

[H.A.S.C. No. 118-82]

HEARING
ON
NATIONAL DEFENSE AUTHORIZATION ACT
FOR FISCAL YEAR 2025
AND
OVERSIGHT OF PREVIOUSLY AUTHORIZED
PROGRAMS
BEFORE THE
COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED EIGHTEENTH CONGRESS
SECOND SESSION
—
FULL COMMITTEE HEARING
ON
**DEPARTMENT OF THE NAVY FISCAL
YEAR 2025 BUDGET REQUEST**
—

HEARING HELD
MAY 1, 2024



—
U.S. GOVERNMENT PUBLISHING OFFICE

57-569

WASHINGTON : 2026

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DEPARTMENT OF THE NAVY FISCAL YEAR 2025 BUDGET REQUEST

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, May 1, 2024.

The committee met, pursuant to call, at 10:00 a.m., in room 2118, Rayburn House Office Building, Hon. Mike Rogers [Chairman of the Committee] presiding.

OPENING STATEMENT OF HON. MIKE ROGERS, A REPRESENTATIVE FROM ALABAMA, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. The committee will come to order.

Today we complete our fiscal year '25 budget and posture hearings with the Department of the Navy. I want to thank the ranking member and all members for their cooperation, hard work, and dedication as we worked through 26 hearings in 13 legislative days.

These hearings have helped provide the information we need to mark up the fiscal year '25 NDAA (National Defense Authorization Act) later this month. I also want to thank our witnesses for being here, for their service to our nation.

Admiral, this is the first time you are appearing before us. Congratulations on your confirmation as the first female CNO (Chief of Naval Operations) and thank you for being here.

General, it's the first time for you as well and we are all thankful for your speedy recovery and are pleased to have you back leading our Marines.

And, Secretary Del Toro, it's always good to see you back with the committee.

The President is requesting a 1 percent increase for the Department of the Navy. Factoring in inflation we all know that's a 2 percent cut. Just as with the other services, a budget that fails to provide real growth means the Navy had to make painful tradeoffs and absorb real risk in their current and future readiness.

We're seeing that very acutely in the request for shipbuilding. The President is seeking to build a paltry six battle force ships in fiscal year '25. At the same time, he wants to retire at 19. Ten of those ships have several years of service life remaining.

These retirements represent a huge loss of capability and they leave us with a fleet of 287 ships in fiscal year '25. That's under the Navy's plan. The fleet will further drop down to 280 in fiscal year '27.

Forget about the 500-ship Navy that many say we need to counter China. At no point over the next 20 years does the size of

the fleet even reach the 381 ships needed to support the National Defense Strategy.

The budget also cuts the buy for the Virginia-class submarine below the two per year needed to fulfill our AUKUS(Australia, United Kingdom, United States) commitment. I don't see how cutting the size of our fleet and shorting our AUKUS commitment will deter China.

I also fail to see how it will provide the stability needed to revitalize our industrial base. I'm also concerned about the recent findings of the Navy's 45-day shipbuilding review.

It is entirely unacceptable that nearly every single major shipbuilding program is experiencing significant schedule delays. We expect the Navy to provide us with a detailed plan to address these delays as soon as possible. One possible solution would be for the Navy to stop piling on new requirements and changing ship designs in the middle of procurements.

As we have seen with the frigate program that only leads to ballooning costs and late deliveries. Cutting the buys for new ships, delaying deliveries, and decommissioning ships before the end of their service lives will play significant additional stress on readiness of the fleet.

That's a big problem for two reasons. First, the fleet is already suffering readiness issues. Maintenance availabilities are taking much longer than planned, inhibiting our ability to project power.

The Marines have experienced that firsthand when maintenance issues with the USS Boxer delayed the return of the Bataan Amphibious Ready Group earlier this year and last year maintenance issues meant there wasn't an amphibious ready group available to evacuate Americans from Sudan.

The second problem is the Navy is currently carrying out operations at a much higher than planned tempo. The Navy is quickly using up missiles, burning through fuel, and extending deployments as it defends the Red Sea and Israel from Iran's terrorist proxies.

I don't see the security environment improving in the Middle East anytime soon. I'd like to hear from our witnesses how they expect to continue to carry out these operations with a smaller budget.

Finally, I'd like to hear from the commandant on the progress he's making with Force Design. Preparing our Marines to be successful in a potential conflict with China is critically important. Force Design will do just that.

And with that, I yield to my friend, the ranking member, for any opening statement he may have.

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

Mr. SMITH. Thank you, Mr. Chairman.

I want to echo your comments and welcome our witnesses and General Smith in particular. It is great to see you healthy and doing well. Great to have you all here.

I think the chairman outlined very well the challenges that we face. I mean, certainly the budget is at the top of the list. Now, the

one piece of it I always like to add is what are we doing with the money that we have? Where are we spending money that maybe we shouldn't be spending?

I know there's always a desire to look at something and say, gosh, wouldn't it be better if we had more money. I think that applies to just about everybody in every aspect of life, you know, business or government.

But we do have a fair amount. Where are we spending money that we shouldn't be spending money and how can we get more out of what we're spending? Because, you know, we are \$33 trillion in debt. The deficit is pretty substantial, over a trillion.

I don't see a rain of more money coming anytime soon so we're going to have to get more creative about how we spend that money. I would like to use the Winston Churchill quote about how "Gentlemen, we're out of money. Now we have to think."

I know that's a bit of an overstatement but I have found it to be more fruitful than you might think at first glance.

And the second the shipbuilding challenges, without question. You know, the chairman outlined those. I know a huge part of it is workforce, you know, and I think there's a major challenge we have in this country.

In many instances we just don't have the workers with the skills necessary to meet those challenges and we need to get very creative about how we recruit and get more people into the shipbuilding industry.

You know, this is not a great place to bring up an immigration debate, you know, but, you know, immigration is potentially one place where we can find some of those workers and as we are all painfully aware there are a lot of people who want to come here. Seems to me that we ought to be able to match up those two problems a little bit better than we are.

And then on the requirements piece I just really want to foot stomp what the chairman said, and I don't know the specific ins and outs about how requirements may or may not have shifted but I'm very confident that we have too many requirements.

I was out at a shipyard just next to my district where they were doing repairs on an LCS and then the people explained to me -- and I could be getting this slightly wrong but there was something like 1,200 pages of requirements for how to paint the subsea part of the ship and the people working on it thought that was a little bit unnecessary.

I have sort of a standard joke about how, you know, I wish if I had the power I could do like a Thanos thing where I could snap my fingers and make half of all the requirements go away, and I don't really care which half, okay. If we could just start to look at it that way.

And requirements are also frequently used by various people lobbying from industry because they want the requirements to vector it down to where they get picked. That doesn't help us.

We need to build in more flexibility in how we do these things, and along those lines the modernization challenge. I know, General Smith, your predecessor General Berger really took on that challenge -- what is, you know, the current state of warfare and the fu-

ture of it and how do we shift to make sure we're accommodating that.

We got to get better at that. Force protection is part of it. The chairman mentioned the pace and the tempo, the cliché of using a \$2 million missile to shoot down a \$50,000 drone.

We have new innovative technologies that could get us to a cheaper result. We have got to speed those up so that we're spending less money and still getting the same result.

Directed energy -- personally, I think the microwave approach probably is going to work better than the laser approach.

But let's make a choice and let's start figuring out how we can build this and get us to a -- you know, a better more cost effective way to meet our needs. Same true for unmanned systems -- you know, what are the systems that are really going to help us meet our challenges in the most cost effective way possible.

And then, lastly, you know, no posture hearing would be complete without talking about recruitment and retention. You know, our military is the greatest in the world because of the people who serve and the families that support them.

I know this committee has taken on the task with our Quality of Life Task Force to say what can we do to really improve the quality of life of service members and their families. That's part of the equation. But I would love to hear from all of you about how recruitment and retention is going and what we can do to help it be more successful.

With that, I thank the chairman and thank the committee for going through another posture season and I look forward to the testimony. I yield back.

The CHAIRMAN. I thank the ranking member.

Now I'd like to introduce our witnesses, the Honorable Carlos Del Toro, Secretary of the Navy; Admiral Lisa Franchetti is the Chief of Naval Operations; and General Eric Smith, Commandant of the Marine Corps.

I'd like to welcome our witnesses and we'll start with you, Mr. Secretary. You are recognized.

**STATEMENT OF THE HONORABLE CARLOS DEL TORO,
SECRETARY OF THE NAVY, U.S. DEPARTMENT OF THE NAVY**

Secretary DEL TORO. Good morning, Mr. Chairman.

Chairman Rogers, Ranking Member Smith, distinguished members of the committee, it's an honor to again appear before you this morning to discuss the posture of the Department of the Navy.

First and foremost, I would like to thank General Smith and Admiral Franchetti for answering again the call of our nation time and time again. They, like all who devote their careers and in many cases, indeed, sacrifice their very lives in defense of their fellow Americans, represent everything that makes the United States a beacon of hope and freedom around the world.

Together, our combined years of service to our country totals over a century, a century marked by multiple deployments, time away from home, sacrifices made by our families, and as we gather here this morning tens of thousands of our sailors, Marines, civilians, and their families are either stationed or deployed all over the world making the same sacrifices and enduring the same trials

that myself, General Smith, and Admiral Franchetti have faced throughout our careers.

In the Indo-Pacific our Navy and Marine Corps are sailing and operating alongside our international allies and partners in support of a free and open maritime commons, one where nations are secure in their access to the seas and where their rights within their exclusive economic zones are respected and upheld by all nations including the People's Republic of China, as they should.

Across Europe we, in cooperation with our NATO allies, are supporting our Ukrainian partners as they continue their fight to restore their territorial and national sovereignty as Russia's illegal full-scale invasion is now into its third year.

I commend Congress for passing the national security supplementals last month, allowing us to continue providing support to our Ukrainian partners as they fight to restore peace in their homeland and defend democracy for all free nations.

And in the Red Sea today our sailors and Marines have encountered hundreds of missiles and drones launched by the Houthis these past six months, targeting merchant shipping and the warships of both the United States and our international allies and partners.

We are confronting an adversary supported by Iran that has no respect for the innocent lives of civilian merchant Mariners and one that is actively targeting our ships attempting to harm our sailors and Marines because we dare to defend the defenseless.

And last month the USS Carney, the USS Arleigh Burke, both operating in the eastern Mediterranean Sea, intercepted several Iranian ballistic missiles heading towards Israel.

For those who question why the American taxpayer should provide for and maintain a Navy and a Marine Corps look at what is happening today in the Middle East where we are defending the free flow of international commerce and actively defending our international allies and partners.

Members of the committee, we appear before you today to ask for your continued support, your partnership, and your commitment to ensuring that the nearly 1 million sailors, Marines, and civilians of the department that we lead are ready on all fronts at all times when called upon.

While the Fiscal Responsibility Act of 2023 required us to make extremely hard choices, the \$257.6 billion in the President's budget request for fiscal year '25 for our department deftly balances maintaining and modernizing the fleet and force of today against planning for the future force while also taking care of our people.

This budget directly supports our department's three enduring priorities of strengthening our maritime dominance, building a culture of warfighting excellence, and enhancing our strategic partnerships around the globe.

We are acquiring the most lethal, agile, and capable warships, submarines, aircraft, weapons, and systems our world has ever seen. We are also funding the research and development transformational technologies and fielding them more quickly to make our fleet more lethal and persistent within the current FYDP.

We are investing billions of dollars in the industrial base that supports us while encouraging them to invest more in resources

themselves at the same time and as responsible stewards of taxpayer funds we will enforce accountability to ensure our sailors and Marines have the platforms and capabilities that they need on time and on budget.

Above all else, we are taking care of our people, our personnel, their families, by focusing on improving housing, expanding childcare capacity, and increasing access to mental health resources amongst other critical areas.

We are clear eyed about the challenges that our nation faces today in the maritime domain both commercial and naval. As a maritime nation we must confront the challenges of today and prepare for the potential conflicts of tomorrow by investing in a strong Navy and Marine Corps.

Again, it's an honor to appear before you this morning and we look forward to discussing with you how best to deliver the Navy and Marine Corps that our nation requires.

Thank you.

[The prepared statement of Secretary Del Toro can be found in the Appendix on page 61.]

The CHAIRMAN. Thank you, Mr. Secretary.

Admiral, you're recognized.

**STATEMENT OF ADMIRAL LISA FRANCHETTI, CHIEF OF
NAVAL OPERATIONS, U.S. DEPARTMENT OF THE NAVY**

Admiral FRANCHETTI. Chairman Rogers, Ranking Member Smith, distinguished members of the committee, good morning and thank you for the opportunity to testify on the posture of the United States Navy.

On behalf of our sailors, Navy civilians, and their families deployed and stationed all around the world thank you for your leadership and your continued support in providing and maintaining the Navy the nation needs.

I'd also like to thank my teammate General Smith for his exceptional partnership and collaboration as we guide our services under the leadership of Secretary Del Toro.

Flanked by two oceans the United States is and always has been a maritime nation whose security and prosperity rely on access to the sea, and for over 248 years the U.S. Navy has guaranteed that access, operating forward, defending our homeland, and keeping open the sea lines of communication that fuel our economy and underwrite our nation's security.

The events of this past year and the actions taken by your Navy and Marine Corps team in the Indo-Pacific, in the Mediterranean, and the Red Sea and beyond underscore the enduring importance of American naval power.

With an average of 110 ships and 70,000 sailors and Marines deployed at sea on any given day, the Navy-Marine Corps team is delivering power for peace, deterring potential adversaries and standing ready to fight and win our nation's wars if deterrence fails.

I could not be more proud of this team. No other navy in the world can train, deploy, and sustain such a lethal combat credible force that operates from the seabed to space at the scope, scale, and tempo that we do.

This year's budget request supports the National Defense Strategy and my priorities of warfighting, warfighters, and the foundation that supports them. It enables the Navy to continue to meet our congressionally mandated mission in both peace and war.

It is strategy driven, maintaining our focus on the People's Republic of China as the pacing challenge and the acute threat of Russia and other persistent threats like the DPRK, Iran, and VEOs.

Given the discretionary spending caps prescribed by the Fiscal Responsibility Act and a top line increase of .7 percent, the Navy had to make tough choices, favoring near-term readiness, investing in our industrial base and prioritizing our people while assuming risk in future capabilities.

Within this fiscally constrained environment the budget request fully funds the Navy's top acquisition priority and the most survivable leg of strategic deterrence, the Columbia-class submarine.

It provides funds for six battle force ships and incremental funding for two Ford-class aircraft carriers in fiscal year '25, and it continues our support to Marine Corps Force Design by maintaining 31 amphibious ships, procuring three LPDs, one LHA, and eight Medium Landing Ships.

In total, the budget request procures 57 ships and submarines across the FYDP(Future Years Defense Program). This budget request prioritizes warfighting by funding operations, training, and readiness accounts.

It invests in our foundation with funding for our installations, for our shipyard infrastructure optimization program, and for the broader Defense Industrial Base, sending a strong signal to our industry partners on the need to increase our capacity to meet the growing demands of the present and the future.

And it continues our strong commitment to our warfighters and our families through pay raises for our sailors and Navy civilians, investments in quality of service initiatives such as unaccompanied housing, education, childcare, and sailor resiliency.

These initiatives as well as others, enabled by your steadfast support, have helped us maintain historically high levels of retention, which is imperative given the current recruiting environment.

And while this environment remains challenging and our manning requirements have increased, we are about 2,500 recruits ahead of where we were last year at this time and I remain optimistic that our marketing and data analytics investments will show additional progress throughout the year.

I would also like to thank this committee for your commitment to our sailors' quality of life. The Navy is in receipt of the Quality of Life panel report and we look forward to working closely with Congress and the office of the Secretary of Defense to ensure our sailors and their families have all they need as they support our nation's security and prosperity.

As Chief of Naval Operations I am committed to pulling every lever available to me to put more ready players on the field, platforms that are ready with the right capabilities, weapons, and sustainment and people who are ready with the right tools, skills, training, and mind set to defend our nation's security and prosperity wherever and whenever it is threatened.

I thank the committee for your leadership and partnership in ensuring the world's premier warfighting force remains ready to preserve the peace, respond in crisis, and win decisively in war if called.

I look forward to your questions.

[The prepared statement of Admiral Franchetti can be found in the Appendix on page 115.]

The CHAIRMAN. Thank you, Admiral Franchetti.

General Smith, you're recognized.

STATEMENT OF GENERAL ERIC M. SMITH, COMMANDANT, U.S. MARINE CORPS

General SMITH. Good morning.

Chairman Rogers, Ranking Member Smith, ladies and gentlemen, thank you for the opportunity to represent your Marines today.

I'd like to start by sincerely thanking this committee for its enduring support and your advocacy for a timely, predictable and sufficient budget that enables the Marine Corps to remain the first to fight.

I'd like to express my deep gratitude for the partnership between my shipmate Admiral Franchetti and me as we lead our respective services under the leadership of Secretary Del Toro.

Whether deterring, responding to crisis, or in conflict it will be the Navy and our Marine Corps Expeditionary Force forces who make first contact with partners seeking help or adversaries seeking a fight.

Our partnership, collaboration, and integration is a decisive advantage. Recently, I published my updated guidance to the force entitled "Maintain Momentum." I chose this title as I firmly believe the Corps is on the right path under Force Design.

A few points from that document. First, I believe that the Corps must continue to strike a balance between high-end modernization and our commitment to persistent forward-deployed naval expeditionary forces that campaign and respond to crises globally. This effort is represented by our Marine Expeditionary Units.

Second, we must prioritize our operations with the Navy and its amphibious ships and we must provide Marines with the organic mobility to rapidly maneuver from shore to shore, ship to shore, and back again.

Third, on recruiting our performance speaks for itself. We will continue to make mission without ever diminishing our standards. Additionally, our top performing Marines are reenlisting at historic rates and we must sustain this trend.

Fourth, we must maximize the capability of our reserves to ensure that our nation has the ready bench of warriors that they relied on -- have relied on since the founding of the Marine Corps forces reserve in 1916.

And, fifth, I'm dedicated to ensuring a quality of life for our Marines that matches the high demands we place on them every day. That means nutritious food, high quality and accessible gyms, and a safe quiet place to recover from a hard day's work.

Our Barracks 2030 initiative is our most consequential barracks investment ever and it is sorely needed. While aggressively pur-

suings these priorities I commit to you that our Corps will always be frugal and accountable with the resources that you and the American people provide.

I'm proud of my Marines and civilian Marines who enabled the Marine Corps to receive an unmodified audit opinion earlier this year, the first of any service to do so.

They told us what we have long known, that when you entrust us with the taxpayers' money it is money well spent and fully accounted for.

All these things are critical to maintaining the strength and dominance of your Marine Corps. This year marks 249 years since the founding of our Corps. That is 249 years of battles won and peace upheld in the name of democracy and prosperity for our nation and for all nations who abide by the international rules-based order.

But, increasingly, world events demonstrate that this order is being challenged. Free trade, unrestricted access to the seas, peaceful cooperation between nations big and small, are under assault. Our nation's prosperity is underwritten by a strong Navy and Marine Corps who maintain a global presence and keep malign actors at bay.

Thank you again for the opportunity to represent your Marines today. I pledge to continue to work closely with each of you to ensure your Marine Corps remains the most lethal fighting force on the planet and I look forward to your questions.

[The prepared statement of General Smith can be found in the Appendix on page 132.]

The CHAIRMAN. Thank you, General.

Before I recognize myself for questions I want to acknowledge the presence of a special guest today. We have got a former long-term member of this committee and also a classmate of mine and a retired Marine colonel, John Kline, with us today. Good to have you, John.

[Applause.]

The CHAIRMAN. Now I recognize myself for questions.

Admiral Franchetti and General Smith, the Navy and Marines' fiscal year '25 budget has \$4.5 billion in unfunded requirements. It's clear you've had to leave some important programs on the cutting table.

I'd like to ask each of you to speak to some of the tradeoffs that you've made trying to make this budget number work.

Admiral, I'll start with you.

Admiral FRANCHETTI. Thank you, Chairman Rogers, and as I said in my opening statement, you know, we really prioritized, you know, Columbia first and then readiness and then our people, quality of service, and everything that they need to be able to do their jobs. But the --

The CHAIRMAN. What could you not make fit?

Admiral FRANCHETTI. -- things that I couldn't really get after is, you know, we took risk in our future procurement. If you look at the things that, you know, we weren't able to do in the future, really, the airwing of the future -- you know, aircraft carriers, SSNX, DDGX.

So, really, we prioritized on the current readiness that we need and did not prioritize the future. So if there were additional resources available certainly my UPL(Unauthorized Practice of Law) has items on there that either came up after our budget was submitted but the things that are on there are things that we need to accelerate or to get some warfighting advantage.

The last thing I would mention is although I have prioritized investment in our foundation, which is installations and everything associated with our infrastructure, about 60 percent of our MILCON(Military Construction) budget is going into the SIOP program and so I think there will always be opportunity to provide more investment in our installation.

The CHAIRMAN. General Smith?

General SMITH. Mr. Chairman, our UPL does two things. It accelerates modernization against the pacing threat who is moving at an alarming pace.

It accelerates quality of life improvements -- our Barracks 2030 initiative -- and, frankly, the risk, if not funded, is we will remain capable and ready but deferred funding will eventually be paid for in blood by our Marines in crisis or in combat or in training.

In the near term, our success in recruiting and retention is jeopardized because we won't be able to fulfill commitments to Marines and their families.

The CHAIRMAN. Thank you.

Mr. Secretary, the review found every major shipbuilding program is experiencing significant delays and challenges. Can you speak to how you plan to correct that?

Secretary DEL TORO. Absolutely, Mr. Chairman.

First, let me say that these are concerns that I've had from the first month I became Secretary of the Navy trying to address the most difficult challenges and trying to make improvements to get us to a better place.

I'm pleased to say that due to the support of the Congress and the administration we are now pumping nearly \$18 billion into the submarine base, \$1 billion into the surface industrial base as well, too, and just in '24 some of the advancements that were made establishing an additive manufacturing center down at Danville -- 9,700 workers hired across both GD, Electric Boat, and HII Newport News -- an installation of additive manufacturing parts, groundbreaking on the submarine manufacturing facility at Newport News, for example, strategically outsourcing 3 million hours of work from the prime vendors to the sub vendors, something that I've been encouraging them to do from the very beginning, and we hope to actually double that in fiscal year '25 along with increasing other strategic sourcing as well to scaling of attraction, recruiting, training and retention efforts.

As you know, Mr. Chairman, we have had, again, thanks to the support of Congress \$25 million retention money that's been passed to Fincantieri, for example, so they can retain more people. We see another \$25 million added to the '25 budget.

So there are a lot of good news stories that are trying to be executed upon in order to get the state of these production lines up to where they should be.

The CHAIRMAN. Thank you.

We used to execute heel to toe amphibious deployments into AORs. Now we struggle to maintain one deployment in one AOR. Can you talk about what you're doing to correct that?

Secretary DEL TORO. Yes, Mr. Chairman.

In fact, if my memory serves me right I think it was sometime in the 2017-2018 time frame when we actually had a heel to toe deployment of an ARG. Since then we unquestionably have been challenged by maintenance problems with our amphibious ships.

And there's no question in my mind that we should have been buying more amphibious ships earlier. The age of our amphibious fleet is excessively high. We need to continue to invest in new ships to replace these old ships.

If you take the Germantown, which we're proposing decommissioning this year, for example, she is our oldest LSD. She has wood decks on her that are corroding. She has a crane that hasn't been able to be fixed in the past six years and that's with help of the OEM (original equipment manufacturer), the original manufacturer.

So it's time to actually replace these older LSDs with new ones in order to be able to meet the missions that face us tomorrow.

The CHAIRMAN. Great. Thank you.

I yield to the ranking member.

Mr. SMITH. Thank you, Mr. Chairman. I'll continue along those lines in terms of the shipbuilding challenges and particularly focus on the workforce piece of it, and I don't know exactly so I'm curious how big a factor is that in not being able to keep up and having so many of our ships behind?

Secretary DEL TORO. It is a significant factor, Mr. Chairman. The blue collar workforce in this country has actually decreased significantly over the course of the last decade, I would argue, and we actually need to take measures in a whole of maritime statecraft effort, quite frankly, to try to recruit more people to the shipbuilding industry.

Our country doesn't have a commercial shipbuilding industry either. That significantly hurts the status of naval shipbuilding in the country, and that's what we're trying to get back. Try to go after the low-hanging fruit to try to retrain more people.

Members from my office just came from Ohio just a few days ago, for example. We're meeting with the Boilermakers Union of Ohio to try to get them to be able to retrain people at Bartlett Shipyard, for example, so that they could actually go into the shipbuilding industry. There's about 4,000 boilermakers in the --

Mr. SMITH. Is there a way to quantify this? Are we -- like, do we need 10,000 workers? Do we need 20,000? Understanding that it's going to differ special -- to specialty but in general is there a number that either you or the admiral could give us on how short we are here?

Secretary DEL TORO. I think we -- we're going to need upwards of 50,000 or more shipyard workers into the future to be able to constitute the demand signal that we're putting in.

Mr. SMITH. Have we worked at all with high schools on, you know, beginning to show people the -- you know, basically career and technical education to say -- because I know there's been a bit

of a pivot, certainly, in my area and we have a robust, you know, shipbuilding industry there.

We're building a maritime high school which focuses on a number of different issues. But, you know, an effort to take people in high school and say, hey, this is a career that you could pursue?

Secretary DEL TORO. So we're taking a significant amount of investment from the submarine industrial base and the ship industrial base, and Chairman Courtney knows that up in Connecticut, for example, we're pumping that money into retraining programs so that we can actually take high school students, turn them into certified welders and put them right into the shipyard.

We're doing the same thing with community colleges as well, too. I just visited a community college up in Maine -- in Bath, Maine, for example, where we're trying to do the same thing.

