquisition of second-hand ships from the open market for service in the RRF. MARAD solicited for Vessel Acquisition Manager (VAM) services in early 2020 and an award is imminent. The VAM will identify, modernize, and operate these vessels after purchase. MARAD intends to rapidly seek numerous, suitable roll-on/roll-off (RO/RO) vessels that can be modified to meet DOD’s needs for the organic sealift. We continue to work closely with Navy, DOD, and USTRANSCOM to complete this procurement action.

Support for Strong Commercial Maritime Capacity

President Biden has made clear his strong support for the U.S. maritime industry through his American Jobs Plan and Made in America Executive Order. The U.S.-Flag commercial fleet is supported by three pillars of maritime policy: MSP, cargo preference, and the coastwise-trade laws collectively referred to as the Jones Act. These three programs augment the Government-owned strategic sealift fleet and provide much of the sustainment sealift following surge operations.

MSP is the heart of sustainment sealift, made up of a fleet of 60 commercially viable, militarily useful vessels, active in international trade and available on-call to meet DOD contingency requirements. In return for a stipend, MSP operators provide DOD with assured access to ships as well as the multibillion-dollar global intermodal networks maintained by participating carriers. MSP operators provide employment on their vessels for 2,400 highly trained, skilled U.S. merchant mariners our country depends on to crew the RRF and MSC surge vessels if activated during a surge. Additionally, MSP supports more than 5,000 shore side maritime industry jobs each year. MSP encourages vessels to enter the U.S.-Flag fleet; thus, far in FY21 six new vessels have flagged into the U.S.-Flag fleet to participate in MSP.

In addition, the newly authorized Tanker Security Fleet Program has the potential to address the need for more U.S.-flag product tankers capable of loading, transporting, and storing on-station bulk petroleum refined products to meet both national economic needs and DOD contingency requirements. If funded, TSP would also create and sustain critical mariner jobs. Thank you for your work to make the authorization of the TSP possible in the FY21 NDAA.

In addition to sealift support provided by the MSP and TSP, cargo preference requirements help keep vessels operating under the U.S.-flag. These requirements encourage increased demand for U.S.-flag vessels and the U.S. mariners who crew these ships, which ultimately improves the Nation's overall sealift readiness. There has been a long-standing saying in the industry, "Cargo Is King"—meaning that U.S.-flag ships must have access to a substantial portion of cargo opportunities in peacetime to remain viable for sealift operations during national emergencies. MARAD is committed to ensuring compliance with cargo preference requirements, and we continue outreach to Federal Government agencies and industry to assist them in understanding and meeting these requirements.

MARAD is also committed to supporting our domestic U.S.-flag fleet operations. U.S. coastwise trade laws, referred to as the Jones Act, contribute to sealift capability and capacity, and help sustain the U.S.-flag domestic trading fleet. Jones Act requirements support U.S. shipyards and repair facilities, and sustain supply chains that produce and repair American-built ships, including Navy and Coast Guard vessels. In addition, the Jones Act ensures that vessels navigating within and between U.S. coastal ports and inland waterways operate with U.S. documentation and majority citizen-crews, rather than under foreign flags with foreign crews. Aside from the tens of thousands of tugboats, towboats, and barges that ply our domestic waterways, about 100 U.S.-flag, ocean-going vessels operate in the Jones Act trade.

Our ports, harbors, and marine highways are the vital connectors between sealift and surface distribution in a national mobilization. The National Port Readiness Network (NPRN) is a cooperative designed to ensure readiness of commercial ports that support force deployment during contingencies and other national defense emergencies. We must also continue to support the development of port infrastructure, not just in our 17 commercial Strategic Seaports that are in the formal program, but in ports in every coastal, inland, and Great Lakes hub.

Availability of U.S. Mariner Workforce

Access to a pool of qualified mariners from a robust, commercial maritime fleet is essential to maintaining sufficient sealift readiness capacity for contingencies. Due to the declining number of ships in the U.S.-Flag oceangoing fleet, MARAD is concerned about our ability to quickly assemble an adequate number of qualified mariners to operate large ships for surge and sustainment sealift operations if an extended mobilization occurred. MARAD is working to better track licensed mariners who may no longer be sailing, but who could serve if needed, and to develop tools to understand and analyze changes in the numbers of fully qualified mariners trained and able to meet the Nation's commercial and sealift requirements.