Mr. SMITH. Okay. And on the requirements piece what can we do? I mean, it just seems to me like that does drive cost, and then to the chairman's point, requirements shift for a variety of different reasons in the middle of a project.

But even before we get to the shifting just the set of requirements that are thrown up as a starting point is anyone taking a serious look at that? I'd be interested in all three of you just giving me a quick comment.

How can we shrink that down so that we can be more nimble in how we meet our manufacturing needs?

Secretary DEL TORO. It's a complicated -- it's a complicated situation --

Mr. SMITH. Yes, it is.

Secretary DEL TORO. -- and, of course, made even more complicated over the years because every time you have a new operational requirement it adds additional requirements to the factor as well, too.

When you take a -- just as one example, we want to operate more in the Arctic, right? Well, our DDGs, for example, are only designed to operate a set number of days in the Arctic. But if we're going to operate more in the Arctic we got to reinforce those hulls on our DG Flight IIIs, for example, and our DDGXs in order for them to be able to do so.

So there are times when there are legitimate growth in requirements to support an operational mission but in many cases it's also telling the shipyard how to do their job and we shouldn't be doing that.

We should be setting the overall requirements and letting them build to those requirements as well, too. Sometimes safety factors are at play as well, too, and lawyers get involved and so, you know, one lawsuit drives a hundred different additional requirements to the process as well.

Mr. SMITH. Absolutely.

Just very quickly in time I have left, Admiral, General Smith, do you want to offer thoughts?

Admiral FRANCHETTI. I would just offer that it's really important, you know, as we are designing the ships initially and setting the requirements both, you know, as we just did with the Landing Ship Medium, you know, to really think through that work very carefully with the concept of employment that we're going to use and

make sure that we're basically saying exactly what we need for those capabilities when we release that RFP.

Mr. SMITH. General, just --

General SMITH. I would echo what my shipmate said, that our Wargaming and Analysis Center is vital to that, to war game through what actually you need before you set the requirements and then our requirements officer, Lieutenant General Heckl, is there to keep those requirements on pace and to keep them steady.

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

The CHAIRMAN. The chair now recognizes the gentleman from South Carolina, Mr. Wilson.

Mr. WILSON. Thank you very much, Mr. Chairman and, indeed, we are so grateful to have with us today Congressman Colonel John Kline of Minnesota. He served with such distinction and he still does, and so it's so good to see his bright face here today. Thank you.

With that, too, I want to thank each of you for your service. I grew up with a great appreciation of the Navy in the holy city of Charleston, South Carolina, with the Navy base there. I was a sea cadet and so I saw firsthand the great work.

And then I'm also grateful to be today a Navy dad and my son is a orthopedic surgeon in the Navy and then for everyone -- and military service can be so uplifting. I now -- with his service in Naples, Italy, I've got three grandchildren who speak perfect Italian and so who would ever imagine the ripple effect of military service?

And then, General, I'm really grateful. I previously represented Parris Island Marine Corps Air Station in Beaufort and I saw young recruits come and to be totally transformed from what they were into Marines, having very meaningful lives. And so it's just an extraordinary opportunity that you provide for the young people of our country as we defend our country.

And, Secretary Del Toro, the Missile Defense Agency's budget request for fiscal year '25 cuts the procurement of Standard Missile 3, or SM-3, Block 1B interceptors, which is our Navy's primary defense against tactical ballistic missiles for the Aegis Ballistic Missile Defense Weapon System.

This deviates from last year's budget request which set procurement of these interceptors through fiscal year '29. I'm concerned that this proposal was drafted prior to the commencement of the outrageous and illegal attacks on Israel by Iran and its puppets on October 7, 2023, and beyond where these SM Block III 1B interceptors have been expended to protect American troops and freedom of navigation in the Red Sea.

With the current trajectory to end production of this proven defense against the threats in the CENTCOM(Central Command) region will this create a gap of a defense capability and what is the department going to do to address the gap?

Secretary DEL TORO. Congressman, thanks for that really important question. I truly believe that SM-3s will be needed in greater numbers in the future, given the operations that took place in defense of Israel here recently where some were fired and very effectively so.

I think given the future threat and our deterrence mission in the Indo-Pacific we are going to need more SM-3s in the future and I think that those decisions were made before recent operations. I think we're going to have to relook that in order to add more SM-3s in the future.

Mr. WILSON. And thank you, Mr. Secretary, because it really is shocking to me. Here we are in the 21st century with the Iran missile attacks on the citizens of Israel, and then you have the Houthis, puppets of Iran, with their capabilities -- underwater sea capabilities that -- of nomads.

No, no. Hey, we're dealing with dictators with rule of gun invading democracies' rule of law. Whether it be war criminal Putin, whether it be the regime in Tehran, whether it be the Chinese Communist Party, we have just got to be prepared and address the changes that occur.

Additionally, with the hearings that we have had the integrated air and missile defense ballistic systems that we have -- there has been a dialogue between the departments of integrating the unmanned aerial systems with the Aegis Ballistic Missile Defense architecture.

Is that proceeding?

Secretary DEL TORO. I'm sorry, Congressman. Can you repeat it? You're talking about integrated unmanned aerial systems with --

Mr. WILSON. Yes. Yes. Yes.

Secretary DEL TORO. Yes, sir. So as one example we're very excited, obviously, by the current operations associated with MQ-4, MQ-9, and in the future MQ-25.

We are very much planning the integration of MQ-25, for example, with the integrated air missile defense systems so that we can recognize that the MQ-25 is operating out there as an unmanned F-18 refueler while we're actually protecting the entire Carrier Strike Group.

Mr. WILSON. Well, again, as we face the changes it's just so startling. Again, in the 21st century this shouldn't be occurring.

And, finally, Admiral Lisa, I'm really grateful there's a future sailor preparatory course at Fort Jackson giving young people an opportunity to serve. Is the Navy looking -- and it's been successful. You need to contact General Kelly. Is that being pursued by the Navy?

Admiral FRANCHETTI. Yes, Congressman Wilson. We have also a future sailor prep course modeled on the Army's course for both physical fitness and academic and it is having a really positive impact for our future sailors.

Mr. WILSON. Hear, hear. Thank you. I yield back. Thank you.

The CHAIRMAN. The chair now recognizes the gentleman from Connecticut, Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman.

Again, I want to thank all the witnesses for being here today.

Secretary Del Toro, we had good news last night on AUKUS where the State Department issued their ITAR regulations to implement the Optimal Pathway that you and I witnessed out in San Diego.

It's great to see you, Admiral Franchetti. Congratulations on your first hearing and really want to, you know, welcome Gerald

Smith back into the fray and really glad you're back in the saddle leading the Marine Corps.

Mr. Chairman, before I begin my questioning I request unanimous consent to enter into the record two letters from the Machinists Union and the metal trades department of the AFL-CIO urging sustained investment in the two per year cadence of the Virginia-class submarine.

The CHAIRMAN. Without objection so ordered.

Mr. COURTNEY. They represent the welders, electricians, painters, and boilermakers who are hard at work right now delivering three Virginia-class submarines in this calendar year and on track to deliver two more in 2025 and are part of that job training initiative that the Secretary mentioned in New England -- 5,300 hires last calendar year with an 86 percent retention rate.

I also request unanimous consent to enter into the record a letter that myself and 119 other House members submitted to the Appropriations Committee last night in support of restoring the second Virginia-class submarine.

The CHAIRMAN. Without objection.

Mr. COURTNEY. Thank you.

Admiral Franchetti, we have had our posture hearings over the last month or so, as the chairman mentioned. We heard from Admiral Aquilino at INDOPACOM(United States Indo-Pacific Command), General Guillot from NORTHCOM(U.S. Northern Command), and General Cavoli from EUCOM(United States European Command) that their requirements for attack submarine missions extend beyond what the Navy current has in its inventory.

Again, the Navy's shipbuilding three-year plan has a requirement for 66 attack submarines and at this point we possess about 50, maybe 51 with the New Jersey that was delivered last week.

Is that still the Navy's position that that's the target in terms of what should be an adequate attack submarine fleet?

Admiral FRANCHETTI. Yes. I can't speak highly enough of our attack submarine fleet, really our asymmetric advantage, and as you said, yeah, 66 is our requirement.

Mr. COURTNEY. Thank you.

So, Mr. Secretary, during the budget briefs back in March Navy officials said, quote, "We are going about the submarine cut in a strategic way because we're simply not taking a submarine out. We're also continuing investment in advanced procurement to make sure that the supplier industrial base is fully funded."

Unfortunately, committee staff has dug deeper into the budget books and it's clear that many, many suppliers are not included in the advanced procurement phase of construction and are not protected by this strategic way.

Our staff determined that it would cost an additional \$1 billion to achieve the goal that was stated with the Navy's budget brief. When this enormous shortfall was raised at the Sea Power Subcommittee two weeks ago Assistant Secretary Guertin replied, "Well, we'll have to take a closer look and see what we can do to help."

Does the Navy today have an answer to these supply chain companies which, again, the analysis shows are not going to be protected the way it was intended?

Secretary DEL TORO. Thank you, Mr. Chairman.

Let me first also reaffirm our complete commitment on the part of the entire Department of the Navy to the 66 attack submarines.

We currently have 50. We have 11 that are actually under construction and four additional ones under the contract, and I'm confident with the '26 budget we'll eventually get to the 66 that are required.

Of course, we need to have them built faster and have those production rates increase. With regards specifically to these vendors we're in constant contact with these vendors.

The purpose of advanced procurement money, however, isn't to fully fund all the vendors that are in the supply chain. It's to fund those vendors that are most critical to the supply chain.

I don't think there's ever been a confirmation that we can support, you know, full funding of all the vendors across the entire spectrum.

Mr. COURTNEY. So, Mr. Secretary, if I could just say -- my time is running out -- I know some of those critical supply chain companies. They are left out, okay, with the plan that was submitted by the Navy.

They are picked up through full -- the full funding phase of the submarine program, not advanced procurement long lead items and, again, this is a real problem which, again, we now have dollars and cents in terms of what it would take to fix that.

Not a penny of that would go to the general contractor -- that \$1 billion. That was all, again, to make sure that all these fabricators and parts manufacturers are actually going to be protected as Mr. Raven had indicated in his opening statement.

And, again, at some point to really protect them we should just go forward with what was in the FYDP last year to have two submarines included in this year's budget. We are going to work really hard with your team to try and accomplish that goal.

We have done it in the past. We did it in 2013 when the Obama administration eliminated a submarine and then 2020 when the Trump administration eliminated a submarine. Sometimes it was in the UPL's list. Sometimes it wasn't.

But we -- using our constitutional duty Article One Section Eight Clause 13 to provide and maintain the Navy, we stepped forward and filled that gap and it's a good thing we did.

With that, I yield back.

The CHAIRMAN. I thank the gentleman.

The chair now recognizes the gentleman from Virginia, Mr. Wittman.

Mr. WITTMAN. Thank you, Mr. Chairman. I'd like to thank our witnesses for joining us today.

Secretary Del Toro, I want to begin with you. We know that in the Indo-Pacific in order to deter conflict this is the tip of the spear effort. It's a Navy-Marine Corps fight. In order to do that we have to have ships.

Listen, our sailors and Marines are great but until they can walk on water we better be building them ships. We know that the entire effort there needs to be about the existing Navy and building new ships.

The President's budget comes over this year. Build six, retire 19, 10 of those before the end of their expected service life.

I'm not a mathematician but seems to me you can't do addition by subtraction. We know that there's continued cost growth and schedule movement to the right in building new ships.

So if we're not going to repair the ships we have and we're going to be delayed in getting new ships it seems like to me the delta will get even bigger, and I've warned for years that there are real consequences to this.

If you look at what's going to happen just in the Hampton Roads area, one of the great places for ship repair, from fiscal year '18 to fiscal year '28 will have a reduction in workload demand there by 50 percent. Employment levels there will go from 7,800 ship repairs to 3,800 ship repairs. We know once those people leave they're not coming back.

So, Mr. Secretary, what do you have in mind for the capacity of our U.S. repair yards? How do we maintain a navy?

How do we make sure that we as members of Congress who have a constitutional responsibility -- the Constitution says to maintain navies.

How do we maintain them if this demand signal goes away and we have this massive decrease in the number of ships that we are going to keep on when we need them? How does that work? Tell me what's the Navy's plan, going forward, to sustain our Navy?

Secretary DEL TORO. Well, thank you, Mr. Chairman.

First and foremost, as you know, the debt discussions that took place here on Capitol Hill led to the Fiscal Responsibility Act that actually puts extensive downward pressure on the United States Navy and part of that is actually then having to make the choice to decommission --

Mr. WITTMAN. Mr. Secretary, I hate to interrupt but it's the broader --

Secretary DEL TORO. I know, but this is a complicated discussion.

Mr. WITTMAN. -- it's the broader constitutional responsibility that we have to defend this nation. I understand about the Fiscal Responsibility Act but it is about making priority decisions on the resources that --

Secretary DEL TORO. But I have to make those priority decisions based on the law and if the law does not allow me to spend more money than the 1 percent increase over last year's budget I then have to make really tough --

Mr. WITTMAN. The Constitution says maintain our navies. Maintain our Navy is what the Constitution says.

Secretary DEL TORO. But the laws are what I have to follow on a year to year basis, and so I have to actually take a look at retiring legacy systems so that we could actually build new ships and we're building 58 of them across the FYDP --

Mr. WITTMAN. None of those come into operation, though, inside the Future Year Defense Plan. So all of our dreams are going to come true outside -- you'll be long gone and somebody else is going to be saying, well, I'd have gotten to the Navy if I didn't have to deal with what was given to me prior.

Secretary DEL TORO. And to the chairman's point, I'm trying to work with industry to increase the production rates. For example,

the New Jersey, for example, was delivered just last week and it was delivered almost three years late.

If all the submarines that we had ordered actually had been delivered on line because of the challenges to the production rates we'd actually have five additional submarines in our fleet today to be able to meet our operational needs across the nation.

So we have to work an entire whole of government maritime statecraft to actually try to bring these production rates back up so that we can get the ships delivered on time and on budget and so that we can keep them operational at sea and actually free up those shipyards so when they do need to come back and be repaired they could be made available.

We're also making historic investments in the SIOP(Single Integrated Operational Plan) program, for example, \$20 billion, thanks to the support of the Congress over these last 10 years, and those programs are moving along very nicely, obviously.

But these are programs that hadn't been invested in in over 75 years. And so those are the investments that we are making that I think are truly historic that, hopefully, will get us to the right place. But it's going to take time to get us there and there's nothing I can do. I can't snap my fingers have these ships built faster.

Mr. WITTMAN. But I -- I understand about new construction but we got to have the maintainers. If we're going to let the maintenance side atrophy when you do get those new ships where are the repairs going to come from? So then we're going to be in a situation of being able to maintain a 355-ship Navy if and when we ever get there.

So there is the maintenance side of the formula that I think is critically important, I would argue probably today even more important than the build side. I understand the delays in the build side. All those things are reality.

Let me ask you this. Admiral Franchetti, I wanted to get your perspective on where we are with SSN projections building one submarine. Now, the Australians look at that and they go well, wait a minute -- we thought we had an AUKUS agreement here.

We thought we were going to build two a year. We thought we were going to be able to buy some from the United States. How do we sustain the fundamentals of the AUKUS agreement?

If you were an Australian looking at this and go, is the U.S. really serious about this -- they're going down to building one submarine this year when they say we need to have a pace of 2.3, and they look at it and go, I thought we were going to buy some submarines from them -- I thought we were actually going to have a cooperative agreement there.

How do you see this as being able to sustain on SSN --

The CHAIRMAN. The gentleman's time has expired.

The chair now recognizes the gentleman from California, Mr. Garamendi.

Mr. GARAMENDI. Thank you, Mr. Chairman.

So many things here. Money, money, or not enough money. We had \$4.5 billion of unfunded priorities. I think you mentioned that, Admiral.

I would point out to the committee that the Sentinel program has been Nunn-McCurdyed, stopped. Four point six billion dollars is ex-

pected to be spent on it this year. Maybe that could be delayed and spent on the Navy, maybe, if this committee decides what should be done.

We make choices here about prioritization. The fact of the matter is we do not need the Sentinel for at least another decade and a half. But this is the Navy. You do build Columbia-class submarines, don't you?

Secretary DEL TORO. Yes, sir.

Mr. GARAMENDI. At about \$7 billion to \$8 billion a copy. Sentinel is \$137 billion over the next decade plus. That's about eight Columbia-class submarines.

If we had the shipyards which, unfortunately, my colleague Mr. Waltz is not here. He and the Subcommittee on Readiness has developed a interim national maritime strategy that speaks to the commercial side of it, which is also the shipyard side and the ability of our shipyards to produce ships on the commercial side but also to repair naval ships. So there's an overarching strategy that we're working on here.

General Smith, welcome back. Delighted you're here. Delighted you appear to be in great health. Thank you. You've always fancied and you've told me and I'm sure others that the Marine Corps is fast and light, capable, able to operate independently as part of an integrated joint force. What capabilities is the Marine Corps pursuing to enable that mobility in contested environments? What do you need to carry out that goal?

General SMITH. Well, Mr. Garamendi, thanks for the warm welcome. It's good to be back.

What we need is the Landing Ship Medium. The request for proposal is out for industry now and we can't go fast enough. The Landing Ship Medium built to commercial standards and I'm pleased with the fiscal year '25 shipbuilding plan, which is 11222.

I'll use the Ford F-150 analogy. It's based on existing commercial standards and the requirement for this is 35 with the initial purchase of 18 and they will provide littoral mobility for the stand-in forces.

They're low signature, they're rapid, and they can carry with them our medium missile batteries, which are a requirement to deter the People's Republic of China.

Mr. GARAMENDI. Very good. You mentioned commercial standards. Unfortunately, the ranking member stepped away. He -- way into standards right now, listening to him early on.

I assume those commercial standards would relieve part of the problem that he was talking about.

General SMITH. I believe they would, sir.

Mr. GARAMENDI. Admiral Franchetti, one of my favorite subjects and I know you're aware of it has to do with the ability of the shipyards to actually conduct their work. In order for those shipyards to be efficient and effective they have to know well ahead of time what the incoming availability that a ship needs to be done.

Could you help me understand how the Navy is in real time keeping track of what every ship needs to be done in an availability?

Admiral FRANCHETTI. Thank you, Congressman Garamendi.

You know, our shipyards do need that information ahead of time and one of the things that we have been focused on through the NAVSEA enterprise is identifying all of that work along the way through the port engineer, the type commander, and working with all the different program executive offices on whatever modernization needs to be done in a shipyard to develop that full package.

Our objective is to have that package locked in 120 days before a shipyard availability begins so the shipyard can plan so we can get the materials that we need to be able to do that so we don't have unnecessary delays or growth work because that's where you start to see the delays.

Mr. GARAMENDI. Thank you very much.

Secretary Del Toro, I thank you for visiting Mare Island and I would point out to the committee that the privately owned shipyards have the -- have a program available through MARAD to upgrade their shipyards.

However, the amount of money that is available through the ongoing budget is minuscule.

The CHAIRMAN. The gentleman's time has expired.

The chair now recognizes the gentleman from Tennessee, Dr. DesJarlais.

Dr. DESJARLAIS. Thank you, Chairman. Thank you all for being here.

Secretary Del Toro and Admiral Franchetti, the next questions will be for you. The U.S. Navy has been tasked with the critical mission to keeping Red Sea commercial shipping lanes open by neutralizing Houthi missile and drone attacks.

Could you briefly describe this mission for the committee? And then the activity appears to have died down over the past month but how do you assess the threat, moving forward?

Secretary DEL TORO. Mr. Chairman, it's an incredibly important mission, as you know, one that we have been conducting for six and a half months with close to 200 engagements with the Houthis of drones and missiles shot at our ships directly and also at innocent merchant mariners throughout the Red Sea.

Regretfully, it has resulted in probably about a 70 percent decrease in merchant traffic through the Red Sea. It's our responsibility to do the very best that we can to protect American lives and protect the lives of those innocent mariners, obviously, and to keep those ships from being attacked and I think our Navy has responded brilliantly in doing so without any loss of life.

On U.S. Navy ships that have been attacked we, regretfully, have lost three Special Forces operators, obviously, that were on the USS Puller. But perhaps the CNO can expand on that.

Admiral FRANCHETTI. Thank you. I just also wanted to add, you know, through Operation Prosperity Guardian it's really, you know, U.S. Navy leadership of a coalition of folks that are doing the maritime security mission through the Red Sea and in the Gulf of Aden.

We're also coordinating with the EU mission which is called Aspides to make sure that we have an integrated plan, you know, with them to deconflict any potential. You know, both of us is skirting the same things.

So I think this operation has gone really well. Really proud of the team. You know, we have learned a lot through this. We have em-

barked on expeditionary resupply. Everything that we're learning in the Red Sea and through this operation against a very challenging Houthi threat is some things that we can replicate and learn from in other areas of the world.

Dr. DESJARLAIS. Okay. When reviewing the fiscal year '25 budget request I was surprised to see that the number of SM-6s that you are procuring -- considering the heightened activity in the Red Sea the budget request just seems insufficient to meet the need. Would you agree?

Secretary DEL TORO. Congressman, we have actually emphasized the growth in SM-2 missile production, which is the majority of the missiles that we're actually shooting. The SM-6s are essential missiles as well as are the SM-3s.

They take a lot longer to actually build, which is part of the reason why we haven't invested more money into them until the production rates can come up to a point where we could actually invest more money to buy more SM-6s and SM-3s as well, too.

Dr. DESJARLAIS. You mentioned and touched on it briefly earlier -- can you discuss the Navy's plan to field directed energy weapons and high-energy lasers to support maritime missile defense?

Secretary DEL TORO. Yes, sir. We have accelerated the development and the testing of the Helios laser program, which in many ways is a replacement -- not a replacement but it supplements the CIWS system. We also have six other laser projects and high energy projects, some of which are classified and I can't talk about openly.

But this is a high priority area for us. We, obviously, well into the future cannot continue to shoot down drones with simply SM-2s and SM-6s. We need to develop the high energy, high lasers, and directed energy programs to be able to counter these air drones that are being shot at us as well.

Dr. DESJARLAIS. Thank you. I yield back.

The CHAIRMAN. I thank the gentleman.

The chair now recognizes the gentleman from New Jersey, Mr. Norcross.

Mr. NORCROSS. Thank you, Chairman, and to the witnesses for being here today.

Secretary Del Toro, we were commissioning a ship down in Key West last year and on the way down there I sat next to a young lady who happened to be a teacher, and it came up what her children are going to do. And she said, well, one wants to go to college -- the other one wants to become a mechanic, and immediately went to the issue of what we're talking about today, where is our next generation of worker who work with their hands and their head come from.

And she said something that I will not forget -- we need to give our children the permission to pursue an area that they're interested in whether it's to be a lawyer, a doctor, or an electrician. Permission to do that, because the narrative in our country today is you got to go to college to make it.

We're, you know, in the process of taking away debt for those who went to college. But for those who go to work in the shipyard they get nothing. I think we as a society have this role.

Whether you want to become a lawyer or you want to become a welder we value those the same and until we as a nation value those things the same way we're not going to get the people in the shipyard the way we need it. We look at them many times as a society as second class. I know that and I see that.

So when we talk about that next 50,000 we, as a nation, have to value that for what it is and do that. You talk about the blue collar workforce being reduced over the last 50 years and it has. The number-one reason is we offshored those items, that manufacturing that we did. We did that to ourselves, chasing the dollar instead of the capacity.

So here we are trying to build it back up and wondering why we can't get there. Well, I think we need to look in the mirror and say we need to make sure that capacity goes on here. We need friends, we need allies, and we need to work with them but we need to have the capacity here long term, not just for two days.

So after that rant we're sitting here, and I want to thank the admiral for visiting the Philadelphia South Jersey yard, the capacity that we have there, and we had this very conversation when we were there -- why can't we get those people.

The Philadelphia repair yard is literally talking about closing because they can't get enough work. The work that's going on there today is with the USS New Jersey that we retired almost 25 years ago. They're doing it but after that their work isn't there.

So Mr. Wittman talked about that repair. We have to send the demand signals. Why would I want to go to work someplace that's going to shut down in two years?

So other than money, Secretary Del Toro, and to each of -- the general and the admiral, what can we do other than money to send the right signals to get that workforce, that we value them? How do you do that?

Secretary DEL TORO. Well, Congressman, I think you hit the nail on the head and I've been calling for a call to national maritime service, not just to the uniform service -- obviously, in the Marine Corps and the Navy through our recruiting efforts but also to increase the number of civilians that we have working in the Department of the Navy and in our shipyards as well too because it is honorable service, as you know, and we need electricians, we need plumbers, we need welders, fitters -- we need everything to build these great ships.

But in my call to a national maritime statecraft I think resurgence of the commercial shipbuilding industry would also help tremendously itself and it would help the economy. It would help create more jobs across the entire country.

We essentially have given up on commercial shipbuilding and China and, thank God, our allies and Japan and South Korea have also invested heavily in shipbuilding. But we have lost that arc here in the United States. We can't even build our own LNG ships here in the United States, for example, when we should be building them.

So I think it's also complicated by some of our immigration policies. We need to increase legal immigration. We need to increase work visa programs to allow other workers coming from other

countries to come here as well and fill these jobs that are being unfilled.

The good news is that unemployment is under 4 percent across the country. The challenge, however, is that we need more workers to continue to feed our growing economy, and so that's the challenge that we have and I think a national call to maritime service is what I'm committed to.

Mr. NORCROSS. If I may, in addition to those leaving the service, recruiting them to go back to work because many of them continue to work for years after that and more importantly than that is the number-one way other than telling them their value is to pay them the right wages.

And with that, I yield back.

The CHAIRMAN. In complete agreement with that statement.

The chair now recognizes the gentleman from Mississippi, the general.

Mr. KELLY. Yeah, I want to concur with a lot of the thoughts. Listen, we can blame it on money. We can blame it on budgets. But for the last three years we have asked to give away more ships than we're bringing. So it's not just that thing and here's what I will say.

We have to have a consistent message to our shipbuilders that we're going to build ships. We can't change that. We can't change the requirements. We have to send a constant message that we're going to continue because we will never get our workforce in place if we continue to say we're going to do a strategic pause on amphibs, we're going to do a strategic pause on Virginia-class.

You've got to let them catch up to get on schedule. We never allow them to get on schedule. With that being said, Admiral Franchetti, what the heck is going on with the Boxer? I mean, she underwent a \$200 million overhaul in 2022 and hasn't been underway since. In fact, she really hasn't been out of the dock in five years. So what is going on with the USS Boxer?

Admiral FRANCHETTI. Thank you, Congressman Kelly. I will give you an update on the Boxer. So, you know the Boxer did actually go through all of her work-ups for deployment. She headed out but now she's back in San Diego.

She has bearing on her starboard rudder that is not -- it's not in good condition so it needs to be replaced. So we are basically -- right now she is there. We are evaluating the different procedures that will be done to repair her.

It's about -- right now about a four- to six-week repair. We look to be able to finish that repair pierside -- the bearing is available -- and then get her back out on deployment.

I would say that we're still investigating the cause of the bearing but it was either potentially installed improperly or the bearing itself was -- had some type of defect. So we're going to continue that inquiry right now --

Mr. KELLY. Thank you. Let me get to -- General Smith, how does the Boxer's unavailability impact the Marine Corps?

General SMITH. Congressman, we're designed to operate on a three-ship amphibious ready group, one big deck LHA, LHD, and two small boys -- two LPDs(landing platform dock). So when you

lose your big deck you lose most of your aviation assets and you lose your crisis response force.

Mr. KELLY. You also lose the ability to train and exercise those Marines also. Is that correct?

General SMITH. That is correct, sir.

Mr. KELLY. All right. I want to talk a little bit -- without the 31 amphibious ships and 35 landing ships can the Marine Corps fight, survive, and meet combatant commander requirements as a stand-in force?

General SMITH. Sir, we cannot. We need those agreed upon 31 anthems and the CNO and I have locked shields on that and we're determined to get there.

Mr. KELLY. And I want to talk a little bit about the LSM or the Medium Landing Ship. We have got that. We do not need -- and I know you agree with me, Commandant, we do not need to turn that into the Navy's version of Pentagon wars. We don't need to create something that's going to be so expensive and to be survivable.

The Marine Corps has asked for a requirement and I think we should trust the Marine Corps to build them the ship that they ask for because you know how to employ those. Is that correct, Commandant?

General SMITH. Sir, that is correct.

Mr. KELLY. And all the considerations that other people are taking to create this into something different those -- are those being asked for by you, Commandant, or did you ask for the requirement that you need as the commandant of the Marine Corps?

General SMITH. Congressman, I asked for the requirement that is required for them to be survivable, mobile, and beachable.

Mr. KELLY. Absolutely. And I guess I think -- Secretary Del Toro, I think we have made some progress but I do think that we need to be very careful about when we do a 30-year shipbuilding plan that the first 10 years are locked in and we never move those. Or five years. I don't know what that number is.

But what we do is we keep shifting year one and we can't do that. We have to send a consistent demand signal to industry or they will never be able to keep up with the maintenance or the shipbuilding that is required.

So I hope that you guys will understand we have to build what we're building and we can't change that. Can I get a commitment to do that, Secretary Del Toro?

Secretary DEL TORO. Mr. Chairman, I have -- I've tried to keep that commitment since the day I came in as Secretary of the Navy and for the first three years until this budget I haven't been able to -- I've been able to do that where no numbers of shifts have changed in the first 10 years of the shipbuilding plan.

However, it is the Fiscal Responsibility Act that was passed by the Congress and, again, in response to the very difficult negotiations that were done around the debt limit that forced our hand this year to be able to have to remove that one submarine and a situation where it simply could not be delivered by the shipyards, and that's opportunity cost. The opportunity cost on resources we need --

The CHAIRMAN. The gentleman's time has expired.

The chair now recognizes the gentleman from Maine, Mr. Golden.
Mr. GOLDEN. Thank you.

Mr. Secretary, last month Admiral Pitts testified that one Flight III DDG-51 -- to date only one has been delivered to the fleet.

He also expressed the importance of fielding the new capabilities that come with Aegis Baseline 10 and the SPY-6 radar. Of course, before Congress passed in a fiscal year '24 approps bill the administration requested two DDGs in the President's budget request.

Now that we have a '24 approps through -- into law and it included \$1.3 billion for advanced procurement it seems to me like that's a clear indication from Congress, not to mention just a lot of the work of the committee over the last several years that Congress wants to speed the delivery of Flight III ships.

Is that a priority that you agree with? Would you agree that Congress should be trying to speed the delivery of Flight III to the Navy fleet?

Secretary DEL TORO. To the extent that it doesn't take away from other requirements that I have to meet across the Department of the Navy, yes, I always welcome more DDG Flight IIIs into the Navy.

Mr. GOLDEN. More ships is good. All right.

Mr. Kelly just stole the question I was going to ask you but I guess I'll just reiterate. I mean, it sounds like what you're saying is you would commit to adhering to the five-year plan on the landing ships and procuring eight of them, assuming Congress gives you the resources you need. It's a priority for the Navy as well as the Marine Corps, right?

Secretary DEL TORO. Congressman, I've been a big supporter of the LSM and I've worked to try to accelerate the LSM schedule as much as possible. We had to go through some very difficult survivability discussions.

I think we're in the right place, supporting the commandant of the Marine Corps and the requirements that are set forth, which the CNO agrees with as well, too. So we're united in the future of the LSM.

We're committed to building the 18 LSMs initially, eventually to get to 35. But we want to be able to get these first few out to have the Marine Corps continue to experiment with them and make sure that they're the final design before we go to advanced procurement for the 35.

Mr. GOLDEN. I think it's no secret that some members of Congress or the appropriators, authorizes, or other talking about whether or not we should be adhering to these caps that you keep referring to. It's not necessarily your decision.

But I mean, in a perfect world you would not be structuring a budget based upon these caps. Does that sound right?

Secretary DEL TORO. That's correct, Congressman. Obviously, we would spend to the amount that the Congress authorizes and appropriates.

Mr. GOLDEN. Sure. And I think Mr. Norcross touched upon this. I mean, there's been a pretty good focus today on talking about the need to really focus on shipbuilding, ship builders, and developing a workforce that can meet the needs of the Navy and our national security.

I've tried to do a lot of work on that through the years. With reporting requirements, it seems like maybe you're actually benefiting from some of the reporting that Navy has done as a result of that and have a good understanding of where we're at and where we need to be.

I just want to reiterate again my office is even hearing from shipyards in the Philly region who do repairs and maintenance that they're getting ready to lay people off. I know that we're behind schedule on maintenance and repairs in general so I'm hoping that the Navy will do a good job of spreading some work around to try and ensure that we're not losing skilled workers at a time when we're talking about having --

Secretary DEL TORO. Congressman, we have robust conversations with all the shipyards small, medium and large across the nation. I personally have visited many of them -- Mare Island, Philadelphia Naval Shipyard.

We would, obviously, try to keep them as full as possible but our primary role is to keep ships out at sea and to keep them operational. Obviously, we need to maintain them on time.

When we have delays in how we maintain the ships because of extended operational periods that are driven by real life circumstances that creates problems, obviously.

Mr. GOLDEN. Has anyone from, like, Atlantic Ship Repair notified the Navy that they might lay off members of their workforce in the near term future?

Secretary DEL TORO. I'd have to get back to you, Congressman. We'd be happy to report back to your staff on recent conversations with regards to the layoff there.

Mr. GOLDEN. Thank you. I yield back.

The CHAIRMAN. The gentleman yields back.

The chair now recognizes the gentleman from Indiana, Mr. Banks.

Mr. BANKS. Thank you, Mr. Chairman.

The Navy was the only service last year that failed to meet its recruit quality benchmarks and continues to fail to meet them again this year.

Fiscal year 2024 for the first half of the fiscal year the Navy is 35 percent short of its recruitment goal and in fiscal year '23 was 20 percent short of recruitment goals.

Secretary Del Toro, why do you think the Navy has had so much more trouble hitting its recruiting goals than the Army or the Air Force?

I don't like the Navy losing to the Army or the Air Force in anything but especially when it comes to recruitment. Why are we struggling so much more than the other branches?

Secretary DEL TORO. First and foremost, Congressman, thank you for your question. I'm concerned about recruiting for all our military services. It's one team one fight.

Having said that, the Navy wasn't the only service last year to fall short on its recruiting goals.

Mr. BANKS. You fell much further short than the other branches.

Secretary DEL TORO. Last year we began the year at 17,500 thinking we were going to short -- fall short by 17,500. We were short by 7,500. This year we have started thinking that we would

fall short by 16,400 and it looks like we're going to fall short maybe by 6,200.

But what we haven't done -- what we have done actually is we have increased the goal. So we have actually increased the goal by 7,000 to 40,000 that we need to make up for the shortages of past years. So it's kind of a false narrative is what it is. We're striving to meet the new higher 40,000 goal that we have actually established for ourselves so that we can --

Mr. BANKS. But you're setting a goal and you're not meeting it and the other branches are coming closer to reaching their goals. What are we learning then from the Army and the Air Force that the Navy --

Secretary DEL TORO. This isn't a numbers game, Congressman. I mean, we hired --

Mr. BANKS. You're turning it into a numbers --

Secretary DEL TORO. -- we raised the goal to 40,000.

Mr. BANKS. Secretary, you're turning it into a numbers game.

Secretary DEL TORO. Well, but you're the one who brought this up. I mean, if the other services lowered their goals and met their goals --

Mr. BANKS. So I take it -- I take it --

Secretary DEL TORO. -- and we hired our goals and we're striving to meet our goals. I think that's an admirable challenge, right?

Mr. BANKS. So it's admirable to fall --

Secretary DEL TORO. We're trying to make -- well, yes, we're trying to make up for the shortages that we had in previous years because it's all about filling billets at sea is what it's all about and that's what we're trying to.

Mr. BANKS. I would love to have a Secretary of the Navy come before us and talk about how you're disappointed that you're not reaching your goals and what you're going to do to reach them. So let me ask you --

Secretary DEL TORO. I think you misunderstood what I said, Congressman.

Mr. BANKS. Secretary, let me ask you a different way. What --

Secretary DEL TORO. No, but I think it's important for me to go on the record. I think you misunderstood what I said.

Mr. BANKS. Secretary, what are you doing to meet your goals --

Secretary DEL TORO. I said we raised our recruiting goals to 40,000 and we're striving to meet --

Mr. BANKS. Answer my question. What are we doing -- please answer my question. What are you doing to meet your goals that you're not doing? What are you going to do to meet those goals that you --

Secretary DEL TORO. Well, we have actually filled all -- we're about to fill all our recruiting billets, for example. We have taken a lot of lessons learned from the Marine Corps, for example. We have actually made numerous process changes actually to try to get us to a better place and I'd be happy to have the CNO add additional details to that list.

Mr. BANKS. I'll stick with you, Secretary. You said the fighting climate change is the Navy's, quote, "top priority" --

[Simultaneous speaking.]

Secretary DEL TORO. No, sir. That's not correct. I said it is one of the Navy's top priorities, not the top priority.

Mr. BANKS. Okay. Is it still a top priority?

Secretary DEL TORO. Absolutely it's still a top priority.

Mr. BANKS. Where does recruitment fall into your priority list? Is it above or below climate change?

Secretary DEL TORO. Recruitment is also a top priority as well, too. I have numerous top priorities in the Department of the Navy that I have to worry about on any given day.

Mr. BANKS. So what about delays in shipbuilding? Is that more of a priority than climate change or less than a priority?

Secretary DEL TORO. Actually, we have made significant changes in delays and in maintenance stays at shipyards to actually try to get these ships out of the shipyards quicker.

Mr. BANKS. Secretary, you don't seem to be too concerned about recruitment, which is really bad.

Secretary DEL TORO. I am significantly concerned about recruiting and we have actually made a huge difference.

Mr. BANKS. You've actually been testifying calling for --

Secretary DEL TORO. I just told you that we started the year off at 16,400 and we're down to --

Mr. BANKS. Are you worried -- Secretary, are you worried that the Navy shrinking by another 5,000 sailors could make it harder to deter Communist China? Are you worried about that?

Secretary DEL TORO. Actually, I just told you we're trying to increase our goal to 40,000 and recruit to that so that we have more sailors to close the gaps at sea so that we can be even more combat ready.

Mr. BANKS. All right. I got one minute left. What are you going to do to meet the Navy's recruitment goals in fiscal year 2024?

Secretary DEL TORO. It's all hands on deck with all the processes and everything that we have put in place to actually shorten that goal and we're actually 2,500 ahead.

Mr. BANKS. What do you mean by that? What are you saying about it?

Secretary DEL TORO. We are actually 2,500 ahead than where we were last year. So I hope that we get to meet our goals --

Mr. BANKS. Are you going to meet your goal in fiscal year 2024?

Secretary DEL TORO. We're doing everything we can. I don't have a crystal ball.

Mr. BANKS. What is everything that you can? What does that mean? What are you doing to meet that goal?

Secretary DEL TORO. That means that I'm putting all our resources, that we have made dramatic improvements in how we recruit. We have taken lessons from the Marine Corps as well too to meet our goals --

Mr. BANKS. What are those lessons? I asked that question earlier. What lessons have you learned?

Secretary DEL TORO. -- and we are actually doing 2,500 better this year than we were last year.

Mr. BANKS. What are you doing?

Secretary DEL TORO. So we have six months left in the calendar year, basically, to get to the fiscal year more or less and we will

continue to actually decrease that gap until we get close. But it's all hands on deck is what it is.

Mr. BANKS. You haven't given me a single concrete -- you haven't given me a single concrete answer to how you're going to meet those recruitment --

Secretary DEL TORO. I think I've given you many concrete answers.

Mr. BANKS. A lot of hot air. With that, Mr. Chairman, I yield back.

Secretary DEL TORO. We'd be happy to work with your staff to provide you even more answers, Congressman.

Mrs. KIGGANS [presiding]. The gentleman yields.

The chair now recognizes Mr. Carabajal from California.

Mr. CARBAJAL. Thank you very much. Thank you to the witnesses for being here today. General Smith, welcome back.

The GAO report from September 2023 highlighted there are major concerns with our military barracks. Some of these service members reported that the conditions of barracks affect their quality of life and readiness.

Your number-one unfunded priority was \$230 million for restoration and modernization of barracks for the Barrack 2030 initiative.

While the fiscal year '25 budget request only appears to be for \$65 million, I'm sure we both agree that our service members are our number-one priority and our most valuable asset.

With barracks been such an issue can you help me understand why your budget request did not include the \$230 million for restoration and modernization in your unfunded priority list?

General SMITH. Congressman, I can.

Barracks 2030 is our most consequential barracks investment. We're tackling it from multiple avenues. We're attacking it from professional management, which returns 500 Marines to the fleet. FSRM -- facilities sustainment, restoration, and modernization funds, maximizing those. That's to fix washers, dryers, locks, windows.

We're doing material, furniture, -- again, washers locks -- and I've directed a rigorous inspection of over 58,000 rooms. We have completed that inspection, and we now know what is -- what needs to be fixed and that's why my number-one unfunded priority request is the almost \$450 million to accelerate Barracks 2030.

Mr. CARBAJAL. Thank you, General Smith.

The reduction in maritime prepositioning ships underway has significantly reduced the Marine Corps' flexibility for crisis response operations in the Indo-Pacific, Mediterranean, and elsewhere. Today, only two squadrons in maritime prepositioning ships are available to support Marine Corps global commitments.

How are the Marines compensating for this reduction and how much risk are we accepting strategically?

General SMITH. Congressman, I would argue that we're accepting significant risks strategically. Those MPSRONS -- maritime prepositioning squadrons -- are ready base.

They're designed to flow forward and offload their cargo to complete such tasks as the Korea Plan and they would be used as a ready reserve, if you will, of assets. So I would offer that that's a real risk when you don't have the MPSRONS available to replace

the equipment that will be inevitably lost in combat and to speed the marrying up of Marines who deploy by aviation assets and then the seaborne assets that are on those MPSRONS.

Mr. CARBAJAL. Thank you.

Admiral Franchetti, congratulations on your finally being appointed as the 33rd Chief of Naval Operations. I apologize for you on -- for the Tuberville national security breach our country went through in delaying your appointment.

And I know we have many aspiring senators in this committee. I sure hope they understand the breach that was created by not allowing many of our appointments to move forward.

Admiral, can you speak to the Navy's sealift campaign plan, specifically how the Buy Used Program will work with sealift, preposition and surge assets?

Admiral FRANCHETTI. Thank you. And, you know, sealift is critically important, one of our core functions of the Navy, and we're really taking a three-pronged approach to sealift.

First, we are doing service life extensions on our existing platforms and then the Buy-Used Program that you mentioned. This has been very productive, and speaking with TRANSCOM and MARAD on these conversations this is a very good program.

We have already bought a number of ships and we are projected to buy up to nine, which is our limit. So we'll have a legislative proposal in there to remove that limit so we can continue to do that.

We're also in the process of designing a new sealift ship and so, again, working with all stakeholders to make sure that we have that capacity that we need, going forward.

Mr. CARBAJAL. Thank you, Admiral, and I'm out of time. So, Secretary Del Toro, thank you for being here. Thank you for articulating the good answers to the bad questions that sometimes you receive. Thank you very much for your service.

Madam Chair, I yield back.

Mrs. KIGGANS [presiding]. The gentleman yields. The chair now recognizes Mr. Waltz from Florida.

Mr. WALTZ. Thank you, Madam Chair.

Secretary Del Toro and General Smith, if we can just talk very quickly about the Abbey Gate families from the disgraceful Afghanistan withdrawal.

Mr. Secretary, I sent you a letter requesting that the 11 Marines killed at Abbey Gate during the withdrawal be posthumously promoted in accordance with 10 U.S. Code Section 1563.

It authorizes members of Congress to initiate a recommendation or an honorary promotion and I'm grateful that less than two weeks after the bombing you posthumously promoted Navy Corpsman Soviak to hospital corpsman third class. But it's been nearly three years since these brave Marines were killed and more than six months since I made this request to you.

When can we do what's right and promote these Marines?

Secretary DEL TORO. Congressman, this is a very sensitive issue, obviously. The corpsman was promoted, largely, because she already was under consideration for promotion.

I asked my staff to take a look at Medal of Honor recipients who received their Medal of Honors posthumously since the beginning of the Vietnam War. We have had over 50 Marines that coura-

geously lost their lives in battle and received the Medal of Honor. None of them were promoted --

Mr. WALTZ. I have limited time. We have huge issues. I get five minutes on behalf of my --

Secretary DEL TORO. None of them were promoted posthumously so --

Mr. WALTZ. Can we -- when are we going to promote or can you give me an answer of why you're not going to promote these 11 Marines? It's been three years.

Secretary DEL TORO. It's under consideration but it's very unlikely that they will be promoted.

Mr. WALTZ. How long will you -- it's very unlikely?

Secretary DEL TORO. Yes, sir, because they were not under consideration at the time for a promotion. So given the fact that we haven't posthumously promoted 50 Medal of Honor recipients since the beginning of Vietnam. It's very unlikely --

Mr. WALTZ. Were they killed in action, all 50?

Secretary DEL TORO. Excuse me?

Mr. WALTZ. Were they were killed in action, all 50?

Secretary DEL TORO. Yes, sir. They were killed in action, all 50.

Mr. WALTZ. There are a number -- we'll come back to you within -- as I stated in the letter, there's a number of instances where soldiers, sailors, Marines, were not under consideration for promotion including some that I lost in action and yet they were promoted because their service secretary decided it was the right thing to do. You have that authority.

Secretary DEL TORO. I have the authority and I'd be happy to conduct further discussions with you on the subject.

Mr. WALTZ. But you're making a decision to not execute that authority?

Secretary DEL TORO. Well, like I said, Congressman, there have been 50 Medal of Honor recipients that were not promoted posthumously --

Mr. WALTZ. God bless them. But in this case --

Secretary DEL TORO. -- and one has to take a look at that as precedence, basically, for actions moving forward.

Mr. WALTZ. Mr. Secretary, if that's your decision that's certainly -- but I want also out there for the record that you have the authority to promote those Marines.

General, should those Marines get promoted?

General SMITH. Congressman, as a rule we do not grant posthumous promotions. That does not take away from the sacrifices of those Marines killed at Abbey Gate. But even our posthumous Medal of Honor recipients have not been posthumously promoted.

Mr. WALTZ. I don't think the level of award, General, necessarily should dictate whether you give a posthumous promotion. You look at -- I mean, this was the worst withdrawal since Saigon.

These Marines were put in an impossible position -- defend an airfield yet let people through by the hundreds if not thousands. They were put in an impossible position so we also have to look at the mission, not just historic precedent.

And, Mr. Secretary -- and I would think with your recommendation, General, you have the authority to do it -- I'd ask you to reconsider and let's at least give these families that closure, given the

entire nature of what happened in that withdrawal and that they were put in mission impossible, not by either of you but by the White House. But thank you.

If we could just talk about -- number one, Mr. Secretary, I told you we're going to recognize the bravery and I want it loud and clear of those sailors in the Red Sea. They're kicking ass and taking names and we should absolutely pound the table and please -- Secretary DEL TORO. Thank you, Congressman.

Mr. WALTZ. I'll be there in Jacksonville when they come back to Mayport. God bless the Carney.

Secretary DEL TORO. Thank you, Congressman.

Mr. WALTZ. But if we -- we ate up my time here but we have -- the Columbia, the Virginia, the Constellation, our DDGs, are all behind.

We have a broader systemic problem here and I know it's an all of society -- I have a maritime strategy that I'm releasing next week -- issue to get at workforce, to get at shipyards and steel and materials and all that and I look forward to working with the legislative recommendations in it. But I think we have a systemic problem in the Navy as well. Can you speak to that in the time I have remaining?

Secretary DEL TORO. Well, the major reasons for the delays on most of these ships is actually delays associated with the delivery of major components from the vendors, particularly Northrop Grumman with regards to turbine generators and main reduction gears to their primary vendors. That is the root cause of the major delays associated with each of these with the exception of the Fincantieri Constellation-class --

Mrs. KIGGANS [presiding]. The gentleman's time has expired.

Mr. WALTZ. We're running out of time, Mr. Secretary -- 2027. We need to -- thank you. Thank you, Madam Chair.

Mrs. KIGGANS [presiding]. The gentleman's time has expired. The chair now recognizes Ms. Jacobs from California.

Ms. JACOBS. Thank you, Madam Chair. Thank you so much to our witnesses.

As the representative from San Diego both of these services are incredibly important to my community and so I'm grateful for you all being here.

I first wanted to ask about the USS Boxer. I know my colleague Mr. Kelly already asked some of it but, you know, one of the things I was interested in is just before its deployment in March it was reported that the ship won several awards including the battle effectiveness award.

I guess I'm a little concerned that that shows that we don't actually have a good way to measure the readiness of our ships and, you know, that we're awarding ships for mission readiness that clearly are not mission ready. How do we -- how do you assess readiness and how do we make sure it's accurate, given these recent developments?

Whichever of you would like to answer.

Admiral FRANCHETTI. Thank you for your question and thank you for your support to our folks in San Diego.

You know, in the Boxer casualty -- equipment casualty that you're having right now this is a materiel failure. So, you know, we

have a very good set of standards for all of our ships in each one of their primary warfare areas and including engineering and all of the different things that they need to be able to do.

They're assessed by an afloat training group and then as the ship progresses from individual training to intermediate and advanced training we have standards that each one of the ships is supposed to meet with very rigid criteria and very well qualified inspectors.

Ms. JACOBS. So then why was the Boxer awarded this readiness award when they were clearly not ready?

Admiral FRANCHETTI. So the particular casualty was a documented casualty. It had an engineering assessment for some not related departures from specifications on the rudder. But they -- this current casualty is a new casualty that was not part of those departures from specifications.

Ms. JACOBS. Got it. Okay. Thanks.

And then in terms of the sailors who are on the Boxer are they going to stay on the ship through the duration of the maintenance and will the current maintenance period add time to their deployment schedule?

Admiral FRANCHETTI. So the Pacific Fleet commander is the one who will make all the decisions about the Boxer. In fact, he is one that approved the maintenance repair plan right now. The way that the current plan is, you know, we are optimistic that the repair will be done in about four to six weeks. He has several other branch courses of action if this one doesn't work.

The intention, if it finishes on time, is to get the ship back out on its deployment. Because we are, you know, a teammate with the Marine Corps the Marine Corps also has a deployment, you know, when their deployment ends. So we'll end that deployment on time after the Boxer gets out there.

Ms. JACOBS. Great. Thank you.

And then I wanted to ask, you know, the Navy has made tremendous strides in experimental and research regarding uncrewed systems and the digital tools necessary to enable their capabilities. I myself have been out to Bahrain to see some of the amazing work. We're doing that in San Diego. We have got some examples.

But I guess one of the things I'm wondering is why, given all that research, we haven't procured those systems in sufficient bulk for the fleet even though we have identified them as a high priority and why it's dependent on an OSD program -- the Replicator initiative -- to fund and procure these systems rather than going through the actual naval procurement process.

Secretary DEL TORO. Thank you, Congressman. First and foremost, we have been buying some of those unmanned vessels in the numbers that we currently need to be able to experiment with them.

As we continue to further operationalize them, so for example, on Task Force 59, you know, we had a set number of sail drones that we purchased from a saildrone company when we actually move that to Fourth Fleet and conducting operations in the streets between Haiti and Cuba.

Taking a look at drug runners, for example, we bought additional sail drones as well, too, so we're purchasing them in the numbers that we currently need them.

In the case of operationalizing them in the Pacific we have four of them that we have been experimenting now with the good part of a year. But I think what you will see in the next few years is actually more of those coming to fruition as we continue to bring more of them to work side by side our manned vessels as we operationalize them in the Indo-Pacific as well.