MARAD continues to support mariner education and training through the U.S. Merchant Marine Academy (USMMA), and facilitates mariner education through the support we provide to the six State Maritime Academies, which produce highly skilled, licensed entry-level officers for the U.S. Merchant Marine. As this Committee is aware, aging vessels at the State Maritime Academies are used to train cadets who will go on to become the fully qualified mariners needed to crew Government and U.S.-Flag commercial ships. Congress has recognized the need to replace these training ships and has appropriated funding for four National Security Multi-Mission Vessels (NSMV). MARAD has implemented the approved acquisition strategy utilizing a contracted Vessel Construction Manager to contract for, manage, build and deliver the new ships. Construction underway on the first two ships—the EMPIRE STATE and the PATRIOT STATE—is on schedule, as designed, and at a fixed price. The first NSMV is expected to be delivered to MARAD in FY 2023.

Conclusion

MARAD makes every effort to support DOD's sealift requirements, through any capability or capacity that we can muster. We continue to identify, quantify, and mitigate risks in readiness or capacity that hinder our ability to deploy and sustain our Armed Forces. We are proactively focusing efforts for strategic ports, our intermodal connectors, and the critically needed defense industrial base of shipyards, ship owners and managers, and the maritime labor that delivers the for our nation—in peace and war. As we have in every conflict or national security challenge before, MARAD is committed to providing our DOD and USTRANSCOM partners with sealift capabilities to meet our collective, national security objectives.

Thank you for the opportunity to address this Committee on the state of our Nation's sealift as a component of the mobility enterprise. I appreciate your support of the U.S. Merchant Marine, our Nation's Fourth Arm of Defense, and I look forward to your questions.

Lucinda Lessley, Maritime Administration

Lucinda Lessley was sworn in as Deputy Administrator of the Maritime Administration on January 20, 2021. Prior to her appointment, she worked in the House of Representatives for approximately 16 years. Most recently, she was Senior Investigator with the House Committee on Homeland Security. Previously, she worked for Congressman Elijah E. Cummings in a variety of positions, including as Policy Director of the House Committee on Oversight and Reform, Legislative Director in the Congressman's personal office, and as Professional Staff on the Transportation and Infrastructure Committee's Subcommittee on Coast Guard and Maritime Transportation. Prior to her work on the Hill, she was a staff member to the Maryland General Assembly. She is a graduate of the London School of Economics and of Washington University in St. Louis and was a Fulbright Scholar in Germany.

Kevin M. Tokarski, Associate Administrator for Strategic Sealift, Maritime Administration

Kevin Tokarski was selected to serve in the Senior Executive Service in 2008, as Associate Administrator with responsibilities for about 300 staff members managing strategic sealift programs that include: government-owned capabilities in the Ready Reserve Force and National Defense Reserve Fleet; cargo and commercial sealift capabilities in the Maritime Security Program and through cargo preference programs; Emergency Preparedness & Response; Ship Disposal; and supporting the Nation's seven maritime academies and workforce development. He also supports civil emergency planning for the North Atlantic Treaty Organization (NATO) as the Chairman of the Transport Group – Ocean Shipping.

Since 1985, Mr. Tokarski held a variety of assignments spanning different aspects of ship operations, from mobilization and sealift, to readiness and security, and marine transportation and domestic emergency response. Notable assignments included attending the Naval War College; Liaison Officer to U.S. Transportation Command (1996-1998); detail to MARAD's San Francisco regional office; Operations Chief overseeing the largest and longest deployment of the agency's ships supporting Operations ENDURING FREEDOM & IRAQI FREEDOM, and the 2005-6 FEMA support following Hurricanes KATRINA and RITA with 9 agency ships and the agency's response with 3 ships in New York City following Super Storm SANDY, and 4 ships in Puerto Rico & US Virgin Islands following Hurricanes HARVEY and MARIA; senior executive overseeing the CAPE RAY mission to destroy 600 tons of Syria's chemical weapons agents in 2014. He is the program executive for the new National Security Multi-mission Vessel Program.

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

MAY 18, 2021

QUESTIONS SUBMITTED BY MR. GARAMENDI

Mr. GARAMENDI. General Lyons—how do you plan to oversee the Global Household Goods contract such that it won't become another version of the Privatized Housing? What is your escape plan in the event that the prime contractor cannot meet contract performance metrics? In the event that the contractor does not meet performance metrics, will we be able to gracefully return to the old Defense Personal Property Program? Or does the GHC create irreversible change that prevents us from returning to the old system?

General LYONS. [No answer was available at the time of printing.]