So I think you'll see a significant growth in the numbers. The XLUUV is a perfect example of that. Orca is in the final stages of testing for its IOC, for example. We'll have additional for those once they're fully manufactured and deployed out to sea.

Ms. JACOBS. Great. Thank you. Well, I just want to make sure that this approach outlives the current senior leadership at the Pentagon. We have seen great programs fail when leadership changes and that given the recent issues that have come up with the Air Force and the F-35 that we make sure that the Navy has control over the architecture and software of these kinds of programs, not the contractor.

The CHAIRMAN. [Presiding.] The gentlelady's time has expired.

Ms. JACOBS. Thank you.

The CHAIRMAN. The chair now recognizes the gentlelady from South Carolina.

Ms. MACE. Thank you, Mr. Chairman. I want to thank Secretary Del Toro, Admiral Franchetti, and General Smith for being with us here today.

My constituents have a great appreciation of the importance of U.S. Navy and our Marine Corps. In the low country of South Carolina we make Marines and we're really proud of that.

Beaufort County is home to the Paris -- to Parris Island and the Marine Corps Air Station Beaufort. Our community is deeply supportive of the important work being done to train the next generation of Marines and to defend the homeland.

I would like to use my time today to highlight the importance of these installations and their capacity to play an even greater role in our national defense.

The Marine Corps Air Station Beaufort has the support of the local community. It has excess capacity and room to grow. The number of squadrons has shrunk from nine to five while the infrastructure to support a larger number of squadrons remains.

From my understanding, Marine Corps Air Station Beaufort's location also provides among the largest training areas anywhere on the Eastern seaboard.

So, General, my first question for you this morning is do we have plans to expand the mission set or number of squadrons stationed there?

General SMITH. Congressman, we don't have plans right now to expand the number of squadrons there but we will modify the number of aircraft and those aircraft will increase squadron sizes from 10 to 12.

Ms. MACE. And then what's the timing of that implementation?

General SMITH. I'll get back to you on that, Congresswoman, to give you the exact details and dates.

Ms. MACE. Okay. My understanding is it starts in a few months delivery of some of the newer aircraft on that installation. Currently, Parris Island lacks the on-base medical facilities, personnel,

and capabilities required to efficiently treat recruits who are injured in training.

Under the current model the naval hospital in Beaufort provides only ambulatory care and so many of the recruits are required to secure outside treatment, and we know that if their treatment is prolonged and off the installation they're more apt to maybe not return back to training and we want to make sure that they get the immediate care that they need.

Would building an on-base multipurpose medical facility at Parris Island and a smaller clinic at Marine Corps Air Station Beaufort help our Marines get appropriate medical care? What is your sort of sense of medical care for our Marine recruits in their training?

General SMITH. Well, Congresswoman, I'm committed to making sure that all of our recruits East Coast and West Coast have adequate medical care and I defer to our Surgeon General -- Navy Surgeon General on the allocation of resources and medical providers to ensure that our recruits have what they need because right now there is a lack of medical readiness at Parris Island and I acknowledge that.

Ms. MACE. And some of it are -- some of it might be related to chronic staffing shortages like at the naval hospital. Have you all had discussions about that and been aware of maybe some of the high turnover as well?

General SMITH. Congressman, we have -- I speak with Admiral Miller, who's the Surgeon General for the Marine Corps, on a -- literally right now almost on a daily basis.

Ms. MACE. Is there -- are there plans to increase recruitment of medical personnel to treat our service members at this time?

General SMITH. Ma'am, I'll defer to the Navy on recruiting Navy personnel.

Ms. MACE. Okay. I appreciate that.

So Marine Corps -- I have a minute and a half left -- the Marine Corps Air Station in Beaufort has experienced a housing crisis.

We have a military population of around 12,000 in Beaufort County. There were only 1,140 units -- housing units at Marine Corps Air Station Beaufort and approximately 960 of those units are occupied with the less -- the rest being unlivable or in disrepair.

I'm sure you're well aware about these units. They were built in the 1960s. They have not experienced significant upgrades or increased volume since construction so, obviously, this is an issue that I hear about day in and day out from folks in the low country and in Beaufort.

What are we doing to ensure our Marines and their families in Beaufort have access to safe, quality, and affordable housing while they're stationed there?

General SMITH. Well, ma'am, the on-base housing is in need of refurbishment -- that there's no doubt about that. Our budget calls for an update in our FSRM (Facilities Sustainment, and Restoration and Modernization), which is our barracks -- facility sustainment restoration modernization -- and it calls for ensuring that there's enough quality housing on base to satisfy the needs, which right now it's not.

So the increased budget will assist us in improving the housing that is there and then others will live out in town based on cost of living allowance.

Ms. MACE. Okay. And is there any movement afoot to look at the contractors and who we're using down there to improve the quality of construction and maintenance?

General SMITH. Yes, ma'am, there is.

Ms. MACE. Okay. All right. Thank you so much, Mr. Chairman. I yield back.

The CHAIRMAN. I thank the gentlelady.

The chair now recognizes the gentleman from Massachusetts, Mr. Moulton.

Mr. MOULTON. Thank you very much, Mr. Chairman.

General Smith, the Marine Corps, has attracted a fair number of critics for the speed of your modernization including even some from our own ranks, retired generals and whatnot.

Why is the Marine Corps moving faster with modernization than the other services?

General SMITH. Congressman, there's a couple reasons. One, we have a commandant and when the commandant says move Marines move.

But it's not just based on my assessment. It's based on deep research, deep wargaming, deep analysis, and it's in compliance with the National Defense Strategy. So our modernization efforts under the name of Force Design are designed to make us the most lethal and most ready for the fight that's coming, not for the fight that we just had.

Mr. MOULTON. Well, some members of Congress got together and wrote an op-ed in the Wall Street Journal some months ago when this debate was at its height and it was extremely supportive, of course, of what you're trying to do.

But we did have one criticism, one criticism in the whole article. We said, if anything the Marine Corps should be moving faster. Now, your plan is to maintain momentum. That's the title of your current plan.

But the chairman of the Joint Chiefs says we need to accelerate, change, or lose. What can the Marine Corps do to move even faster with modernization and what can Congress do to help?

General SMITH. Congressman, the steady reliable funding is really important. Frankly, when we go into -- and this is not to criticize but when we go into --

Secretary DEL TORO. Continuing Resolutions.

General SMITH. -- Continuing Resolutions -- thank you, Mr. Secretary -- when we go into Continuing Resolutions we cannot spend at that year's rate. We have to spend at last year's rate and our -- all of our advancements are in the current year. So it retards our process and it retards our progress and it slows us down.

Mr. MOULTON. Well, I would just say that if there are any more specific things that you can come to us and say, you know, if we do this we can move even faster. We can get rid of the old stuff more quickly.

We can invest in the new things and field them to the troops even more quickly than we are today. There's going to be a lot of receptivity for that on this committee.

Admiral Franchetti, a lot of my colleagues talk about a 355-ship Navy. Do you think that's a reasonable goal?

Admiral FRANCHETTI. I do. I think every study, really, that we have done since 2016 shows that we do need a larger Navy and, you know, we're committed, as we said, and through all of our investments in the industrial base that it isn't just about the numbers.

It is about having ready ships with the munitions, with the right number of people, with the training, you know, that can fight as part of that joint warfighting ecosystem that we need to be able to do in the high end fight.

Mr. MOULTON. I've heard nothing but good things about you so it's not really fair to have my first question to you be a bit of a trick question but I'm very concerned about a 355-ship Navy because I think we should probably add a zero to that or maybe two zeros because if we don't have a Navy that has literally thousands of autonomous ships I don't know that we're going to win the future fight.

Admiral FRANCHETTI. I'm very focused on increasing our abilities in the unmanned space. You know, I think that as you look forward we really need to have that complementary force that will be able to expand the reach and the lethality of our conventionally manned platforms. That's what we need to do in the future and I'm committed to focusing on that, growing that as quickly as possible.

Mr. MOULTON. General Smith, one core component of your strategy with Marine littoral regiments is being able to put these Marines on places like islands in the Philippines so they're spread out, they're dispersed, they're autonomous. They can do a lot to disrupt Chinese plans.

But, of course, that's dependent on having these agreements with nations like the Philippines, perhaps Japan as well. What are you doing to foster those agreements and actually get Marines practicing what you preach?

General SMITH. Congressman, we're exercising with our Filipino allies on a regular basis. We just finished Balikatan, the largest one ever, involving thousands of Marines. And so our ability to exercise throughout the southern Ryukyus, the Japanese home islands, and the Philippines is without question. We have a very hospitable host in the Philippines.

Mr. MOULTON. Finally, Mr. Secretary, you know how important mental health of our service members is to me personally and having worked with a fellow veteran to pass 988, can you just tell me at this point is 988 dialable from -- without a prefix without a postfix, from all unclassified DOD telephone systems in the Navy and the Marine Corps?

Secretary DEL TORO. Congressman, I can't confirm that it's dialable for every single one but what I will tell you is that the marketing campaign that we have put into effect to actually have the 988 posters throughout every installation is extraordinary and I have visited many --

The CHAIRMAN. The gentleman's time has expired.

The chair recognizes the gentlelady from Virginia, Mrs. Kiggans.

Mrs. KIGGANS. Thank you to our panel for being here. It's certainly a privilege to be in the same room as the three of you.

We have done a lot of talking today about the number of ships and how this fiscal year '25 budget takes us down to 287 decommissioning ships prior to their expected service life, decommissioning more than we're commissioning, slowing the aircraft carrier builds, you know, having the submarine build.

So I'm just worried about the -- you know, that message that's sending to our allies. We have got this great AUKUS agreement in place. We're excited about it.

Also, to our shipbuilding partners -- we talked today about the number of ship repair and I've got them in my district in Virginia, too, that message that that sends to them. They can't keep their people. I know Continuing Resolutions is part of it. It's frustrating to me, too, and I know that defense budget is always inadequate.

But what are we doing or what can we do to be more reassuring to partners like -- allies like Australia or people we need in the fight like our ship repair and shipbuilding industry?

Secretary DEL TORO. Thank you, Congresswoman.

I think the biggest thing we can do is actually reaffirm the commitment just in this FYDP alone that we're investing \$18 billion in the submarine industrial base to actually try to increase the production rates to where they need to be so that we could actually build more submarines well into the future.

Mrs. KIGGANS. Along those same lines, just talking about messaging and getting our message to our partners like allies and ship repair shipbuilders, for the recruitment and retention side I know we have talked about that today, too, and I had the privilege of sitting on the recruitment and retention Quality of Life Task Force. I hope you all have copies of the bound book that we put together.

My ask yesterday to the Secretary of Defense was just to get that word out to the American public. I need them to know that Congress hears them, that we have emphasized things like paying compensation in housing, child care, health care, spouse employment.

I need that message to get to them. So whether that's a PR campaign or -- and kudos to the buildsubmarines.com. I've had multiple people in my district come up to me and say, hey, we have reached out to -- we saw the ad. So I think those things work so let's get that message out to the American people that we heard them and we're taking care of our military men and women.

Secretary DEL TORO. Nine thousand new applications just this past year, ma'am.

Mrs. KIGGANS. Awesome.

Secretary DEL TORO. And retention is as high as it's ever been in the Navy and the Marine Corps thanks to your investments in quality of life, quality of service.

Mrs. KIGGANS. Always room for improvement, and we need to keep down that track.

I want to switch gears to naval aviation, a subject near and dear to my heart as a former Navy pilot. But, you know, I look at programs like the A-12, like the F-22, and we can ask a lot of questions about if we should have done some things differently.

I'm looking at the F-35 right now and yesterday we talked a lot about that expense and how it continues to grow. We have quite a few that are still sitting in flight lines. They're not -- we don't have pilots in cockpits yet.

I want to put in my plug for Naval Air Station Oceana in my district and how -- and I know, Secretary, we have had discussions too about considering them East Coast master jet base so that we can house the F-35s. The city of Virginia Beach is very welcoming to the idea and I look forward to pursuing further discussions about that.

Along those same lines, though, thinking of naval aviation training and, again, my son is now in Corpus Christi. Very proud of him. Started the pipeline, but that wait -- the wait for those students is too long.

We have invested in them from assessment training. They're sitting. They're waiting for starting primary. But now we're looking at the T-45s. I know we had recent compressor stall issues. This is the second time that we are now halting, you know, training on the T-45.

So I need the Navy to have some foresight and to think about what that replacement aircraft looks like for advanced jet training because this isn't our first go round with this. We have options out there. So I want to hear from you all what is the time line for replacing that T-45.

Secretary DEL TORO. So, ma'am, as you know, we're actually several years from replacing the T-45 but we're accelerating the necessary work to actually try to move that to the left so that we can actually get the next generation of trainers out there and have it be reliable.

Mrs. KIGGANS. It can't happen fast enough because when those guys are delayed then I got the Hornet RAG at Oceana delayed and I got fleet pilots that are then being held up. So as much as we can expedite that.

And then I also just wanted to close with a story. I had the privilege of traveling to Israel about three weeks ago, meeting with military intelligence officers, dining with just everyday Israelis and families and listening to them thank me as the representative from Hampton Roads, thanking me and all of us for sending our aircraft carriers -- the Ford, the Eisenhower, the Bataan -- over to sit off the coast of Israel in our quick response after October 7th.

They truly believe, each and every Israeli I spoke to, that because of our aircraft carrier presence that is why Hezbollah did not invade Israel from the north. I had Israeli families dining with their children skipping around the room saying, I want to go on the aircraft carrier -- I want to go on a aircraft carrier.

So I was the representative that received phone calls when we extended those deployments, when they missed Christmas with their families, when they missed the birth of their first child.

But because of those service men and women, because of our U.S. Navy, you know, we maintain some civility and some peace in that region. I've shared that story with the ship repair shipbuilders, with Navy leadership. But please take that story back to your men and women. We know it's a sacrifice but we appreciate their sacrifice and that's what keeps the peace in the world.

So thank you so much for all that you do. I yield back.

Secretary DEL TORO. Thank you, Congresswoman.

The CHAIRMAN. I thank the gentlelady.

The chair now recognizes another lady from Hawaii, Ms. Tokuda.

Ms. TOKUDA. Thank you, Mr. Chair.

Mr. Secretary, thank you for your continued personal attention to Red Hill and the significant work the department is doing to get things right after the November 2021 fuel spill.

As the Navy assumes responsibility for the closure of Red Hill I respectfully request your focus as well on the necessary work to remediate and restore the aquifer and ensure the long-term safety of our water supply.

There's a lot of concern among our communities and constituents that our department continues to view the Red Hill problem set in sequential order, moving from defueling to closure to remediation, when elements of closure and remediation should be done concurrently.

Mr. Secretary, in the interest of time I won't ask you to respond but would strongly encourage the department to urgently prioritize aquifer restoration and remediation efforts for Red Hill.

I will go on to say, though, that there continues to be gaps in community trust and this is a broken trust, as we know, in the department's ability to guarantee the health and safety of their drinking water, especially given the uncertainty created by the Navy's testing regime.

The Navy recently released its data supporting the hypothesis that low-level detections of TPH at the Pearl Harbor drinking water system were likely caused by issues with its testing methods.

Mr. Secretary, would you please explain why would the Navy use testing for wastewater and solid waste analysis for drinking water and why did it take two years and over 8,000 samples to figure out that they were not doing the right test?

Secretary DEL TORO. Well, ma'am, the conclusions that were made with regards to testing procedures was a combined conclusion with the president of the health department of Hawaii, the EPA, and the Navy, and, collectively, they determined that chlorine was actually impacting the actual test results with regards to detection

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Ms. TOKUDA. I think you're -- it's the first step to the question.
Secretary DEL TORO. -- of TPH

Ms. TOKUDA. So did the department of health and EPA (Environmental Protection Agency) tell you two years ago to use a test on these 8,000 samples that were made for wastewater and solid waste analysis, not drinking water?

Secretary DEL TORO. Ma'am, the tests that were used at the time were the only tests that were actually available at the time to be able to use and they were actually off the -- they were on the mainland, basically, so we had to actually send all those tests back to the mainland.

Actually, just yesterday I signed a letter to the governor actually saying that we're donating the necessary equipment for Hawaii to actually have its own water testing laboratory in Hawaii.

Ms. TOKUDA. That's great. So you're telling me two years ago when we were suffering from a situation where there was no trust in the drinking water because jet fuel had been poured into it we were using the only test available.

So there was no test available for drinking water. We were using a test on these samples to determine if there was any kind of con-

taminants in people's home that was for wastewater and solid waste analysis. That was the only one available to you in that two years?

Secretary DEL TORO. Ma'am, I am not the subject matter expert on this. But I will say that we were using the test that was recommended to the Department of the Navy and to the Department of Hawaii Health Resources and to the EPA to test those water samples at the time.

Ms. TOKUDA. So would you now say, based upon your --

Secretary DEL TORO. Because if we had -- if we had known of some better test we would have actually been using that test.

At the time I don't think we understood that the chlorine in the water that's used to actually chlorinate all the water across the United States would actually have an impact on TPH detections in the test itself.

Ms. TOKUDA. I'm sorry. If I may just continue my question. I find it also hard to believe that we have the best minds in science and defense sitting in the Navy, also sitting in the EPA, part of our department of health, and they were unable to determine or identify that two years ago when they started these samplings because your men and women and their families were seeing sheens in their drinking water, experiencing massive health impacts, that maybe something wasn't right there in that particular thing.

So I'd just ask you this hypothetical question. I'll flip the switch on you a little bit. I'm assuming that suppliers of ammunition to DOD are required to do regular testing to ensure functionality and lethality.

What if a series of their tests found flaws and then they later came back and said they've been testing the ammo in the wrong way for two years and now everything is okay. Would you trust putting ammo in a soldier's gun knowing it could be the difference between life and death?

Secretary DEL TORO. Ma'am, I'm not a subject matter expert on testing fresh -- on testing drinking water. But what I do --

Ms. TOKUDA. Well, I'm thinking you would want to make sure that the bullets in a soldier's gun actually works. It should be no different when the quality of the water is coming out of a service member and their family's water pipe.

Secretary DEL TORO. I'm quite confident --

Ms. TOKUDA. You could do much more in terms of rebuilding this trust and I will tell you that that was a big lethal blow to the trust of the Navy a few weeks ago when the public got this kind of response.

I'm running out of time here. But given these recent events will the Navy consent to independent third party testing to help track and verify the Navy's testing?

Secretary DEL TORO. I believe we have had third water testing going on different numerous occasions.

Ms. TOKUDA. So you'd allow people to come in and drill holes, collect samples, and do their own independent testing?

Secretary DEL TORO. Those are decisions that have to be made between the Department of the Navy and the Department of Health in Hawaii and the EPA, moving forward.

Ms. TOKUDA. So you're giving me consent that third party independent drilling and testing can take place so that it can be verified and reverified.

Secretary DEL TORO. I believe we have had third party testing in the past.

Ms. TOKUDA. Okay. That is not the understanding I have but I'm glad to hear that we have the consent of the Secretary to go ahead and allow them to --

Secretary DEL TORO. I said that we have had --

Ms. TOKUDA. My time is up. I yield, Mr. Chair.

The CHAIRMAN. The gentlelady's time has expired.

The chair now recognizes the gentleman from Florida, Mr. Gaetz.

Mr. GAETZ. Mr. Secretary, I want to personally thank you for your involvement in Naval Air Station Pensacola to unlock the great potential of our naval museum with some changes to the gating system there.

This was a sticky wicket for us for years and because you took the time to go there and really understand that mission we were able to achieve greater success, and I think it's because you get it.

I think you understand that unlocking the imagination in the minds of young people when they interact with our museums and with our demonstration teams that's a critical vector in the recruiting crisis that we're all dealing with. So I'd love you to share your perspective on that with the committee.

Secretary DEL TORO. Thank you, Congressman. I always try my very best to get to the core problems that we face and try to fix those problems so we can make our Navy and Marine Corps a stronger team and actually trying to gain greater access to all of our museums but particularly that museum, which is so very special to the community -- the aviation community and to the entire Department of the Navy is critical so that young people -- high school graduates, community college graduates, grammar school students -- can actually go and see what the Navy is all about.

It is important, and I'm glad that we have been able to make progress in actually opening up the museum to a greater number of people in the region.

Mr. GAETZ. And I must confess you may become a victim of your own success here because I have a similar problem that I think you'll see in a similar way.

The Blue Angels, as they travel around the country and travel around the world, they ignite a sense of optimism about the Navy and adventure, and we are so proud in Pensacola to be the home of the Blue Angels.

But some of the conditions of our hangar systems have fallen into some disrepair following Hurricane Sally and so we're working right now with your office to try to get the right alignment of PD&E funds to get a new hangar system for the Blue Angels.

But I wanted to make sure that you saw the Blue Angels similarly like you saw the naval -- the museum promoting all that is good and right in the Navy to get more young people excited about it. Is that something we can work on?

Secretary DEL TORO. Absolutely, Congressman. I think the CNO would agree that the Blue Angels bring tremendous value to our recruiting mission.

Mr. GAETZ. Yes. Great. And, you know, we want to just make sure, you know, that they've got the right digs. I think, Admiral, I'd invite you to come down and spend some time with us in Pensacola as the Secretary has, the cradle of naval aviation.

But you would likely walk away from that experience deeply concerned that there are buckets that are having to collect rainfall, which we occasionally get in Florida, inside the hangar system, not outside.

And so I would encourage you to come join us because we certainly would want our greatest demonstration of naval capability to be able to have the right accommodations to be able to do the mission.

Admiral FRANCHETTI. Thanks. I look forward to coming down and visiting.

Mr. GAETZ. Yeah. Well, see, and I'm inviting you to a beautiful place. You know, not all the people on this committee are from beautiful places like northwest Florida. So I certainly hope you'll take us up on that opportunity.

In my remaining moments I want to talk a little bit about the LCS. The ranking member has sort of convinced me that the littoral combat ship make sadly, tragically in some circumstances, turn out be just an aquatic casket in a world in which we are unable to have sufficient air defense for those while China is shooting hypersonic missiles at them in the event of a Taiwan scenario.

Is there a fight that we can imagine now in great competition where the LCS (Littoral Combat Ship) will even get in the fight, Mr. Secretary?

Secretary DEL TORO. Very much, Congressman, and actually we're taking the necessary steps. Right now we have added the naval strike missile to six of the LCSes, for example. By '26 we hope to have them all on the Independence-class and then on the Freedom-class by 2032 -- excuse me, I have those reversed, right. But we plan on putting --

Mr. GAETZ. Would that provide hypersonic air defense?

Secretary DEL TORO. The hypersonics you won't be able to put it on an LCS.

Mr. GAETZ. Right. So that's my worry.

Secretary DEL TORO. But you can put -- you actually can fire SM-6 from mobile launchers off the decks and that's something that we have already experimented with and have proven out successfully. So the fact that we could actually be able to fire an SM-6 from an LCS is actually very, very positive.

Mr. GAETZ. We're doing that now?

Secretary DEL TORO. Yes, sir. Yes, sir. We have already expended --

Mr. GAETZ. And we're confident that that would be a sufficient capability to defend against an offensive hypersonic system from China?

Secretary DEL TORO. Well, it'll make it that much more defensible, that's for sure.

Mr. GAETZ. I don't know. I don't know. I hope that's right but I really worry that we have adopted this theory that just more is better on some of these platforms, and if they're not relevant to the

fight because they can't get into the fight I worry about how many of them we should buy and how many of them we should build.

Did you have a perspective on that, Admiral?

Admiral FRANCHETTI. I mean, the LCS performs, you know, a pretty critical mission for mine countermeasures, you know, and we're moving forward with that package. I think, you know, that is a very important mission that we do.

A lot of our allies and partners do that, too, so being able to integrate that capability is critically important. Again, there's a lot of different scenarios that we might encounter so having multiple tools in the tool bag is very important.

Mr. GAETZ. Okay. Well, demining is a far more constrained concept than we'd originally had for the LCS. I don't know that it's able to achieve all those goals.

Thank you, Mr. Chairman. I yield back.

The CHAIRMAN. I thank the gentleman.

The chair now recognizes the gentlelady from Virginia, Ms. McClellan.

Ms. MCCLELLAN. Thank you, Mr. Chairman.

I wanted to follow up on your discussion with my landlocked colleague Mr. Banks about climate change and I want to talk about the impact that climate change has on readiness, operations, infrastructure, our forces and their families.

Naval Station Norfolk is the largest naval installation in the world and is located in a city that has the highest rate of sea level rise on the East Coast.

Recent projections show that it will face one major flood a year and a minor flood every week. Meanwhile, we are seeing record-setting heat waves in the Pacific Northwest.

Can you discuss how sea level rise, recurring floods, more frequent and destructive hurricanes, record-setting heat waves -- discuss the impact that they all have and will continue to have on readiness, operations, our naval infrastructure, our service members and their families?

Secretary DEL TORO. Yes, ma'am. First and foremost, climate -- installation readiness is combat readiness. If we can't deploy or if we can't house our ships safely in ports and deploy them safely then we have a bigger problem, right, and so mitigating -- making the investments in order to mitigate the negative effects of climate change are extremely important in all our ports across the entire United States and we're seeing the dramatic challenges that that brings.

And so greater investments in moving the utilities to the right places so that they're not negatively impacted by the rising sea levels is incredibly important. How you construct the piers themselves, for example, and where you put the utilities on those piers is extremely important. And so, again, installation readiness is combat readiness and perhaps the CNO can comment more so on the operational side as well.

Admiral FRANCHETTI. Yeah. I think, you know, one of the things, you know, that we look for as we're designing our new platforms is making sure from an operational readiness perspective that they have the ability to operate wherever they need to be able to oper-

ate. And so, again, having the right facilities where we can pull them in is critically important.

Ms. MCCLELLAN. And corrosion has an impact on metal and an impact on ships and ship readiness as well, and record-setting heat waves have an effect on our sailors and our corpsmen, correct, and their ability to do their job and the health and their readiness?

Secretary DEL TORO. Very much so, Congresswoman. It's having an impact on unaccompanied housing as well, too. Look, we for decades have made -- the Congress has made really impressive investments in family housing but we haven't invested in unaccompanied housing to the extent that we should.

We're correcting that now. We're doing that, moving forward, and I think our sailors and our Marines appreciate that, given the high retention rates that we have seen in the Navy and Marine Corps.

But it's still a huge challenge in areas of high humidity. So whether it's Key West, whether it's Parris Island, other places like that, San Diego as well, too, you know, these are the places we have to pay even more attention to, quite frankly, to be able to get them up to the standards where they could resist the humidity.

Ms. MCCLELLAN. And to put a finer point on that, increased temperatures and increased flooding and increased moisture leads to increased mold in our --

Secretary DEL TORO. Yes, ma'am.

Ms. MCCLELLAN. Thank you. Now I want to focus on the readiness of the Navy for a possible conflict in the Indo-Pacific region and discuss our overseas repair capability.

My staff recently traveled to Japan to meet with security partners there who expressed concerns that shipbuilding and repair capabilities are located almost exclusively in the United States and that in case of a war or a conflict this would severely restrain our combat capability if we have to send the ships all the way back to Hawaii or San Diego for repairs.

What is your assessment of this risk and what are the department and the administration doing to ensure robust repair capabilities are available in the Pacific should a conflict break out?

Secretary DEL TORO. Well, thank you, Congresswoman, for that question.

It is, indeed, a combat-related question. I mean, if we find ourselves in conflict and we suffer damage, which is inevitable, we will be able to have to send those ships back to the closest depot necessary to be able to repair those ships.

So what we're asking of the Congress this year, basically, is to authorize us up to six continuous maintenance availabilities of less than 90 days so that we can then now go and assess which foreign shipyards will be able to do this work effectively during times of peace.

I hope we never have to go to war but if we should have to go to war we will then have full knowledge of which shipyards in what countries we could actually send these ships to be able to do the damage repair that is going to be necessary.

Ms. MCCLELLAN. Thank you, Mr. Chair. I yield back.

The CHAIRMAN. I thank the lady.

The chair now recognizes the gentleman from Georgia, Mr. McCormick.

Dr. McCORMICK. Thank you, Mr. Chair.

The CHAIRMAN. I was out of line. I saw Mr. Fallon came in ahead of you. I apologize.

The gentleman from Texas, Mr. Fallon, is recognized.

Mr. FALLON. Dr. McCormick denied.

[Laughter.]

Mr. FALLON. Thank you, Mr. Chairman. I appreciate it.

Okay. So, Mr. Secretary, thank you, and General and Admiral, thank you for being here.

The thing that I come back to, and we had a discussion about this last year, is the recruiting crisis so -- and I apologize because I was at my office and missed a little bit of this testimony.

But, Mr. Secretary, do you believe that the recruiting crisis is an existential threat to the republic?

Secretary DEL TORO. I think it is, across the entire nation. In fact, we need more blue collar workers. We need more young men and women actually who are willing to come into our armed services across the board and serve.

Mr. FALLON. No, I think it -- ironically and, oddly, it's refreshing to hear that because we're not going to solve a problem unless we really understand the gravity of it and thank you for that.

And so I was looking at the statistics from all branches but particularly I was going to talk about the Navy today -- that we missed their goals last year by 20 percent, about --

Secretary DEL TORO. Yes, sir. We had a -- we actually fell short. The beginning of the year we thought we'd be at 17,500. We ended the year at 7,500. This year at the beginning of the year we thought we'd be short about 16,500 and we'll probably end, perhaps, at 6,400 or less.

But we actually increased our goal that year to 40,000, which is important to note. You know, we want to make up for the shortages from previous years so we can reduce the number of gaps that we have at sea.

Mr. FALLON. Yeah, because this happens every once in a while and where -- but it's an anomaly and it's just a year and then the next year, and you can mitigate some of that, of course, with retention as well.

But what I'm alarmed about is when it's year over year and it's -- of course, at least with the Navy it's going to be two years in a row. With the Army it's been three years. But, of course, the Marine Corps always meets their recruiting goals. They have the best commercials. What are you going to do?

But, you know, look at the Navy/Marine guy over here that was -- the Air Force won this one, by the way.

[Laughter.]

Mr. FALLON. So what can we do? What new innovative ideas can we use, Mr. Secretary, to mitigate this and really end it? Because I think that's what we're after here is if it's been three --

Secretary DEL TORO. Yes, sir.

Mr. FALLON. -- three unsuccessful years with the Army and two with the Navy we need to do something differently. What do you think those things should be?

Secretary DEL TORO. So please understand it's been an all hands on deck effort across the board --

Mr. FALLON. Okay. Good. Good.

Secretary DEL TORO. -- and the CNO can talk specifically to some of the measures that we have taken. But it is all hands on deck and we're actually putting a call out to the maritime service across the board as well, too.

Admiral FRANCHETTI. Thank you. And I agree, recruiting is really an existential threat so we're kind of taking a two-pronged approach. One is, first, to approve the recruiting enterprise itself. So the Navy just put a two-star admiral in charge of recruiting.

Mr. FALLON. Good.

Admiral FRANCHETTI. We have also adopted a thing that we use in aviation for aviation operations, maintenance, understanding what's going on with each type model series. We're looking at -- we have a recruiting operations center now to look at what's going on with each one of our recruiting centers, each recruiter, because it's really about throughput per recruiter, and how do we need to improve their ability to recruit.

The other thing, as the Secretary mentioned, you know, we had taken a 60 percent manning cut to man at 60 percent in our recruiting centers when we put more people at sea. So we actually had reduced our recruiting force by the end of May. We should have that fully restored so we'll be able to do that.

I think on the other side --

Mr. FALLON. Well, Admiral, I -- sorry, I don't make it a habit to interrupt flag officers. I apologize for that.

But I really want to emphasize we need it to be measurable as well. And also a question -- when we have excellent recruiters are they allowed to stay within the recruiting command?

Admiral FRANCHETTI. Yeah. We have a career recruiter first, yes.

Mr. FALLON. Okay. Good. Okay. So they can do it for -- because that's the thing I don't want is somebody highly successful and then they leave, and I would gently suggest that we build everything around recruiting right now. I mean, make sure that they're manned and then build. That should be the first thing. Again, just to --

Admiral FRANCHETTI. Right. That's how we get our seed corn. We really need to make those investments.

Mr. FALLON. Yeah. And, you know, I was thinking about as far as the Navy you're on all the planes. You're under the water. You're on the water. You're in the air. You're on the ground. You're in space. I don't think any other branch can say that.

Secretary DEL TORO. And always forward.

Mr. FALLON. Right. But because of that I would imagine that you would recruit the submariner differently than you're going to attract somebody to, say, go into the Special Ops and SEALs or somebody who's going to cyber or intel or service fleet, and I just wanted to touch on that a little bit and ask you what are -- what field or expertise has been most hit by recruiting -- the recruiting crisis?

Secretary DEL TORO. Actually, the medical profession. We're having a really hard time in the medical profession and also recruiting in the nuclear field as well, too, because we just don't have enough students and colleges that actually go into those studies.

And so we're having to work at a younger age in the case of the nukes actually trying to encourage high schoolers to actually go

into the nuclear field, and you know the problems that exist in recruiting health professionals across the board.

Mr. FALLON. Sure. And I'd just like to, again, gently ask and politely ask maybe with the recruiting stuff, a quarterly report given to this committee would be wonderful for us because there's a role for us to play as well and we want to give you the resources to succeed.

We just want a measurable and think outside the box because we have got to take care of this. None of us want to go, dare I say, to a draft and if we're going to --

[Simultaneous speaking.]

The CHAIRMAN. The gentleman's time has expired.

The chair now recognizes the gentleman from North Carolina, Mr. Davis.

Mr. DAVIS. Thanks so much, Mr. Chair, and to the witnesses. Good afternoon to you.

Mr. Secretary, we spoke last year about expediting toxic water claims processing for those veterans as a result of the Camp Lejeune situation.

Mr. Secretary, what's the estimated time line now that you would forecast in getting claims heard, in particular with the elective option then in place?

Secretary DEL TORO. Yes, sir. It actually depends on how quickly the claimants themselves actually completely fill the paperwork online. We have made tremendous progress and investments, because this is very important, to the Department of the Navy, to the Department of Defense and to the president of the United States, actually.

And so we have 190,000 claimants, basically, that have now signed online but many of them actually haven't completed their full regiment of paperwork necessary to be able to process those claims.

But we are moving extremely fast once a claimant actually submits all the necessary documentation, all the necessary paperwork, to make them the offers that they so deserve.

Mr. DAVIS. From the time that a completed claim is submitted what would you estimate --

Secretary DEL TORO. I'd have to get back to you specifically on the amount of time. We do the analysis on those that have fully submitted their paperwork and I do know that out of the ones that have fully submitted their paperwork, for example, some have actually taken time to consider the offers that have been made.

And so we can provide you all the specific statistics associated with the --

Mr. DAVIS. There was a report that was due in January on the 1st. When do you anticipate that report?

Secretary DEL TORO. I'll have to get back to you on where that report is, Congressman.

Mr. DAVIS. Okay. In eastern North Carolina there's a growing need for employment opportunities that can provide young people with careers. I've recently facilitated a meeting between representatives from the Newport News Shipyard, community colleges in North Carolina, and workforce development officials from across

our region to collaborate on these opportunities in our part of the state.

Mr. Secretary, is there a pool -- I mean, we know there's a pool of existing talent that's going to exit the Navy in particular. They're separating for whatever reason.

How can we better assist in particular service members that we know are exiting through the transition assistance program in these certain critical areas that are important for our national security still?

Secretary DEL TORO. Congressman, first and foremost, my goal is to keep them in, obviously --

Mr. DAVIS. Understood.

Secretary DEL TORO. -- and so we're trying our very best and actually retention has been the highest. It's been historic, actually, for both the Navy and the Marine Corps. So we're doing our job well and providing necessary quality of life, quality of services, necessary to keep them in.

But I think you raised an important point and one of the things that we have been talking about in this call for maritime services for those individuals that do depart actually how could we actually guide them to work in our shipyards is one example.

You know, we have a very robust NavalX program in North Carolina, for example, that helps private industry in North Carolina work with the Department of Navy and that's part of that as well, too.

Mr. DAVIS. Yeah. Mr. Secretary, obviously, we want to continue to keep them in but, obviously, there's a point in time where we know the separation is going to occur and that's what I was really highlighting. You know, when we know it's going to occur now we're -- it's a matter of transitioning.

So, you know, that's definitely something I think we have to continue to think through, in particular our transition assistance programs --

Secretary DEL TORO. Yes, sir.

Mr. DAVIS. -- because that still can be the pipeline to secure our national security. So I appreciate that.

Secretary DEL TORO. Yes, sir.

Mr. DAVIS. Elizabeth City State University is an HBCU in my district. There's a growing aviation program, the only four-year aviation sciences program in North Carolina, that's on track to growing and increasing this capacity.

They're looking to build additional aviation hubs, in particular, Marine Corps Air Station Cherry Point being one of the locations. This program could provide a pipeline of pilots to the military. So I'm trying to get them in, too, not just concerned about the transition. We're trying to get them in as well.

How can the Navy collaborate and leverage programs like this at universities like Elizabeth City State University and other HBCUs to alleviate pilot shortages?

General SMITH. Well, Congressman, I don't -- I'm not familiar with Elizabeth State University but I'm going to be by tonight, and my commanding general of the Marine Corps Recruiting Command is going to be by tomorrow morning.

[Laughter.]

Mr. DAVIS. Well, good.

General SMITH. And we are -- because we are looking for pilots. We are looking for pilots.

Mr. DAVIS. All right. Well, from this airman to the Devil Dog I say hooah. I yield back, Mr. Chair.

The CHAIRMAN. I thank the gentleman.

The chair now recognizes the doctor from Georgia, this time for real.

Dr. MCCORMICK. Thank you, Mr. Chair. I appreciate you.

It's interesting -- when you talked about recruiting just recently I wasn't planning on talking about this but a couple of things came to mind.

When we forgive student debt, for example, and we have people who never went to college paying for people who did go to college who then had their debt forgiven, where's the incentive to give away scholarships for the military when we're recruiting it their college is already paid for free? Where's the incentive to motivate people to go into medicine or anything else when they don't incur debt otherwise?

We have to remember that this is an incentive-driven society and that we are a all-volunteer force and I think we have to realize that in our recruiting force.

Secondly, I think when it comes to our enlisted folks when we recruit we always have to go after the warriors, which means we recruit on the right stations at the right places with the right message.

The sergeant major of the Army -- the former sergeant major still owes me a hundred pushups because I told him he was barking up the wrong tree by going after the recruiting venues that they were using.

I like the Marines -- I may be a little biased. I may have been involved in something like that. But when you talk about the few, the proud, the Marines, and it is about a warrior ethos that's why we make our quota because we recruit the right people for the right mission and that's what we should focus on.

With that said, we do have a mission and it's all over the globe right now. One of the things that we're having a hard time delivering is our people to the right place at the right time with our amphibious shipping, which we're obviously in a shortfall right now.

I know we're trying to reallocate for a mission all over the world, a diverse mission, which I understand we have limited funds for. Do you think we're going to be able to fix this?

Are we shifting away from this amphibious warfare model or are we going to reinvest in expanding our amphibious fleet so we can meet the needs of the Corps and the Navy?

Secretary DEL TORO. By no means imaginable, Congressman. We are fully dedicated to a strong and robust amphibious fleet. Just in this budget alone we have reinserted three LPDs in '25, '27, and '29.

We actually moved LHA(Landing helicopter assault) 10 to the left by two years, and so we're fully committed and that commitment has to continue well into the future as well, too, with bringing on the LSMs that the commandant mentioned earlier as well, too. Our Marines need to move around long distances in the Indo-

Pacific as well as island to island and we need to give them the capabilities to do so.

Dr. MCCORMICK. Do we think that we're on -- what kind of time line before we start to catch up to that curve that we're obviously behind on right now? We're struggling to meet our needs.

Secretary DEL TORO. I think as long as we remain steady on LPD production, for example, we're going to be okay. The production lines down in Pascagoula are not as challenged as they are in the submarine community and up north as well either and so they're being able to deliver these ships pretty much on time and on budget a few months delayed but not, certainly, years delayed.

Dr. MCCORMICK. Great. I'm aware that the Marine Corps in fiscal year 2024 has requested for -- to reinstate a couple 53 kilos, those beautiful magnificent birds that they are, near and dear to my heart. It seems like just two helicopters. What kind of impact does that have on the fleet when we talk about two helicopters?

General SMITH. Congressman, two helicopters is significant for us and to answer your question it's about the CH-53K, which is an incredible platform that can lift itself. It can literally lift itself.

It is the only heavy lift -- true heavy lift helicopter in the DOD inventory in-flight refuellable and can lift itself. It can lift 48,000 pounds external, which is stunning.

So I'm committed to making sure that our fleet of CH-53Ks is robust and is fully outfitted.

Dr. MCCORMICK. Thank you. And I love the picture recently of the 53 Kilo with a slung low F-35, aerial refueling nonetheless. I hope to be on the next one of those ops.

Speaking of air, Osprey. Still very concerned about the delays in getting them back up online. Obviously, we have seen what's happened in AFRICOM (Africa Command) with the waiving, you know, and I still think it's a safe aircraft. Incredible safety profile, considering its new technologies.

But where are we at in getting them back to work at full process, getting our pilots up to speed so they can be proficient at what they do best?

General SMITH. Congressman, the MV-22, as you note, is -- it's our workhorse. We're always looking to modernize this asset. But we have been flying it in combat and in training since 2007.

It's got a safety record consistent with all other platforms and its return to flight has met the standard by NAVAIR. So we are returning it to flight. We're going through day check rides, night check rides, and getting it back in the fight.

Dr. MCCORMICK. Got you.

With that, I have five seconds to say Semper Paratus. Welcome back to the fight. Oorah.

General SMITH. Oorah, sir.

The CHAIRMAN. I thank the gentleman.

The chair now recognizes the gentleman from New York, Mr. LaLota.

Mr. LALOTA. Thank you, Chairman.

Mr. Secretary, good to be with you today, sir. Our Navy-Marine Corps team is the most lethal fighting force for good the world has ever known. Would you agree with that?

Secretary DEL TORO. Yes, sir. Absolutely.

Mr. LALOTA. When he was Secretary of Defense General Mattis would say that the policy decisions made at the Pentagon and made here should be made in contemplation of ensuring that we have the most lethal fighting force the world has ever known in general, would you agree with that?

I'm sorry. In general, Mr. Secretary.

Secretary DEL TORO. Oh, I'm sorry. I thought you were referring to the general, not in general.

Mr. LALOTA. I'll watch my wording.

Secretary DEL TORO. Absolutely, sir.

Mr. LALOTA. And of all the things that make our Navy-Marine Corps team the most lethal fighting force we have talked about a few things today -- SM-2/3/6 shipbuilding, some other equipment, amphibians and whatnot.

But our people -- do our people still remain the biggest component to our success?

Secretary DEL TORO. Without question, Congressman.

Mr. LALOTA. And I'm frustrated because my questions aren't going to be about some of the infrastructure, some of the decisions about where our bases are, and some of the technology we're acquiring, which are rightful endeavors to us -- for us to discuss.

Admiral, do you remember meeting on the floor of the House two months ago or so during the State of the Union? Do you remember our conversation, Admiral?

I'll remind you. It was about status of forces agreements. Do you remember who my guest was at the State of the Union?

Admiral FRANCHETTI. Yes. I think it was Mrs. Alkonis.

Mr. LALOTA. Lieutenant Ridge Alkonis and his spouse, Brittany Alkonis, and I'm hoping that with the hundred years of collective naval service that the three of you have -- combat deployments, command at sea, command at sea even for you, Mr. Secretary -- that you could help with this issue because I think it does strongly relate to lethality.

Twenty-five years ago when I was a midshipman the top of our class at the Naval Academy, of which I was not a part, would select ships in the Seventh Fleet for the most part because that was the most challenging tip of the spear assignments, and our best and brightest and from ROTC and OCS would pick this same because of the challenge of those assignments and the specter that if we, as a Navy-Marine Corps team, were in the biggest part of the fight it would likely be in that part of the world, and that was in the year 2000.

Now, 24 years later, it's much more apparent that if our Navy-Marine Corps team gets called into the biggest fight it's likely to be in that part of the world, and because of the weaknesses of our status of forces agreement specifically with Japan less folks are seeking orders to Japan because they're inferior -- our status of forces agreements.

In the case of Lieutenant Ridge Alkonis, real briefly, while traveling down Mount Fuji with his family he innocently because of mountain altitude sickness lost control of his vehicle. No drinking or drugs involved. Lost control of his vehicle which tragically resulted in the death of two Japanese nationals.

The Japanese took custody of the lieutenant, denied him a right to a translator, denied him any sort of attorney, sleep deprived him and ultimately coerced him into a confession that resulted in him serving 537 days in a Japanese prison.

That outcome would not have happened likely in Korea or anyplace else where we have status of forces agreements. So my question is this.

Mr. Secretary, I realize this is not in your jurisdiction. I realize that status of force agreements are generally negotiated between the Department of State and that friendly foreign nation.

But, Mr. Secretary, you are in the business of ensuring that we have the most lethal fighting force the world has ever known and the specter of conflict in that part of the world is more real than it's ever been.

Mr. Secretary, can you commit to working with the Secretary of Defense, the Secretary of State and others to ensure that our status of forces agreements in nations like Japan comport with our values, contemplate lethality to ensure that if our men and women are called in to fight in that battle that they can have the confidence knowing that if they're out in town on liberty and find themselves accused of a crime by a friendly foreign nation that they have rights similar to what rights the everyday American citizen have -- would have in America?

Secretary DEL TORO. Absolutely, Congressman. The safety of our personnel in the United States and serving overseas is incredibly important to us and the SOFA agreements are also incredibly important to protect their rights.

Mr. LALOTA. Thank you, Mr. Secretary.

And can you commit to following up in due course, three or six months, to tell me what progress we have made as a Navy-Marine Corps team to ensure that our sailors and Marines in the Seventh Fleet in Japan have better protections, Mr. Secretary?

Secretary DEL TORO. Absolutely, Congressman.

Mr. LALOTA. Thank you. And with the remainder of my time, on behalf of Mr. Waltz with unanimous consent, Mr. Chairman, I'd like to enter into the record his letter to you, Mr. Secretary, regarding his request that those service members at Abbey Gate be posthumously promoted.

The CHAIRMAN. Without objection, so ordered.

Mr. LALOTA. Thank you. I yield, Mr. Chairman.

The CHAIRMAN. The gentleman yields.

The chair now recognizes the gentleman from Colorado, Mr. Lamborn.

Mr. LAMBORN. Thank you, Mr. Chairman.

Secretary Del Toro, the last time I saw you we were under the ice up in the Arctic Ocean, IceX. We were on an attack sub and that was quite an experience.

Secretary DEL TORO. Yes, sir.

Mr. LAMBORN. There's some amazing capability that we field out there.

Admiral Franchetti, I'll ask my first question to you. Over the past several years Congress has appropriated over \$3 billion for the development of the Conventional Prompt Strike CPS(Conventional Prompt Strike) hypersonic missile.

Yet, to date that program has yet to successfully test and all-up RAMP. I understand these testing problems are driving a program replan that aims to field the hypersonic capability on USS Zumwalt by the end of 2025 and the Virginia-class SSN five years later in 2030.

Given the recently reported shipbuilding delays are these platforms on track to accommodate hypersonic capability on this time line?

Admiral FRANCHETTI. Well, thank you for the question. You know, first, let me say how important the CPS capability is. You know, it's extremely lethal, maneuverable, and it's something that we need to have, going forward, and we're in development of that program along with the Army. And so we're committed to developing that, getting that out as quickly as possible, and making sure that we are doing all the proper testing to move that forward.

As far as our platforms go, the Zumwalt entered the shipyard down in Pascagoula now and, you know, she -- I went down to visit her just about maybe a month ago and they are moving fast to get her ready for the CPS Alt and I'm looking forward to getting her out.

And so when she's done that that would be coincident with the missile being ready. The Virginia payload -- we have certainly seen some of the delays in our submarines and, you know, right now, we want to invest in the submarine industrial base so we can increase the cadence and really set the conditions to meet the cadence and delivery that we really need, going forward, and that will be part of that capability.

Mr. LAMBORN. Yeah, let's talk about that. I understand that some critical flight tests for CPS are scheduled for later this year and I'm hopeful that they'll be successful. But I think we're not moving fast enough. Can you please tell us specifically what we can do to increase the tempo or cadence of the testing?

Admiral FRANCHETTI. I think, you know, continuing to work with our testing community, with Admiral Wolfe, with everyone who's involved with this and the Army, you know, they are moving with a sense of urgency and they feel that every single day.

Mr. LAMBORN. Secretary Del Toro, since the October 7th attack on Israel we have seen a steadily deteriorating security environment in the Middle East. One of the hallmarks of that environment is the attacks by Iranian-backed militias specifically using cheap attack drones.

I applaud the U.S. Navy's performance in defending against this threat but it comes at a significant and unsustainable cost long term.

You testified to the Senate Appropriations Committee that the service required about a billion dollars to replenish stocks of air defense missiles, and General Kurilla told this committee that he encourages the Navy to deploy directed energy, specifically shipborne lasers such as the Helios system to get on the right side of the cost per shot equation.

So, Secretary, Under Secretary Shyu recently said the department is working on a directed energy system for the Navy with three times the power of existing systems. Can you update us on

what the Navy is doing to develop shipboard directed energy capability?

Secretary DEL TORO. Thank you, Congressman. You're absolutely right that we need to make even greater investments in the future. We should have been making them for a long, long time.

But, nevertheless, we are continuing to make investments in order to get Helios deployable. She will hopefully be deployable here sometime in the next several months, certainly by the end of the year, hopefully, on USS Preble.

But we have six other programs including some of the one that Heidi Shyu is talking about us as well to make added investments in more high power lasers as well as other directed energy programs, many of which are also SAT programs that we can't talk about openly.

Mr. LAMBORN. And, General Smith, I know that part of the Force Design 2030 has been to rethink the capabilities of the Marine Corps and the needs in the INDOPACOM theater.

Can you talk about the importance of systems like the medium-range intercept capability, which is a directed energy capability, and what we're doing to speed up its delivery to the Marines?

General SMITH. Well, sir, I can. The MRIC -- medium-range intercept capability -- is one of the backbones of our strategy. It, paired with the TPS-80 G/ATOR Radar, can sense targets -- very small diameter targets at great range and can intercept them at -- again, at great range and at a different classification level I can discuss the range with you.

But it is a critical part of our Force Design throughout the First Island chain to disrupt a potential PRC attack.

Mr. LAMBORN. Thank you, all, and I yield back.

The CHAIRMAN. I thank the gentleman and I thank the witnesses. This testimony has been very helpful and we look forward to taking what you shared with us today and folding it into the National Defense Authorization Act later this month.

And with that, I will yield to the ranking member for any closing comments he may have.

Mr. SMITH. I am good, Mr. Chairman. Thank you.

The CHAIRMAN. We're done. Thank you.

[Whereupon, at 12:30 p.m., the committee was adjourned.]

A P P E N D I X

MAY 1, 2024

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

MAY 1, 2024

NOT FOR
PUBLICATION UNTIL
RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF

THE HONORABLE CARLOS DEL TORO
SECRETARY OF THE NAVY

ON

DEPARTMENT OF THE NAVY FISCAL YEAR 2025
BUDGET REQUEST

BEFORE THE

HOUSE ARMED SERVICES COMMITTEE

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Introduction

Chairman Rogers, Ranking Member Smith, and distinguished members of the committee, I am honored to appear before you alongside General Smith and Admiral Franchetti to discuss the posture of the Department of the Navy (DON). We appreciate your trust and confidence in us to lead the nearly one million Sailors, Marines, and civilians of our Nation's naval services, and we value opportunities like this to discuss our approach to recruiting, training, equipping, and preparing our Sailors and Marines to defend our Nation.