QUESTIONS SUBMITTED BY MR. SCOTT

Mr. SCOTT. When the GAO published their findings in November of 2020 and ruled in favor of the protests, TRANSCOM indicated they would re-solicit the Global Household Goods Contract (GHC). It was projected the GHC would be awarded in the Summer of 2021 and now we understand the award is tentatively planned for September 2021. Will the GHC be awarded in September of 2021, or do you expect additional delays?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. Is TRANSCOM able to leverage the computing power that exists today? How does TRANSCOM intend to utilize artificial intelligence and machine learning?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. Are you satisfied with the Navy's current convoy procedures against modern threats in contested waters?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. If the United States is to prevail in a conventional war against a peer competitor like Communist China, what should be the minimum activation success rate for reduced operating status vessels?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. Does placing military equipment in the care of crews with no allegiance to the United States invite the risk of sabotage, theft, or the compromise of classified technology?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. How has TRANSCOM incorporated entrepreneurial innovation and smaller private sector actors to promote agility?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. How do you currently utilize private sector input, expertise, and technical capability in your mission?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. There have been reports of decreased readiness in the U.S. Navy oiler fleet due to their increased use and tempo of operations. With the slowdown in the introduction of *John Lewis*-class oilers, will the Navy continually face issues similar to that on board USNS *Walter S. Diehl* currently in Norfolk? If readiness issues continue with Military Sealift Command oilers, should the Navy and DOD examine the chartering and leasing of some additional commercial tankers to supplement the oilers or be available in time of national emergency—such as the closing of the pipeline—instead of having to waive the Jones Act and utilize foreign tankers?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. How can TRANSCOM and MARAD better improve their relations beyond commercial sector entities like the National Defense Transportation Association and what can be done to educate the populace in the role of the maritime sector?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. One of the critical issues facing sealift, beyond recapitalization and aging fleet and mariners, is the Army's watercraft program is divesting itself of vessels at the same time that the Marine Corps are lobbying for their own version in the Light Amphibious Warship. Why are all these sealift assets at odds and not under one centralized authority and control?

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. The recent infrastructure disasters (closing of Suez Canal, Colonial Pipeline shutdown, and I-40 bridge shutting off the Mississippi) have all showcased the vulnerability of the Nation's commercial and military logistics. Why did DHS issue two waivers when American Jones Act tankers were sitting in port and could have been allocated/diverted to these lifts to alleviate the situation especially if had they been part of the Voluntary Tanker Agreement.

General LYONS. [No answer was available at the time of printing.]

Mr. SCOTT. What advice do you have for States that are considering establishing their own State maritime academy?

Ms. LESSLEY. [No answer was available at the time of printing.]

Mr. SCOTT. How can TRANSCOM and MARAD better improve their relations beyond commercial sector entities like the National Defense Transportation Association and what can be done to educate the populace in the role of the maritime sector?

Ms. LESSLEY. [No answer was available at the time of printing.]

QUESTIONS SUBMITTED BY MR. MOORE

Mr. MOORE. I had the privilege of seeing the remarkable work of Air Mobility Command up close earlier this year on a KC-46 refueling mission. Talking to the pilots and crew, I was surprised to learn just how dated much of the technology was on the KC-135. Noting the gap between the full fielding of the KC-46 and the retirement of legacy tankers, would you support further modernization efforts of the KC-135?

Additionally, once the initial KC-46 buy is completed, what is the long-term plan for recapitalization of the rest of the KC-135 fleet?

General LYONS. [No answer was available at the time of printing.]

Mr. MOORE. Do you have adequate aerial refueling capacity to allow for retirement of legacy tankers? If so, what has changed from last year?

General LYONS. [No answer was available at the time of printing.]

QUESTIONS SUBMITTED BY MRS. McCLAIN

Mrs. McCLAIN. What steps has TRANSCOM been taking to ensure our Armed Forces are prepared for any hot conflicts in the Arctic circle?

Has President Biden or Secretary Austin spoken to you or made any indication they are focused specifically on the Arctic region?

General LYONS. [No answer was available at the time of printing.]

QUESTION SUBMITTED BY MR. CARL

Mr. CARL. The pool of qualified U.S. merchant mariners is critical to our national defense and every action should be taken, to include bringing more ships under the U.S. flag, to minimize the predicted shortfall of qualified mariners in a time of full Ready Reserve Force and surge sealift fleet activation. Likewise, you stated during the hearing that it's critical that the U.S. minimize dependence on foreign-flag sealift sources, especially in the Indo-Pacific region. Every effort should be made in order to ease the process for ships that meet qualifications outlined in U.S. Transportation Command Instructions to achieve expedited re-flag under the conditions of the Maritime Security Program, however, I understand that there are cases when ships are deemed military useful, per command policy, but then are not considered "suitable for use by the U.S. for national defense." Please outline this process and provide an explanation on how this may be the case.

General LYONS. [No answer was available at the time of printing.]