For over 248 years, our Navy and Marine Corps have served as our Nation's vanguard, representing our interests around the globe—on, above, and below the sea, ashore, as well as in space and cyberspace. Our Founding Fathers recognized the importance of a well-trained, well-equipped naval force, and codified in our Constitution this legislative body's obligation to the American people to provide for and maintain a Navy and, by extension, a Marine Corps. Since the founding of our Nation, we have relied on our naval services to secure the world's oceans to sustain our economy through international trade, to engage with allies and partners thousands of miles away, and to confront the threats that have challenged our very way of life.

Today, our naval power is on full display around the globe, especially in the Red Sea and in the Indo-Pacific. We are reassuring allies and partners, deterring potential adversaries, and responding to the actions of those who wish to threaten the lives of our Sailors, Marines, and civilian merchant mariners engaged in lawful, international commercial activities. American Sailors and Marines are protecting the national security interests and prosperity of the United States—all in line with the National Security and National Defense Strategies.

As we confront global challenges, we remain laser-focused on managing our strategic

competition with the People's Republic of China (PRC)—our pacing challenge. The PRC continues to behave provocatively and unsafely across the Indo-Pacific region, especially in the Taiwan Strait and the South China Sea. The PRC seeks to coerce its neighbors and threaten their interests, while undermining our alliances and security partnerships. The People's Liberation Army Navy (PLA(N)) is just one element of the maritime force Beijing employs to challenge the rules-based international order. As illustrated by ongoing PRC actions against our Philippine ally at Scarborough Reef and Second Thomas Shoal, the PRC uses its Navy, Coast Guard, and Maritime Militia as part of an integrated, cumulative campaign designed to force nations to submit to Beijing's excessive maritime claims despite international law, as reflected in the 2016 South China Sea ruling under Annex VII of the United Nations Convention on the Law of the Sea. Using these "gray zone" operations, the PRC is attempting to illegally appropriate other countries' offshore resources, threatening the peace, prosperity, and ecological stability of the world's ocean. Our Navy and our Marine Corps play a vital role—and have proven their effectiveness—in supporting our allies and partners' civilian vessels in standing up to the PRC's coercive maritime strategy in the South China Sea. While we do not seek confrontation, we will continue to uphold a free and open Indo-Pacific, and we will continue to fly, sail, and operate wherever international law allows.

In Europe, Russia's illegal war and full-scale invasion of Ukraine has entered its third year. Our Ukrainian partners continue to display incredible courage and bravery on the battlefield, in the air, and at sea as they strive to restore their national and territorial sovereignty. We are proud to stand by their side, along with our NATO allies, and it is imperative that we continue to provide them with the support required for them to achieve victory.

In the Middle East, the Iranian-aligned Houthis continue to launch unprovoked attacks on

civilian merchant ships sailing innocently through waters where international law allows in the Red Sea and Gulf of Aden, one of the world's busiest waterways that accounts for more than 15% of the world's shipping traffic and connects Europe and Asia. More than twenty countries have joined us in Operation Prosperity Guardian to protect civilian ships and crews from harm. Acting in self-defense, our Navy and Marine Corps, along with the navies of our allies and partners, have shot down scores of anti-ship cruise missiles, ballistic missiles, and drones launched by the Houthis. Our ships, aircraft, and crews have performed admirably to both protect international commercial ships from multi-domain threats and defend themselves.

Following exhaustive diplomatic efforts to seek an end to the Houthis' attacks without further damage and bloodshed, we and our allies have conducted multiple rounds of combined self-defense strikes against targets in parts of Houthi-controlled Yemen, including storage sites and locations associated with the group's missile and air surveillance capabilities. These strikes were in direct response to Houthi actions that have demonstrated their callous disregard for the lives of civilian merchant mariners, underscored by the anti-ship ballistic missile attack that claimed the lives of three seafarers aboard the merchant ship M/V *True Confidence*.

The Houthis' actions in the Red Sea are reverberating across the global economy. Iran, through its proxies and partners, aims to exploit the ongoing conflict in Gaza to exact a price on the rest of the world by increasing shipping costs and maritime insurance rates, as well as lengthening the time it takes goods to reach their intended ports. These costs are borne by our own citizens, as well as citizens in countries around the world, including those most vulnerable to disruptions in maritime transportation. It is imperative that we and our global network of allies and partners bring an end to the Houthis' threat to U.S. Navy vessels and the disruption of the free flow of maritime commerce. In the Red Sea, as elsewhere, we must not hesitate to counter

those who threaten the free and lawful use of the sea by all nations.

The operations in the Red Sea and Gulf of Aden over the past three months illustrate perfectly how technological investments and force design decisions made by naval leaders in the past impact operations for decades. The backbone of our air defense fleet, the Aegis Combat System, first became a program of record as the Advanced Surface Missile System 60 years ago this year. Launching from the flight deck of the nearly 47 year-old USS *Dwight D. Eisenhower* (CVN 69) in the Red Sea region, the workhorse of our air wings, the F/A-18E/F Super Hornet, is derivative of a strike fighter platform that first flew 45 years ago this year, employing the latest version of an air-to-air missile, the AIM-9 Sidewinder, which first entered service 68 years ago. The platforms and weapon systems our Sailors and Marines have used with great effect in shooting down Houthi anti-ship cruise missiles, ballistic missiles, and drones can be traced back to development efforts and disciplined investments from the '60s, '70s, and '80s, as well as timely modernizations and upgrades that have enabled these platforms and systems to be relevant in today's threat environment.

Today, the decisions we make regarding shipbuilding, platform and systems acquisition, cybersecurity and information technology, maintenance, repair, and caring for our Sailors, Marines, civilians, and their families will shape the future of the Navy and Marine Corps in the 2050s and beyond. I fully support Admiral Franchetti's priorities outlined in *America's Warfighting Navy* and General Smith's efforts to modernize and increase the lethality of the Marine Corps under the umbrella of *Force Design*. The guidance issued by our service chiefs is aligned with my three enduring priorities of Strengthening Maritime Dominance, Building a Culture of Warfighting Excellence, and Enhancing Strategic Partnerships. With the support of Congress, we have made tremendous progress over the past year to advance our three enduring

priorities.

Progress Update on the DON's Three Enduring Priorities

Strengthening Maritime Dominance

Over the past twelve months, we have delivered nearly a dozen new battle force ships to the fleet and have nearly ninety under contract, including our highest acquisition priority, the *Columbia*-class SSBN. We continue to explore new block buys and multi-year contracts to procure ships more efficiently and affordably while providing our industry partners with clear and predictable demand signals for ships, submarines, and munitions. The submarine industrial base faces an increased demand as we ramp up production of *Columbia*-class SSBNs and continue procuring *Virginia*-class SSNs. To augment our Fleet and our Force, we have made significant strides in developing and deploying a hybrid fleet (manned and unmanned) across the Fourth, Fifth, and Seventh Fleet Areas of Operations. The Windward Stack and Gatekeeper operations, led by Fourth and Fifth Fleet, respectively, and similar activities in other theaters provide persistent presence and deliver all-domain awareness across a total area covering tens of thousands of square miles. The assistance provided to Ukraine by U.S. Naval Forces Europe has demonstrated how to deliver combat power with a hybrid fleet in battle with Russia's Black Sea Fleet. We are also on track to conduct an at-sea test of the Transportable Re-Arming Mechanism (TRAM) for Vertical Launch System at-sea reloading, which will significantly increase the combat readiness of our surface fleet by reducing combat reload times.

To keep our Fleet ready, we continue to modernize our four public shipyards through the Shipyard Infrastructure Optimization Program (SIOP). Over the past year, we have completed renovations and improvements of our dry docks at both Norfolk Naval Shipyard and Puget

Sound Naval Shipyard, and awarded a \$2.84 billion construction contract for the replacement of Dry Dock 3 at Pearl Harbor Naval Shipyard. All of this progress was made possible with the support of Congress, and I appreciate your enduring commitment to ensuring the success of SIOP as we contract, fund, execute, and complete these critical projects to support our future requirements and keep our warships and submarines mission-ready.

As we modernize our Fleet and our Force through several initiatives to increase their lethality, mobility, and capabilities, we are also increasing their resiliency in an effort to combat the effects of climate change. In 2022, our Department released *Climate Action 2030*, focusing our approach on this important issue. Actions we have taken in line with our climate strategy include critical infrastructure upgrades to increase the resiliency of our installations, which are central to our ability to project naval power both at-sea and ashore. Through our Chief Sustainability Officer, the DON has issued guidance on resilient infrastructure, water security, acquisitions, and energy to ensure that we make good use of the resources we have now and invest in the resources we will need in the future. As a maritime nation, we cannot afford to ignore how our world's changing climate impacts the environments across which our Sailors, Marines, and civilians operate. Our operational environment is directly impacted, increasing the mission demands of our maritime forces and decreasing our ability to respond to those demands.

Our partners and allies are seeing the same thing, and as we work to reduce the threat of climate change and increase our resilience, we are committed to working with them to ensure our collective naval forces remain resilient and resourced to maintain their competitive advantages in the decades to come.

Building a Culture of Warfighting Excellence

Our people remain our greatest strength. Personnel readiness and resilience begin and end with them. Every Sailor, Marine, and civilian deserves leadership at all levels that fosters healthy commands built on trust, respect, and inclusion. We will ensure that both Quality of Life and Quality of Service meet the standards expected by our Sailors, Marines, civilians, and their families. We are prioritizing our most pressing infrastructure problems, including facilities, barracks, water, and energy.

We are acting on our commitment to provide additional services for our Sailors and Marines who reside in unaccompanied housing. In February, we launched a pilot program in Hampton Roads to provide complimentary internet access to all Sailors living in unaccompanied housing. The feedback we receive from our personnel participating in these programs will directly inform our future efforts to roll out this service Department-wide, providing Sailors and Marines with access to free internet services in unaccompanied housing.

We also remain committed to maximizing Sailor and Marine development and are pursuing every available avenue to retain our best and most fully qualified personnel while recruiting the next generation. Our education institutions, including the Naval Academy, Naval Postgraduate School, Naval War College, Marine Corps University, and Naval Community College, remain world-class, and we released the Naval Education Strategy last year to modernize our naval education to meet our Nation's security needs.

Enhancing Strategic Partnerships

Our greatest asymmetric advantage is our global network of allies and partners. We continue to foster strong security ties, pursue new ways to link industrial bases, secure supply chains, and co-produce technologies to boost our collective capabilities. For example, the historic AUKUS trilateral partnership among Australia, the United Kingdom, and the United States, provides a generational opportunity to strengthen our respective security and defense capabilities, uplift our respective industrial bases, and contribute to peace and stability in the Indo-Pacific.

Additionally, we are focused on advocating for national maritime power—both commercial and naval—across the Federal government. We have collaborated with our inter-agency partners at the Department of Transportation, Department of Commerce, Department of Homeland Security, the U.S. Trade Representative, and with maritime stakeholders throughout the Department of Defense, to build consensus and identify actions that we can take in support of our nation's shipbuilding and ship repair capabilities and capacity in support of our naval services. We are appreciative of the widespread interest and support these topics have garnered in Congress, and we look forward to working with you in the years to come to identify solutions that will improve the readiness and health of our Nation's commercial maritime and naval fleets.

We likewise remain committed to bolstering our relationships with the defense industrial base and academia. With congressional support, Ship and Submarine Industrial Base investments have led to improved hiring across our submarine shipbuilders and suppliers; establishment of dedicated manufacturing trade centers and pipelines; and the training and placement of over 5,000 people within the industrial base since 2020. Over the next decade, our Nation will need

200,000 new qualified workers to choose careers in fields like naval architecture, engineering, and lifecycle management, as well as technical expertise in nuclear welding, robotics, software management, and additive manufacturing. Pre-apprenticeship, registered apprenticeship, and labor management programs are critical tools to help fulfill this labor demand.

Finally, we are strengthening our bonds with the communities we serve across our Nation through outreach, Navy and Marine Corps Weeks, Fleet Weeks, and other events. I am especially proud of the work we've done to foster our connectedness with Tribal Nations. The Department of the Navy is the first military department to have a full-time, dedicated Director of Tribal and Indigenous Affairs. We are committed to the enduring relationships and transparency in our work with Tribal Nations to meet our shared goals, as well as all communities which our Sailors, Marines, civilians, and their families work in and call home.

The FY2025 President's Budget

Building on the successes and progress made along our three enduring priorities during 2023, the President's Budget for Fiscal Year 2025 (PB25) request to Congress for the Department of the Navy reflects President Biden's faith in our vision for the United States Navy and the United States Marine Corps, and advocates for the funding levels required to maintain the Fleet and the Force that our Nation requires. Our request this year for the Department of the Navy is \$257.6 billion, a 0.7% increase over the \$255.8 billion in the President's FY24 Budget request, adhering to the defense spending levels set by the Fiscal Responsibility Act of 2023 (FRA). I will note for the committee that adhering to the FRA required us to make hard choices, leading us to prioritize the readiness of our Fleet and our Force today, as well as taking care of our people, over significant investments in the future force. These choices are reflected throughout

PB25.

Every dollar of this requested investment by the American taxpayer will ensure that our Sailors, Marines, civilians, and their families are provided for—from the continued acquisition of strategic platforms and systems, investments in research and development as well as basic science and technology, addressing critical infrastructure requirements, to improving overall Quality of Life/Quality of Service for our personnel. Most importantly, PB25 will ensure the Department of the Navy's ability to continue to invest in support of our three enduring priorities.

Strengthening Maritime Dominance

Fleet Investments

For FY25, we are requesting \$32.4 billion to support ongoing shipbuilding programs and allow for the procurement of six battle force ships, each one bringing advanced warfighting capabilities to the Fleet.

In the undersea domain, this budget provides funding for the first boat in a new multi-year procurement contract for our Block VI *Virginia*-Class nuclear-powered attack submarines (SSN) and provides significant additional resources to increase industrial capacity for submarine construction. Our request also continues funding for the second of our *Columbia*-Class nuclear-powered ballistic missile submarines (SSBN), as well as advance procurement and continuous production supporting the remaining boats. The *Columbia* SSBN will modernize the most-survivable leg of our country's nuclear triad and remains our Department's highest priority acquisition program.

For our surface fleet, we look to procure two *Arleigh Burke*-Class destroyers (DDGs) and one

Constellation-Class frigate (FFG), each of which will bring additional capacity and capability to our Fleet's integrated air and missile defense, anti-surface, anti-submarine, and naval strike operations. In support of the Marine Corps' *Force Design*, PB25 also provides funding for the first-in-class Landing Ship Medium (LSM) to enable mobility and sustainment for the Stand-In Force. Investments in our amphibious fleet with the request for one Flight II *San Antonio*-Class Landing Dock Transport (LPD) in each of FY25, FY27, and FY29 are necessary to maintain the thirty-one amphibious ships required by law and will give us the flexibility to retire older and less-capable platforms.

Aviation Investments

As we continue to modernize our surface and undersea fleets, we must also ensure that our aviation community has the right mix of air frames and capabilities to support our Sailors and Marines in the execution of their assigned missions. PB25 requests \$16.2 billion to support aircraft procurement, aircraft modification efforts, the acquisition of critical spare and repair parts, and funding for aircraft support equipment and facilities.

Our request for fixed-wing aircraft centers around the procurement of twenty-six F-35 Lightning II Joint Strike Fighters—thirteen carrier-based F-35s for the Navy and Marine Corps and thirteen short-takeoff vertical-landing F-35s for the Marine Corps—and our rotary wing procurement request for the Marine Corps includes nineteen CH-53K heavy-lift helicopters as part of a new, two-year block buy for airframes with engines procured as a five-year multi-year block buy.

PB25 also includes funding to begin low-rate initial production of the MQ-25, an unmanned, carrier-based platform that will provide an organic, in-air refueling capability to our carrier

airwings. The MQ-25 is the “pathfinder” to the Air Wing of the Future, and will increase the strike range, capability, and lethality of both the Carrier Air Wing and the Carrier Strike Group.

USMC Ground Investments

Equally as crucial to our Fleet and our Force are the investments we make in the Marine Corps' ability to operate ashore. PB25 requests \$4.2 billion in support of critical investments that are key to the success of the Marine Corps' *Force Design* transformation efforts. Highlights in platform and system acquisition efforts include 80 new Amphibious Combat Vehicles, 674 Joint Light Tactical Vehicles, and 123 Javelin anti-armor missiles. Also included are requests for funding to continue the procurement of Medium Range Intercept Capability (MRIC) missiles and launchers and support the sustainment of the Ground/Air Task Oriented RADAR (G/ATOR).

The dollars committed to these acquisition programs will exponentially increase the mobility, survivability, and lethality of our Marines, giving them advantages over our adversaries in austere and contested environments.

Munitions Procurement

As we consider how our Fleet and our Force fight in contested environments, there is no better example than our operations in the Red Sea and Gulf of Aden, where the strike and air defense capabilities of our naval forces are in high demand by U.S. Central Command. However, we are expending critical munitions from our stockpiles with every engagement. Our \$6.6 billion request continues our multi-year procurement of the Standard Missile, Naval Strike Missile, Long-Range Anti-Ship Missile (LRASM), and Advanced Anti-Radiation Guided Missile-Extended Range (AARGM-ER). We also intend to procure Tactical Tomahawks for the Navy

and Marine Corps, supporting their ability to strike targets both from the sea and from the shore.

Further, this request increases production for both the LRASM and AARGM-ER, both of which are critical munitions that allow our Sailors and Marines to engage targets at an extended range, reducing risk to personnel and platforms. We are also investing in systems designed to provide ships with an ability to defeat unmanned aerial vehicles in a way that both lowers the cost-per-kill and reduces the expenditure of high-end missiles against relatively low-end threats. These systems will help put us on the "right side of the cost curve" while also increasing the ability of our ships to remain on station for longer periods of time.

Cyber, Cybersecurity, and Information Technology

As we procure more advanced platforms, we continue the modernization of our IT systems and the cybersecurity safeguards that protect them. We continue to refresh and modernize our computer systems and virtual environments to provide a better user experience, in line with the "Fix Our Computers" initiative. We are also taking advantage of the new capabilities for connectivity provided by proliferated Low Earth Orbit (P-LEO) satellite networks to support our Fleet and our Force, both at sea and ashore. By decreasing the time required for users to log in and set up applications, as well as increasing data flows and network accessibility, we are improving the quality of service provided to hundreds of thousands of users across the entire Department of the Navy.

At the same time, we are implementing our new, comprehensive Cyber Strategy, published in November by our Chief Information Officer and Principal Cyber Advisor. This strategy aims to ensure that the DON's cyber posture positions our naval services for success during

competition, crisis, and conflict. The DON Cyber Strategy is directly aligned to the National Defense Strategy and DOD Cyber Strategy and outlines seven lines of effort for our Department to focus on, including cyber workforce development; cyber readiness; defense of enterprise IT; data and networks; defense of critical infrastructure and weapon systems; partnering to secure the defense industrial base; and fostering cooperation and collaboration. In addition to these efforts, I have directed the Naval Criminal Investigative Service (NCIS) to utilize other proactive initiatives under their authorities as the Military Department Counterintelligence Organization (MDCO) to better support and harden the industrial base from adversarial cyber and traditional intelligence threats to ensure acquisition integrity.

Additionally, I am committed to supporting our Cyber Mission Forces (CMF)—both Navy and Marine Corps—as they continue to gain advantage in this critical warfare domain. PB25 supports the continued development of our Department’s CMF, both in terms of manning and training, to ensure our personnel are prepared to operate in cyberspace.

Through the investments requested in PB25 for our Department’s information technology, cybersecurity programs, and cyber personnel, we will continue to make progress to secure our global networks from external and internal threats posed by state and non-state cyber actors while maintaining the confidentiality, integrity, and availability of data for our users.

Funding for Operations and Maintenance

While acquisition of new platforms and capabilities is critical to the modernization of the Fleet and the Force, we must always make readiness our top priority. PB25 requests \$34.6 billion for Fleet readiness, with \$7.6 billion for ship operations such as training and deployment, \$14.5 billion for fleet upkeep—including fifty-eight ship and submarine maintenance availabilities at

our public and private yards, \$10.6 billion for 875,000 flight hours for our Navy and Marine Corps flight crews, and \$1.9 billion for aviation maintenance to increase the number of mission-capable aircraft. Additionally, we are requesting \$4.5 billion to ensure our Fleet Marine Force remains prepared to operate forward. This amount includes \$2 billion for field logistics, \$2.1 billion to maintain the operational readiness of Marine units around the world, \$200 million for maritime prepositioning, and \$200 million for depot maintenance for ground platforms and systems.

Divestments

As we acquire new platforms and systems and focus on the maintenance, upkeep, and operation of those that are in service, we must also evaluate which platforms have outlived their service life and are a drain on the force in terms of time, capital, pier space, and personnel.

In the information technology (IT) realm, the DON continues to realize progress through Operation Cattle Drive, our Department's effort to accelerate the modernization and transformation of our IT capabilities. Led by our Assistant Secretary of the Navy for Financial Management and Comptroller and Chief Information Officer, we are working to sunset unneeded, obsolete, unproductive, insecure, and un-auditable IT systems and applications. Operation Cattle Drive will accomplish two goals: 1) improve the overall financial management and auditability of the DON, and 2) eliminate unnecessarily redundant IT systems, resulting in increased efficiencies, cost avoidance, and funding reallocation to close known resource gaps, enabling better support to our Sailors and Marines.

PB25 also requests the divestment of several platforms, including the EP-3 Aries, U.S. Navy

MH-53E mine countermeasure and heavy lift helicopters, MQ-8C unmanned rotary aircraft, and ten ships. As this committee is aware, legacy platforms that are costly to maintain and are ill-equipped to perform their missions in contested environments must be retired in order to invest in new, lethal capabilities.

Some of the ships we seek to divest have yet to reach their expected service lives. Recognizing that the American taxpayer has committed billions of dollars to construction, outfitting, maintenance, and operation of these warships, allow me to provide a hull-by-hull explanation of our request.

For USS *Shiloh* (CG 67) and USS *Lake Erie* (CG 70), both ships are less than three years away from their end of service life, and will require a significant amount of time and resources to improve their material condition and upgrade their combat, hull, mechanical, and electrical systems. Simply put, the costs associated with these upgrades and continued operation of these ships post-modernization are too high to yield a positive return on investment. Instead of returning these ships to a ready state just in time for their normal retirement, the Navy will apply the funding associated with these ships elsewhere either to maintain or modernize in-service assets that provide a greater combat capability to the Fleet and the Joint Force.

The same justification applies for USS *Germantown* (LSD 42), which will reach the end of its expected service life in 2026. USS *Germantown* currently has an unsatisfactory life cycle health assessment and is proposed for divestment based on the cost and condition of the ship, including her rotting wooden decks, limitations on the operation of her cranes, and other material deficiencies. The funds required to maintain USS *Germantown* for her final two years are better spent elsewhere in support of our amphibious fleet. I will also highlight for the committee that retiring USS *Germantown* one year early does not impact our ability to

meet the thirty-one amphibious ship requirement as we continue to procure new LPDs throughout the FYDP with the support of Congress.

USS *Jackson* (LCS 6) and USS *Montgomery* (LCS 8)—two of our *Independence*-Class variant littoral combat ships—have yet to receive the Lethality and Survivability Upgrade, an investment of several million dollars per ship that is beyond our current fiscal guidance. Further, these ships represent an excess LCS capacity beyond our revised requirement for fifteen MCM and ten Surface Warfare Mission Packages.

Much like USS *Jackson* and USS *Montgomery*, USNS *Spearhead* (T-EPF-1), USNS *Choctaw County* (T-EPF-2), USNS *Millinocket* (T-EPF-3), and USNS *Fall River* (T-EPF-4), represent excess capacity beyond what our Navy and Marine Corps needs for expeditionary fast transport ships (T-EPF). Currently, the Navy has fourteen T-EPFs in service with two additional hulls under construction, exceeding the revised, combined Navy and Marine Corps requirement for twelve EPFs. By divesting these four T-EPFs to bring our fleet size in line with service requirements, the Navy will realize significant cost savings and will be able to use the available financial and manpower resources to support higher priority programs.

Finally, we are requesting to divest the USNS *John Glenn* (ESD-2), one of our Fleet's two expeditionary transfer docks which were originally designed and configured around a specific concept of operations for uncontested ship-to-shore maneuver that has been obviated by the evolution of the threat environment. Operational limitations, including low sea-state restrictions, lack of organic surface connectors, and other challenges that limit the utility of this platform as presently configured. By inactivating USNS *John Glenn*, which is already in a reduced operating status, we project an annual cost savings of \$33 million in OMN funding

While all ten of these ships, as well as the Sailors and Merchant Mariners who have crewed them throughout their time in service so far, have served our Nation admirably, their divestment during FY25 will allow us to maximize our utilization of resources and personnel in support of programs and platforms that better support the Joint Force in countering our most pressing threats.

Research and Development (R&D) of Enhanced Capabilities

Beyond the acquisition of new platforms, systems, and munitions, as well as the divestment of those that are no longer capable of performing their missions, our Department is also focused on the research and development of our next-generation capabilities. PB25's \$25.7 billion for R&D continues to invest in developing and fielding those very capabilities that our Sailors and Marines of tomorrow will rely on in potential future conflicts. These includes our next-generation fighter aircraft, submarines, and large surface combatants, as well as unmanned systems that will operate in the air, on the ocean's surface, and under the sea. Over \$3 billion of this request will also go towards enterprise networks, cybersecurity, and electronic warfare systems to support our personnel and bolster our current posture across the electromagnetic spectrum.

As a part of our larger R&D funding request, \$2.53 billion is set aside for basic science and technology development that underpins our future capabilities. Yesterday, we released our Department's latest Naval Science and Technology Strategy, the execution of which will be led by our Chief of Naval Research and his team. This strategy will serve as the driving force behind how we invest the American taxpayers' dollars on S&T and will directly contribute to ensuring that our Nation leads the world in developing revolutionary technologies.

Our Department recognizes the importance of protecting the investments we are making in basic S&T research to preserve the competitive advantages they provide to our Sailors and Marines as technologies mature into cutting-edge capabilities. In early February, the Department of Defense (DoD) released the National Defense Industrial Strategy, centered around four priorities—resilient supply chains, workforce readiness, flexible acquisition, and economic deterrence—to strengthen our industrial base's resilience and counter threats posed by adversary capital investments and intellectual property misappropriation to our Nation's innovation ecosystem. In support of this strategy, the DON recently stood up the Maritime Economic Deterrence Executive Council (MEDEC). This body will serve as a coordinating mechanism to synchronize efforts to protect new and novel technologies with naval applications, both across the Department and in alignment with our inter-agency partners.

Over the past year, we have made structural changes throughout our Department—from standing up and empowering new innovation-focused units to elevating the Chief of Naval Research to be a direct report to me—to better facilitate the rapid identification, experimentation, prototyping, fielding, and adoption of new capabilities and technologies that provide our Sailors and our Marines with competitive warfighting advantages.

In September, we stood up the Department's Science and Technology Board, chaired by former Secretary of the Navy Richard Danzig, to bring together leaders across various disciplines to help identify new technologies and capabilities. I charged them to explore the impact of asymmetric, cutting-edge technologies in both the near and distant futures of warfighting, across all domains in which we operate. They are working on improving surface ship cyber defense, shipboard additive manufacturing, and lifecycle maintenance. Our ongoing project on surface ship maintenance is investigating key issues that impact our performance. I expect

their recommendations on potential new technology investments will improve all aspects of our operations, including planning, condition-based assessments, additive/advanced manufacturing, and IT modernization.

Likewise, our initiative on surface ship cyber defense is crucial to executing complex missions in contested environments. We have a world-class team performing this study that will benefit the Fleet. As part of this initiative, we have integrated cybersecurity and defense requirements into the new *Constellation*-class frigate as a critical attribute at the onset of the program. The program has scheduled early integration testing events at available land-based test sites. We intend for these test events to assess network cybersecurity controls and reduce shipboard integration risks for government and contractor-furnished equipment.

This past year, we celebrated the 100th anniversary of the Naval Research Laboratory, highlighting our Department's long history of pioneering research with academia, the private sector and other partners to develop and deliver naval superiority. We benefit from a strong organic, national and global research ecosystem across the entire Naval Research and Development Establishment (NR&DE).

Composed of our fifteen Naval Warfare Centers, five Naval University Affiliated Research Centers (UARC's), the Office of Naval Research, NRL, Marine Corps Warfighting Laboratory (MCWL), Marine Corps Tactical Systems Support Activity (MCTSSA), Naval Postgraduate School (NPS) and our Center for Naval Analysis (CNA), the NR&DE continues to be at the forefront of our basic and applied research through technology development, integration, operations, maintenance and sustainment. The NR&DE unifies Naval R&D organizations to provide greater technological advantage to U.S. warfighting.

This continuum of science, research, development, testing, and evaluation is critical to transitioning ideas and concepts developed in the lab to new capabilities for naval warfighters. Our long-view approach provides our thought leaders the autonomy to produce the scientific knowledge, capability improvements and disruptive technologies able to address naval mission needs. ONR is investing in science and technology projects alongside our international partners and allies, each aiming to address common challenges we face as maritime nations. Similarly, ONR, through NavalX, is working to deepen our international and domestic relationships with industry via our Tech Bridges, many of which are co-located with our Naval Warfare Centers. We connect directly with companies and source commercial technologies that complement and supplement our Fleet and our Force's existing systems, tools, and research.

The Naval Innovation Center (NIC) at the Naval Postgraduate School in Monterey, California, which I announced in December 2022, will empower our next generation of warfighters by leveraging the unique warrior talent at NPS to inform future operational concepts and advanced technology development. The NIC will provide a space for academic collaboration, defense- focused experimentation, and demonstration of operational use cases to ensure the effectiveness, technological leadership and warfighting advantage of the Naval services. Meanwhile, the Marine Innovation Unit (MIU) is focused on identifying, experimenting, and rapidly fielding technologies and capabilities to address gaps identified by our Marines. MIU leverages the expertise and professional networks of our talented Reserve Marines to accelerate the development and fielding of key capabilities throughout the Force. Their efforts are already reducing timelines between identifying needs and delivering warfighting capabilities supporting the Marine Corps' transformational Force Design, ensuring our Marines are agile, capable, and lethal.

The Navy's Disruptive Capabilities Office (DCO) is pushing the bounds of rapidly identifying innovative applications of existing and new systems by harnessing today's exponential growth in technology. The DCO is collaborating with stakeholders from across our Department, DoD, and industry, focusing on identifying solutions for our warfighters at a pace and scale to close our Fleet's most critical capability gaps. It works closely with the NR&DE to address the immediate and near-term needs that require the rapid transition and integration of new and innovative solutions.

Program Executive Office (PEO) Integrated Warfare Systems and PEO Land Systems are conducting a pilot program to improve our business practices, realigning their respective portfolios to a capabilities-focused model. This pilot program explores how our Program Executives can operate under a new portfolio-centric construct to increase the capability development and fielding rate over our present timelines and does so in a manner that leverages pre-existing authorities. The lessons we learn throughout this pilot program will enable all our PEOs to better address the emerging threats and requirements under their respective purviews.

An essential element of our Department's approach to innovation is the collaboration with our fellow services and throughout the DoD. We work with our partners at the Defense Innovation Unit (DIU) and the Office of Strategic Capital to ensure that our requirements for critical technologies are illuminated to industry and investors for their consideration. We are committed to close collaboration within our own Department and with our fellow services, OSD, DIU, and the entire Federal government to ensure we are aligned. The Department of the Navy's contribution to the "Replicator Initiative," partnering closely alongside joint efforts like DIU, will accelerate production and delivery of the capabilities our Joint Force needs at

scale.

Innovation is not solely about delivering material solutions. In many cases, the solutions to real operational problems can be found by changing warfighting doctrine or training approaches. As we re-focus our efforts on addressing the challenges we face in the maritime domain today and will face in the future, we must recognize that there are still organizational changes which must be made to ensure we are developing, adopting, and scaling at a rapid pace to deliver the technologies and capabilities our Sailors and Marines require.

Working alongside our partners throughout the DoD, we will continue to evaluate our approach to the rapid adoption and fielding of new capabilities and technologies to ensure we are reducing barriers and transition timelines, ensuring our Sailors and Marines are equipped with modern systems and platforms to support their missions.

Investments in the Organic Industrial Base

As we continue to acquire the ships, submarines, aircraft, and systems we need today and invest in the development of the next generation of platforms and capabilities for the fight of tomorrow, we will not be successful without substantial, consistent investments in the infrastructure that enables these platforms. To that end, PB25 requests \$2.8 billion to continue making the necessary investments in our four public shipyards that will ensure their sustainability and climate resiliency through the Shipyard Infrastructure Optimization Program (SIOP). As I noted earlier, SIOP will improve the operational availability of our Fleet by providing modernized facilities, infrastructure, and equipment that will undoubtedly increase our shipyards' capacity and capabilities to complete maintenance availabilities. By recapitalizing century-old infrastructure, we are also improving the Quality-of-Service for the over 30,000 engineers,

artisans, and Sailors who work at our four public shipyards, providing safer working conditions while creating reliable, resilient, secure energy and water sources for this infrastructure and its mission.

Infrastructure and Installation Resilience

DON installations and facilities are power projection platforms. In order for our installations to remain safe, secure, effective, and resilient, our Department has made it a top priority to tackle infrastructure deficiencies that decrease our ability to support mission requirements. This effort includes addressing facilities and core utilities that are beyond service life and in poor condition as a result of decades of under-investment and neglect. PB25 includes a request for \$11.1 billion for the Navy and \$4.6 billion for the Marine Corps for installation and facilities support, as well as \$4.6 billion for military construction projects, to support our worldwide infrastructure portfolio that our Sailors, Marines, civilians, and their families rely on every day.

While the Department continues to invest in our most critical infrastructure, we are initiating a thirty-year infrastructure plan to guide future investments and resources to fully address the gaps in modernization and recapitalization. This plan is an integrated, informed, sustainable approach that recognizes our installations are critical to our Navy and our Marine Corps' ability to project power on a global scale as well as to defend the homeland.

We also recently initiated a Critical Infrastructure Synchronization Forum, which is designed to work through the challenges and interdependencies of infrastructure resilience and address the threats to our most critical facilities and core utilities. In support of this effort, PB25 includes funding for cyber hardening, smart grids, facility-related control systems, and black start exercises, directly bolstering our infrastructure portfolio against hazards.

As I highlighted earlier, a major challenge that directly impacts our infrastructure is climate change. Climate resilience is an essential component of DON mission readiness, and the Department strives to ensure installations and infrastructure are resilient against extreme weather events, water scarcity, sea level rise, recurrent flooding, wildfires, and other environmental considerations and threats that present significant risk to our mission. Effectively responding to climate impacts is a critical component of strengthening maritime dominance and directly impacts the entire spectrum of military operations. Our National Security Strategy highlights climate change as the greatest and potentially existential shared problem for all nations, and our National Defense Strategy rightly recognizes climate change as a “transboundary challenge” that is transforming the context in which the Joint Force operates. We are taking actions to bolster the resiliency of our Department, while also working alongside our international partners and allies. For example, next month the Assistant Secretary of the Navy for Energy, Installations, and the Environment will be hosting the Department's third climate-related tabletop exercise.

This exercise will be focused on the challenges posed by climate change throughout the Caribbean, and how we can work with and support key regional partners on topics including health, safety, and infrastructure. I look forward to sharing with you the outcome of this exercise and what lessons learned can further enhance our Department’s approach to ensuring the sustainability of our worldwide infrastructure portfolio and advance our collaboration with and support of key regional partners.

Energy and energy security are critical to the DON's ability to provide global presence and ensure stability, deter adversaries, respond to crises, and, if necessary, fight and win our Nation's wars. Energy security is necessary to address how we operate in a contested logistics

environment, as well as address the increasing demand for clean and reliable energy to support electrification, support data centers and power Artificial Intelligence, directed-energy weapons, autonomous vehicles, and future technologies. In recent years, the DON has begun development of the Next Generation-Medium Tactical Truck (NG-MTT) to reduce bulk fuel logistics burdens and improve fuel economy. The DON has also developed and patented a safety mitigation container solution to enable the fielding of battery-powered ground vehicles, the first step toward hybridization efforts for Navy ships. Additionally, the Department continues to invest in analytic assessments to support decision-making to meet fuel metering and monitoring requirements.

Red Hill

As we focus on our critical infrastructure portfolio, we remain engaged with the communities that support our installations. One example of this is the values we share with the people of Hawai'i in the community we share with them—including our servicemembers, civilians, and their families—who were affected by the fuel spill at the Red Hill Bulk Fuel Storage Facility (Red Hill). Since November 2021, our Department has been laser-focused on monitoring and remediating the environmental impacts and addressing the effects this spill had on the community that we committed to providing safe drinking water to. Now, with over 99% of the previously held fuel reserves removed six months ahead of schedule, we remain steadfast in our resolve to close Red Hill permanently and conduct the long-term environmental remediation and aquifer restoration efforts at this site to ensure the health of the surrounding natural environment. Last month, I was in Hawai'i to attend the transfer of responsibilities ceremony from Joint Task Force-Red Hill (JTF-RH), which was responsible for defueling Red Hill, to Navy Closure Task Force-Red Hill (NCTF-RH), which will execute the permanent closure of that facility. NCTF-

RH's motto is "Safe, Deliberate, Engaged, Committed," and we will continue to engage with Red Hill stakeholders at all levels to rebuild the trust between our Department and the people of Hawai'i in our ability to provide safe drinking water to the communities we serve.

Safety

Safety is a critical component of our Navy and our Marine Corps foundation and a key indicator of professionalism and discipline, directly contributing to the combat readiness of our Fleet and our Force. The Department of the Navy places the utmost importance on building a culture of safety excellence, and we reject the notion that safety mishaps are simply "the price of doing business." Many mishaps are preventable when we comply with established procedures and take action to stop unsafe acts before they occur.

However, despite our best efforts, incidents do occur, and when they do, we quickly respond. The Department of the Navy re-established the Deputy Assistant Secretary of the Navy (Safety) position as a Tier 3 SES, elevating the DON's Safety portfolio commensurate with the importance we place on safety. In addition, the Navy Executive Safety Board, chaired by the Vice Chief of Naval Operations, was reinitiated in 2024 and took effective action on systemic issues noted by the Naval Safety Command (e.g., Shore Fire Protection Systems, Enterprise Safety Management System, and the LCS Small Boat Launch and Recovery System). The DON also established the Shore Policy Board to highlight and address infrastructure-related concerns. The Marine Corps directed the assignment of a General Officer to lead Marine service safety initiatives and provide the requisite level of oversight and leadership.

The DON takes every mishap seriously and properly investigates causal and contributing factors to prevent future occurrences. Additionally, we continue to improve our analytic

capability to facilitate identification of units that may be at risk of potential mishap. We continue to refine the identification of occupational exposures to things like chemicals, noise, and blast overpressure, to better understand the effects of these exposures through science and improve methods to limit exposure. We are executing efforts such as the promulgation of Lessons Learned and a continuous evaluation and refinement of safety policy and guidance.

Creating and maintaining a culture of safety within the Department of the Navy ensures our warfighting readiness, and we remain committed to prioritizing safety education and promulgation.

Building a Culture of Warfighting Excellence

Building a culture of warfighting excellence is focused on training our Sailors and our Marines to be the very best warfighters they can be, rooted in the principles of taking care of our people and enabling strong leadership with an emphasis on treating each other with dignity and respect. This pillar of our enduring priorities emphasizes not only caring for our Sailors and Marines, but also our Navy and Marine Corps families and civilians. Under PB25, we continue to invest in programs and infrastructure that support our people and enable them to devote their maximum effort to mission accomplishment.

Warfighting Expertise

In August 2023, the Navy and Marine Corps conducted Large Scale Exercise 2023 (LSE 23), the third and most complex iteration of the exercise, which included more than 25,000 Sailors and Marines across the world. LSE 23 was a Live, Virtual, and Constructive (LVC) exercise which spanned 22 time zones and included USS Eisenhower (CVN 69) and five other carrier strike groups (two live, four virtual), six Amphibious Ready Group (two live, four virtual), and

25 live and 50 virtual additional ships. Based in real-world events, the Navy and Marine Corps assessed and refined modern warfighting concepts such as Distributed Maritime Operations (DMO), Littoral Operations in a Contested Environment (LOCE), and Expeditionary Advanced Base Operations (EABO) throughout the exercise.

The Navy is advancing warfighting tactics and development through continued implementation of integrated training environments—live platforms and simulators—across our Fleet, including Live, Virtual, and Constructive (LVC), Link Inject-to-Live (LITL), Navy Continuous Training Environment (NCTE), and Tactical Operational Flight Trainers (TOFT).

The Surface and Mine Warfighting Development Center (SMWDC) remains laser-focused on forging new and advanced surface warfare tactics, techniques, and procedures (TTPs) and training Warfare Tactics Instructors (WTIs) who bring their warfighting expertise to the Fleet. Surface WTIs, highly trained surface warfare officers, specialize in Anti-Submarine and Surface Warfare (ASW/SUW), Integrated Air and Missile Defense (IAMD), Amphibious Warfare (AMW), and Mine Warfare (MIW) and are engaged at every stage of a ship's training cycle. Our successes in the Red Sea are a direct reflection of our investments in high-end tactical training and advanced TTP development, spearheaded by SMWDC, Naval Air Warfighting Development Center (NAWDC), Naval Information Warfighting Development Center (NIWDC), and the WTIs in the Fleet.

We also continue to adapt the expertise of our people in uniform to match the changing character of war. Similar to the establishment of our Maritime Space Officer community in 2021 and the creation of our Maritime Cyber Warfare Officer and the enlisted Cyber Warfare Technician rating last year, earlier this year, we established the enlisted Robotics Warfare

Specialist (RW) rating to plan missions and operate and maintain remotely-operated and autonomous systems.

The RW rating is a major milestone in the Navy achieving a hybrid fleet. These new areas of expertise are necessary to preserve our warfighting advantage, and also require a strong foundation of education.

Education Initiatives

We continue to prioritize education in support of force readiness. We provide a range of learning opportunities for our Sailors, Marines, and DON civilians to further develop their professional competencies and intellectual skills that enable our Naval force to succeed against competitors and adversaries, and effectively deter aggression. The DON is taking an integrated, enterprise-wise approach to improve naval education and prioritize programs that are critical for a competitive warfighting advantage. The Naval Education Strategy provides my guidance and vision to modernize naval education over the next ten years, and to more effectively deliver relevant, engaging, competency-focused, and outcomes-based education to the total force. The Department is implementing a continuum of learning for the entire force, integrating education into talent management frameworks for more precise and agile talent management, and strengthening the education institutions within our Naval University System.

For example, the DON is directing \$25 million towards developing the United States Naval Community College (USNCC). The USNCC ensures enhanced operational readiness by providing world-class, naval-relevant education entirely online to a globally deployable force. In September 2023, USNCC completed Pilot II and enrolled approximately 3,500 students,

developed seven full associate degree programs in naval-relevant concentration areas, and validated the five Naval Studies Certificate courses that will be the core curriculum for every USNCC associate degree program.

The USNCC is currently pursuing candidacy status and accreditation through the Middle States Commission on Higher Education. USNCC successfully navigated Phase 1 of the accreditation process and submitted the Phase 2 readiness report at the end of September 2023. The USNCC is on track to complete Phase 3 for academic accreditation by Fall 2024. Through the USNCC Consortium Agreement, degrees are currently granted to USNCC students through consortium partners Alexandria Technical and Community College, Arizona State University, Embry-Riddle Aeronautical University, Northern Virginia Community College, Tidewater Community College, University of Maryland Global Campus, and Western Governors University.

The USNCC headquarters has been temporarily based in Quantico, Virginia. In January 2024, the Naval Education Board (NEB), an internal DON board that I established and Chair, voted unanimously to move the USNCC's permanent headquarters to the Security Force building on the campus of the United States Naval Academy in Annapolis, Maryland. At Annapolis, the USNCC staff and faculty will be able to better collaborate with the Naval Academy, and have access to the Nimitz Library, IT support, and ample conference facilities. The USNCC headquarters move will take approximately two and a half years to complete, and will require \$30 million for relocation of the building's current occupants and \$8 million for building renovation.

Education for Seapower Advisory Board (E4SAB)

Education is a key naval warfighting enabler, is essential for force development, and is a top

DON priority for building a culture of warfighting excellence. Under the provisions of the Federal Advisory Committee Act, the Education for Seapower Advisory Board (E4SAB) provides the Secretary of Defense and Deputy Secretary of Defense, by way of my role as the Secretary of the Navy, with independent advice on matters relating to the Naval Postgraduate School, the Naval War College, and the Naval Community College. The E4SAB is a requirement for each institution's academic accreditation and meets at least twice a year. Chaired by the Honorable Sean O'Keefe, a former Secretary of the Navy and NASA Administrator, the board's membership includes leading experts in academia, business, national defense and security, management, leadership, and research and analysis. I have charged the E4SAB to provide recommendations regarding the Naval Education Strategy's implementation. I expect that the board's recommendations will inform the Department's efforts to improve education across our entire Naval University System.

Recruiting/Retention

To maintain a combat-ready Navy and Marine Corps, we focus both on recruiting motivated Americans and on retaining high quality Sailors, Marines, and civilians to meet our personnel needs. Despite a challenging and competitive environment, we are proud to highlight that the Marine Corps met its recruitment goal in FY23 and projects making all FY24 recruiting missions. While the Navy fell short of its FY23 recruiting goals for Officer and Enlisted Sailors, both Active and Reserve, it has placed an increased emphasis on updating recruitment policies and expanding the eligible population by opening the aperture of qualified individuals within authorized parameters in an effort to address the continued challenges presented by a strong economy, competitive labor market, and other social and demographic factors.

High retention is a direct reflection of the value our members place on their military service. In FY23, the Navy and Marine Corps exceeded their overall active duty enlisted retention goals and are on track to meet FY24 goals. We are leveraging financial incentives and programs to include special and incentive pays, early promotions, and assignment incentive pays to attract and retain Sailors and Marines in undermanned or difficult-to-fill positions and communities.

Benefits and Pay

To attract and retain top-tier talent, the DON understands the need to care for its people through competitive benefits and pay. Initial results of the Quadrennial Review of Military Compensation indicate that enlisted Sailors and Marines earn more than 83% of civilians with similar education and years working. In 2025, the Employment Cost Index (ECI)-based pay raise for our Sailors and Marines will be 4.5%, outpacing expected inflation for the second year in a row. Along with competitive pay, the Navy and Marine Corps boast attractive non-pay policies and programs, including childcare, healthcare benefits, the Career Intermission Program, spouse employment programs, graduate education, Tuition Assistance, focused geographic stability, dual-military co-location, and other programs that contribute to readiness and enhance quality of life. While the DON may provide pay and benefits beyond that of many civilian employers, we should—and will—always remember that we require our Sailors and Marines to serve for a minimum number of years and at times in combat, where they may make the ultimate sacrifice of *their* lives for *our* defense.

To maintain our global posture and critical mission readiness, the DON has put in place aggressive strategies to recruit and retain highly skilled civilian employees. Currently, the DON uses multiple compensation systems that cover approximately 220,000 civilian

appropriated fund employees to include General Schedule, Federal Wage System, Senior Executive Service, Wage Marine Pay Schedule, and various Demonstration Projects. In our effort to enhance our compensation program for civilian employees, the DON is currently reviewing our various pay systems with the goal to streamline or combine these to enhance our capabilities and effectiveness. Additionally, to mitigate challenges in recruitment and retention of our civilian workforce, the DON is working to request approval for enhanced compensation, which include special salary and wage rates as well as special pay incentives above the normal thresholds.

Other available compensation strategies include accelerated training and promotion programs, student loan repayment programs, and advanced in-hire rates up to Step 10 for General Schedule employees and Step 5 for Federal Wage System employees.

Quality-of-Service Improvements

The DON prioritizes the continuous improvement of Quality-of-Life (QoL) and Quality-of-Service (QoS) advances. In May 2023, following the investigation into the suicides aboard USS *George Washington* and at Mid-Atlantic Regional Maintenance Center (MARMC), I released a joint memo with then-Chief of Naval Operations Admiral Gilday, *Setting a New Course for Navy Quality of Service*, which prioritized a sustained effort to correct the Navy's QoS. The memo established the Navy's QoS cross-functional team (CFT), and clear Commander's Intent provided the lines of effort focusing the CFT's efforts.

The Navy's CFT, led by Commander, Navy Installations Command, is comprised of flag officers, senior civilians, and senior enlisted personnel from approximately sixty Navy organizations across both the Secretariat and the Fleet. The CFT is establishing standards and

measures for Navy QoS, bringing those standards and measures to Newport News Shipbuilding prior to scaling them throughout the Fleet. We are constantly evaluating areas in which we are missing the mark for QoL and QoS enhancements and are finding new ways to improve how we support our Sailors and civilians.

Housing

Improving off-duty Quality of Life resources and initiatives for our Sailors and Marines is a focal point for the DON. This effort includes improving the quality of unaccompanied housing, with \$1 billion over the FYDP for barracks construction and renovations and \$144 million allocated for housing sustainment and management. Under PB25, we are also investing \$41 million in food and housing options for Sailors assigned to ships undergoing maintenance. We are investing \$481 million in restoration of unaccompanied housing, a 32% increase over PB24, and we are fully funding the sustainment of gyms. We have also established that no Sailors reside on-ship during maintenance availabilities and that berthing barges are available for duty section personnel.

The Marine Corps' Barracks 2030 initiative lays out an ambitious plan to improve the Corps' management of the barracks, modernize the barracks inventory, and update the refresh rate of the materials in the barracks. With the support of Congress, the Marine Corps has implemented the Capital Planning Tool to leverage a tiered approach to facility lifecycle management that reduces footprint while prioritizing investments for the most critical facilities.

We are committed to improving the living conditions for our Sailors and Marines who reside in unaccompanied housing, and will continue to work closely with Congress, including the House Armed Services Committee's Quality of Life Panel, to ensure transparency and collaboration on

this important issue.

We are also focused on the continuous improvement of our Military Housing Privatization Initiative program to maintain resident trust. We are reinforcing DON oversight and exercising active leadership to ensure that the community residing in privatized housing feels heard and supported. Over the past year, the DON Housing team has made great strides in moving the privatized housing program into the next phase of sustained oversight and dynamic leadership involvement. We continue to improve the tools we have developed to perform better analysis of our processes, policies, and the overall program to ensure higher levels of service and satisfaction for our Sailors, Marines, and their families. PB25 includes requests for \$245 million for construction as well as \$377 million for operations—including the management, services, furnishings, utilities, maintenance, leasing, and privatization support—in support of our family housing program.

The DON remains committed to the early identification and resolution of housing issues, as well as improving processes and oversight to improve our residents' experiences. We are dedicated to providing suitable, affordable, and safe living quarters for our Sailors, Marines, and their families, and PB25 directly supports our efforts to do so.

Family Readiness

The DON views childcare as a workforce enabler that directly enhances the readiness, efficiency, and retention of our Sailors and Marines. The Navy and Marine Corps operate Child Development Centers (CDCs), Youth Centers for children ages 6-12, provide fee assistance for in-home care providers, and subsidize commercial spaces under a program titled Military Child

Care in Your Neighborhood. There are seven 24/7 CDCs to accommodate shift workers and watchstanders in Fleet concentration areas and extended hours of operation at other locations. Together, the Navy and Marine Corps have approximately 42,000 childcare spaces world-wide and employ over 8,400 child and youth professionals.

However, the demand for childcare exceeds the available inventory both on and off-base. Due to community and military capacity shortfalls and staff hiring, there are approximately 4,300 children on the waitlist. While this is a significant decrease from the 11,000 children on the waitlist in July 2021, we remain laser-focused on continuing to reduce our waitlist numbers. In FY23, Navy Child and Youth Programs (CYP) executed a contract with a commercial childcare provider to open forty-eight additional spaces near Naval Air Station Jacksonville, and the model will be replicated in San Diego and Norfolk. We are also expanding our on-base childcare capacity through ongoing military construction projects in Naval Base Kitsap, Naval Base Point Loma, Naval Support Activity Hampton Roads, and Joint Expeditionary Base Little Creek/Fort Story. The Marine Corps has four projects in planning for FY25-26 in Marine Corps Base Camp Pendleton, Anderson Air Force Base in Guam, Marine Corps Base Quantico, and Marine Corps Base Camp Butler.

Due to frequent moves to new duty stations, spouse employment can be a concern for military families and an obstacle to financial security. The unemployment rate of military spouses is approximately 21%, and earnings are typically less than those of their counterparts with equal experience in the private sector. They can be at a disadvantage when it comes to finding gainful employment, from occupational re-licensure to finding new schools or adequate and affordable childcare. The Navy and Marine Corps Employment Assistance Programs provide military spouses with information, referrals, and guidance counseling to assist in making effective career

and education decisions. To address the challenges faced by military spouses and lower the financial burden associated with relocating, the Navy and Marine Corps provide reimbursement for Spouse Licensure and Certification. As of February 2024, the Navy and Marine Corps have reimbursed a combined total of 1,293 licensure claims to support the careers of our military spouses.

Exceptional Family Member Program (EFMP)

The DON is committed to providing our Navy and Marine Corps families with necessary assistance and care at their assigned locations. The Exceptional Family Member Program (EFMP) ensures Sailors and Marines are assigned to locations where the required medical services and educational support are available for families with special needs. Navy EFMP employs 117 personnel to support 23,516 enrolled family members. The Navy has identified and initiated the process of establishing its central/single-site EFMP office at Navy Personnel Command under PERS-45 to coordinate health services, permanent change of station order processing, identification/enrollment/disenrollment, and educational support services; we expect full operation of the office by Q4 FY25. The Marine Corps is compliant with the requirement for a central office that reports to the Deputy Commandant for Manpower and Reserve Affairs.

While most Navy and Marine Corps families are satisfied with EFMP, we continue to seek areas of improvement, namely in areas of medical and educational support. The Marine Corps was the first service to offer specialized legal support services to families to address education needs, and the Navy has implemented the provision of special education legal support to families. To address the medical issues, the Defense Health Agency is working to reduce the

long wait times for specialty care.

Mental Health and Resiliency

Mental health is health. Mental health concerns remain a top priority within the DON. Admiral Franchetti, General Smith, and I are committed to ensuring our Sailors and Marines have access to the tools available to strengthen their mental health. We are also committed to ensuring that their leaders have the tools available to assist them in recognizing personnel who may require a mental health evaluation.

Prioritizing mental health includes embracing a change in culture and view towards accessing mental health services—one which acknowledges that seeking help is a sign of strength. We are working to ensure our commanders, leaders, supervisors, and civilian and uniformed managers at all levels continue to normalize talking about mental health issues to destigmatize seeking mental health care, and ultimately encourage Sailors and Marines to make use of well-being resources throughout their careers.

Brandon Act

In July 2023, under ALNAV 054/23 and in alignment with the DoD Directive-type Memorandum 23-005, the DON implemented the Brandon Act. The Brandon Act honors the life of Petty Officer Third Class Brandon Caserta by allowing service members to self-initiate a mental health evaluation at any time, for any reason, and in any environment. There is a direct tie between mental health, overall well-being, and combat readiness. In order to ensure we are ready, we prioritize mental health as we do physical health and will continue to increase awareness of resources and services available to our Sailors and Marines. I will stress again that seeking help is a sign of strength.

Military Justice Reform

The DON has answered the call for meaningful change to our military justice practice. We are deliberately and comprehensively delivering the most significant reforms to the system in more than seventy years. The FY22 NDAA military justice reforms and SECDEF's Independent Review Commission (IRC) recommendations are top-priority initiatives for the Navy and Marine Corps judge advocate communities, and shortly after I became Secretary I established an Implementation Advisory Panel comprised of senior DON leaders whom I directed to oversee and expedite the adoption of the NDAA and IRC recommendations, including the timely establishment of the Office of Special Trial Counsel (OSTC) for each service, implementing independent prosecution offices for personal violence offenses, known as covered offenses.

In October 2023, in advance of the December 2023 deadline set by the NDAA, both the Navy and Marine Corps OSTCs became fully operationally capable and are staffed by experienced, specialized, and well-trained legal professionals to ensure independent review of the most serious personal violence offenses in each service. The FY23 and FY24 NDAAs expanded upon the military justice reforms enacted by the FY22 NDAA, and the budget request for FY25 includes funding to support the sustainment and staffing of both OSTCs. My Implementation Advisory Panel proposed, and I agreed, that the independent investigation of sexual harassment allegations in the DON should be conducted by the Naval Criminal Investigative Service. We have provided additional resources to NICS for this important mission. We have also strengthened collaboration by integrating local OSTC counsel with NCIS Family and Sexual Violence squads.

The Naval Court-Martial Reporting System (NCORS) is the DON's new electronic case management system, currently in its final stages of development to meet statutory requirements. It is a modern, cloud-based system that is easily configurable system and will enable the Navy and Marine Corps to better track and analyze military justice data and to respond to Congressional requests. PB25 includes additional funds for NCORS for expanded roles and functionality.

Other important reforms include a new, military judge-alone sentencing system with parameters and criteria, expanded access by convicted service members to the appellate court system, broader notification rights for crime victims, randomized selection of service members detailed to court-martial panels, new procedures for complaints of sexual harassment, and increased resources for defense counsel.

Military justice reform remains an ongoing and evolving effort, and both services are continually assessing the efficacy of new policies and practices and are ready to adjust as needed. The Navy and Marine Corps judge advocate communities, in close partnership with the OSTC regarding covered offenses, are spearheading initiatives for the Department of the Navy to develop a comprehensive, ongoing assessment framework using a wide range of qualitative and quantitative factors. These assessments include a newly developed military justice reform survey to obtain victim and other user input on their perception and confidence in the system as the significant military justice reforms are implemented.

Audit Process

After a two-year audit cycle across FY22 and FY23, the Marine Corps passed its financial statement audit with a clean opinion, successfully accounting for more than \$46.3 billion in

assets. The Navy is undergoing its seventh full financial statement audit of the Navy General Fund (GF) and the DON Working Capital Fund (WCF) in FY24. We continue to execute our proven strategy focused on transformational changes geared towards our most impactful areas that includes consolidating the number of feeder and accounting systems the Navy uses, accounting for and valuing the Navy's mission-critical assets, supplying the warfighter, and enhancing cybersecurity.

In FY23, the DON sustained all prior year material weakness downgrades and downgraded three additional material weaknesses ahead of schedule—GF Fund Balance with Treasury and GF and WCF Oversight and Monitoring. In addition, the Navy closed 306 financial and information technology audit findings, leading all Services in FY23 closures, and concluded the fourth year of 100 percent physical inventory testing, achieving 99.5 percent inventory accuracy for 11 million items. Even with the size and complexity of the DON, our audit strategy is generating proven results validated by our auditors.

Enhancing Strategic Partnerships

In addition to Strengthening Maritime Dominance and Building a Culture of Warfighting Excellence, the President's Budget for Fiscal Year 2025 enables us to continue our work in enhancing our Strategic Partnerships, both at home and abroad.

International Partnerships

In every region where our Sailors and Marines operate, we do so alongside our international partners. The relationships we enjoy with our allies and partners are unparalleled by our potential adversaries, and we are proud to enjoy the friendship of like-minded nations who share our commitment to upholding the rules-based international order that has brought

relative stability and prosperity to billions of people over the last several decades.

Foundational to our international partnerships is the trust our Sailors and Marines share with their counterparts—a trust that is developed through countless exercises and operations.

Over the past year, I have been fortunate to attend several bilateral and multilateral exercises in person, including UNITAS 64 in South America and TALISMAN SABRE in the Indo-Pacific. During every exercise, I was impressed by the skills of our partners and the esprit de corps shared between our Sailors, our Marines, and their international counterparts. With each evolution, the power of our combined maritime forces was on full display, and I look forward to opportunities this year to observe the increasing interoperability and cooperation with our allies and partners at events such as Rim of the Pacific 2024, scheduled for this summer in Hawai'i.

Exercises are only one facet of our strategy to engage with our international partners and allies. At a macro level, the United States Navy and Marine Corps remain committed to supporting our longstanding NATO alliance—an alliance which now includes Finland and Sweden—especially as our European allies continue to address security concerns presented on their borders by Russia. We also are committed to our partners in Africa, where last year I attended the first-ever U.S.-hosted African Maritime Forces Summit, held in Cabo Verde.

In the Indo-Pacific, we are focused on ensuring the success of AUKUS, a generational security partnership that both provides our Australian allies with a nuclear-powered, conventionally-armed submarine fleet and fosters advanced technology development among Australia, the United Kingdom, and the United States in several critical areas, including undersea capabilities, artificial intelligence, and machine learning, cyber, and hypersonics. As part of AUKUS, the Australian government's contribution to the U.S. Submarine Industrial Base starting in FY25

will supplement our own SIB investments. These investments will facilitate increased U.S. production of future Virginia-Class submarines, which will offset the impacts to the U.S. submarine fleet caused by the sales of one in-service Virginia SSN in 2032 and a second in-service SSN in 2035 to Australia in accordance with Congressional authorization, as well as a new-construction submarine which will be sold to Australia in 2038. We are grateful for the support of this committee in our work to ensure the success of the AUKUS partnership, which will further our goal of maintaining a free and open Indo-Pacific region for decades to come.

Guam

As we continue to strengthen our international partnerships, we are also focused on building and maintaining our relationships here in the United States with the state, territorial, and local governments across the many communities that support our Sailors, Marines, civilians, and their families. As such, we are deeply involved with the government and citizens of Guam. Our Department is on track to begin the movement of Marines from Okinawa to Guam in support of the Defense Policy Review Initiative, with the relocation of Marines slated to begin in the first quarter of FY25. The end state of this personnel movement is projected to leave 11,500 Marines on Okinawa, while stationing 7,000 Marines on Guam. I am also pleased to highlight that our Under Secretary of the Navy was appointed by the Deputy Secretary of Defense to serve as the Senior Defense Official for Guam (SDOG). In this role, Under Secretary Raven will serve as the DoD's senior representative when meeting with key leadership and stakeholders in Guam. He will also provide senior leadership oversight and support to Commander, Joint Region Marianas in the execution of on-island activities and will liaise with the Army, Air Force, USINDOPACOM, USD (A&S), USD (R&E) to ensure we are aligned in the capability development and delivery of logistics and infrastructure requirements.

As we face the unprecedented pace of our mission growth on Guam, infrastructure and facilities are required to support the expansion of our on-island infrastructure footprint. In support of our military construction and family housing construction projects, totaling \$2.9 billion across the FYDP, we greatly appreciate Congress' approval of an extension of the H2B visa program through 2029, which will provide measures to offset workforce capacity challenges in support of our missions on Guam. We are committed to working with our government partners and stakeholders on Guam, as well as our partners across the DoD, to ensure the success of the transition of our personnel. We appreciate this committee's support as we carry out this process in a disciplined, sustainable manner that will enhance the readiness of our forces throughout the Indo-Pacific.

Industry Partnerships

Beyond international and local partnerships, we are also committed to ensuring that the defense industrial base on which we rely remains responsive to our acquisition requirements. PB25 invests \$4.0 billion in our Submarine Industrial Base to support submarine new construction and sustainment, as well as \$227 million in the weapons industrial base to increase surge production and suppliers for critical components. These investments are vital to maintaining the health of key industries that play a significant role in the lethality of our Fleet and our Force—industries from which we cannot afford to accept production delays.

We continue to pay special attention to increasing our engagements with small businesses throughout the defense ecosystem. As a former small business owner, I know just how critical this segment is, and I also know the incredible amount of expertise and know-how these firms bring in support of our Sailors, Marines, and civilians. The DON continues to explore all

opportunities to increase prime awards to for Small Businesses (SB), including but not limited to increased outreach to the SB industrial base via conferences and Navy Weeks, monitoring subcontracting performance and trends of our large prime partners, and continuing to stress the importance of disaggregation of expiring contracts to give a possible greater allocation to small businesses. As a direct result of these strategic initiatives, the DON has increased spending with SBs by 30% over the last three fiscal years, with SDBs experiencing a similar 30% increase over that same time period. Both SB and SDB set new records for prime awards in FY23, with Small

Businesses receiving over \$20B in prime awards from the DON (an increase of \$1.5B over FY22); Small Disadvantaged Businesses received \$7.6B in prime awards from the DON (an increase of \$680M over the prior record of \$6.9B set in FY22). For FY24, we are on-track to meet our Small Business goals and remain committed to doing so during FY25.

Beyond capital investments and engagements with small businesses, we continue to partner with industry and academia in workforce development initiatives. This past October, I attended the groundbreaking ceremony for a new, purpose-built regional training center in Danville, Virginia, that will expand workforce training opportunities in "new-collar" trades—those that combine traditionally blue-collar jobs with cutting-edge technologies—which are crucial to submarine and ship construction. This regional training center demonstrates the progress that can be achieved when local, state, and Federal governments, as well as industry and academia, come together and collaborate in support of a noble cause. Danville can and should serve as a model for nation- wide training programs that provide Americans with the skillsets necessary to achieve employment in good-paying jobs while also contributing to our national security.

Last month, I received the results of the 45-Day Shipbuilding Review, conducted by my

Assistant Secretary of the Navy for Research, Development, and Acquisition and Commander, Naval Sea Systems Command. This review illuminated the delays we are experiencing across several major shipbuilding programs and highlighted the challenges faced by both industry and the Navy to deliver ships and submarines on time. Our Department undertook this review to both provide transparency to Congress and identify steps we can take to develop a more realistic, pragmatic approach to shipbuilding. We are building a process and a team to reduce delays in ship and submarine deliveries with our industry partners, and we appreciate the continued support of this committee as we endeavor to “Get Real, Get Better” on shipbuilding. As we invest in the capacity, workforce, and capabilities of our industry partners, we must also give due consideration to holding industry accountable for the work they are contracted to perform. It is of utmost importance that the American people receives the best value for taxpayer dollars, and the Taxpayer Advocacy Project (TAP) ensures just this. TAP leverages DON subject matter expertise to research recurring contractor issues and legal solutions, educate Program Executive Officers, Program Managers, Contracting Officers, and DON attorneys on available legal tools to improve contractor performance, and assist those same stakeholders in identifying and clearing any Pentagon or vendor barriers to deliver contracted material and services on behalf of the warfighter and the taxpayer. TAP supports my priorities by positively impacting readiness improvement, ensuring that our Sailors and Marines are well-equipped, that contract cooperation is flowing both ways, and that the DON receives what it paid for on-budget, on-schedule, and on-performance.

Maritime Statecraft

This past September, during my remarks at Harvard University’s Kennedy School of Government, I called for a new vision of Maritime Statecraft to prevail in this era of intense

strategic competition. Maritime Statecraft encompasses not only naval diplomacy but also a national, whole-of-government effort to build comprehensive U.S. and allied maritime power, both commercial and naval. Our Nation's most prominent naval strategist, Alfred Thayer Mahan, argued that naval power begets maritime commercial power, and control of maritime commerce begets greater naval power. The PRC's leaders have read Mahan, and their actions show it.

As the PRC has built up its commercial and naval fleets and gained influential ownership in ports around the world, U.S. commercial maritime power has declined precipitously. Today, the PRC is the world's largest builder of commercial, ocean-going ships, with over 40% of the global market being built in Chinese shipyards. More concerning still, Beijing leverages its dominant commercial shipbuilding capacity and modern commercial shipyards and infrastructure to efficiently produce its naval fleet. Chinese shipping firms have come to dominate the worldwide commercial shipping industry. They have established an ownership stake in 95 ports across 53 countries worldwide, including in many of our own ports and those of our allies. They also field the world's largest global fishing fleet and the third largest merchant marine fleet with more than 7,000 ships, compared to the United States—ranked 70th—with 178.

Since entering office in August 2021, I have engaged across our Federal government—with the White House, the Department of Transportation, the Department of Homeland Security, Department of Commerce, the Office of the U.S. Trade Representative, and throughout the DoD—to bring attention to this issue and explore what authorities we can leverage to support the revitalization of our national shipbuilding industry. For example, Secretary Buttigieg and I had a productive discussion regarding our shared Title 46 authority in the Construction

Differential Subsidy that allows the U.S. Government to offset the higher cost of building a commercial ship in the United States relative to foreign shipyards provided the Secretary of Transportation and the Secretary of the Navy certify a national security purpose for the vessel. I have likewise welcomed the United States Trade Representative's in-depth engagement on boosting the proportion of U.S. international trade carried on U.S.-flag vessels—today, less than one half of one percent of U.S. international exports and imports sail on U.S.-flagged merchant ships, almost all of which are foreign-built.

My team and I have toured private shipyards across our Nation, from Bayonne, New Jersey, and Philadelphia, Pennsylvania, to Vallejo and Richmond, California, to better understand the capacity and workforce challenges these yards face. In February, I held engagements with the leadership of major shipbuilders in Japan and South Korea to gain a better understanding and appreciation for how they construct commercial and naval vessels in modern shipyards. I was enormously gratified by the strong interest expressed by the leaders of these world-class shipbuilders in establishing U.S. subsidiaries and investing in shipyards in the United States—and I could not be more excited at the prospect of these companies bringing their expertise, their technology, and their cutting-edge best practices to American shores.

In mid-November, I convened the inaugural meeting of the Government Shipbuilders Council at the Coast Guard's only public yard in Baltimore, Maryland. This new organization, comprised of representatives from the Departments of Transportation, Commerce, Homeland Security, and Defense, and our five government shipbuilding partners—MARAD, Coast Guard, NOAA, and the Army—will discuss how we can work together to collectively engage with industry, address common challenges, and share best practices.

All of these are early steps, and there is still much work to be done. We welcome Congress'

collaboration and support as we continue our Department's work on Maritime Statecraft with our counterparts in other Federal departments and agencies, industry, academia, and our international allies and partners. Revitalizing our comprehensive maritime power is a generational endeavor, requiring sustained, bipartisan commitment at the national level. Though the road ahead may be long, not a moment's time should be lost in embarking on a task so essential to our country's security and prosperity.

Closing

As I close, it is important to remember that the missions we send our Sailors and Marines on every day are anything but routine and, in most cases, extremely dangerous.

In January, we suspended the search for two U.S. Navy SEALs we lost at sea—Petty Officer First Class Christopher Chambers and Petty Officer Second Class Nathan Ingram—during the seizure of lethal, Iranian-supplied advanced conventional weapons to the Houthis.

And in February, we lost five Marines in a training accident—Lance Corporal Donovan Davis, Sergeant Alec Langen, Captain Benjamin Moulton, Captain Jack Casey, and Captain Miguel Nava—assigned to the “Flying Tigers” of Marine Heavy Helicopter Squadron 361.

As we mourn the loss of these brave Americans, their fellow Sailors and Marines continue to deploy around the globe. We honor their legacy by protecting the families they left behind and by upholding the ideals and principles that they gave their lives for.

The investments we ask you to make in our Navy and Marine Corps represent more than just buying ships, aircraft, and submarines, developing new capabilities, or bolstering the resiliency of the critical infrastructure we rely on. It is about supporting our men and women, both uniformed and civilian, and their families, who have committed their careers and indeed

their lives in defense of our Nation.

I am grateful for the continued bipartisan support of this committee, and I look forward to working with all of you to advance our Nation's security with a Navy and Marine Corps that possesses the enduring advantages required to uphold our nation's interests in peacetime, deter potential adversaries in crisis, and win decisively in war.

May God continue to grant the United States of America and its people fair winds and following seas. Thank you.

CARLOS DEL TORO

Secretary of the Navy



The Honorable Carlos Del Toro was sworn in as the 78th Secretary of the Navy August 9, 2021. As Secretary, he is responsible for over 900,000 Sailors, Marines, reservists, and civilian personnel and an annual budget exceeding \$210 Billion. His priorities include securing the training and equipment successful naval operations demand and addressing the most pressing challenges confronting the US Navy and Marine Corps – China's naval ambitions, climate instability, Covid's ongoing impact, and strengthening a naval culture of inclusiveness and respect.

Born in Havana, Cuba, Del Toro immigrated to the U.S. with his family as refugees in 1962. Raised in the Hell's Kitchen neighborhood of New York City, he attended public schools and received an appointment to the United States Naval Academy, where he earned a Bachelor of Science Degree in Electrical Engineering. Secretary Del Toro was commissioned as a Surface Warfare Officer upon his graduation in 1983.

His 22-year naval career included a series of critical appointments and numerous tours of duty at sea – including First Commanding Officer of the guided missile destroyer USS Bulkeley (DDG 84); Senior Executive Assistant to the Director for Program Analysis and Evaluation in the Office of the Secretary of Defense; and Special Assistant to the Director and Deputy Director of the Office of Management and Budget – where he helped manage the budgets of DOD, the U.S. Department of State, the Central Intelligence Agency, the Defense Intelligence Agency, the National Reconnaissance Office, and the Peace Corps.

After retiring at the rank of Commander, Secretary Del Toro founded SBG Technology Solutions, Inc. in 2004. As its CEO and President, he supported defense programs across a host of immediate and long-term Department of Navy issue areas, including shipbuilding, AI, cybersecurity, acquisition programs, space systems, health, and training.

He holds a Masters in National Security Studies from the Naval War College, a Masters in Space Systems Engineering from the Naval Postgraduate School, and a Masters in Legislative Affairs from George Washington University.

Secretary Del Toro and his wife have four children and a granddaughter

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HOUSE ARMED SERVICES COMMITTEE

STATEMENT OF
ADMIRAL LISA MARIE FRANCHETTI
33RD CHIEF OF NAVAL OPERATIONS
ON
DEPARTMENT OF THE NAVY FISCAL YEAR 2025
BUDGET REQUEST
BEFORE THE
HOUSE ARMED SERVICES COMMITTEE
MAY 1, 2024

NOT FOR PUBLICATION
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Introduction

Chairman Rogers, Ranking Member Smith, distinguished members of the Committee, thank you for the opportunity to testify on the posture of the United States Navy. On behalf of our Sailors, Navy civilians, and families deployed and stationed around the world, thank you for your continued leadership and support. Thank you for ensuring our Navy-Marine Corps team remains ready for prompt and sustained combat incident to operations at sea as well as for recognizing in law our Navy's role in the peacetime promotion of our Nation's national security interests and prosperity. Your commitment guarantees that our Navy is always postured and ready to deliver power for peace, respond in crisis, and win decisively in war.

America's Identity as a Maritime Nation

Flanked by two oceans, the United States is and has always been a maritime nation. Our economy, like the world's economy, flows through the sea. Ninety percent of global trade travels by sea. Ninety-five percent of international communications and roughly 10 trillion dollars in financial transactions each day transit via undersea fiber-optic cables. In the U.S., seaborne trade carries more tonnage and value than any other mode of transportation, generating 5.4 trillion dollars in annual commerce and supporting 31 million American jobs. There is no doubt: the seas are the lifeblood of our economy, our national security, and our way of life.

For 248 years, Congress has provided and maintained a Navy-Marine Corps team that has preserved America's access to the seas. From the founding of our Nation to the World Wars of the 20th century, America's naval forces have fought and won our Nation's battles to keep open the sea lines of communication that guarantee our prosperity and security. In every ocean, we uphold and protect the post-World War II rules-based international order that we fought to establish and have continued to defend for nearly three quarters of a century.

The Geopolitical Landscape

Our Nation's security and prosperity, and by extension the rules-based international order, is under threat from multiple fronts across all domains, including the maritime. The People's Republic of China (PRC), Russia, Iran, the Democratic People's Republic of Korea (DPRK), and Violent Extremist Organizations (VEOs) desire to rewrite the global rules-based order for their own political, military, and economic interests. They threaten access to waterways, ports, and key logistics hubs, which are critical to the U.S. and the global economy. They seek to control key maritime chokepoints like the Taiwan, Hormuz, and Bab al-Mandeb Straits in order to exploit sea control and subsequently deny the U.S. Navy, U.S.-flagged, and other internationally flagged commercial shipping freedom of maneuver.

As the National Defense Strategy (NDS) makes clear, the PRC is America's pacing challenge, representing the most comprehensive and serious challenge to our national security. It is the only country with both the intent to reshape the international order and, increasingly, the economic, diplomatic, military, and technological power to do so. Its coercive and aggressive behavior threatens to refashion the Indo-Pacific region and the international system to suit its interests and authoritarian preferences. Over the last twenty years, the PRC used its considerable economic

wealth to revolutionize its maritime capability to rival and contest ours. In that short time, the PRC tripled the size of its Navy and is on pace to surpass 400 ships by 2030. Simultaneously, it has created a world-wide network of ports, railways, and roads through its Belt and Road Initiative, expanded its strategic nuclear capacity, advanced its offensive and defense cyber and space capabilities, built up its rocket force, created man-made islands to extend its vast territorial claims over the South China Sea, and developed sophisticated munitions in an attempt to keep the United States military and our Allies and partners at range.

Russia continues to challenge American interests and to pose an existential threat to our Allies and partners in the North Atlantic Treaty Organization (NATO) as evidenced by its unprovoked, unjust, and reckless invasion of Ukraine. Russia has the world's largest nuclear arsenal, is battle-hardened, and is on a wartime economic footing. It continues to violate the core principles that uphold global peace and security, seeking to change borders of sovereign countries by force. We will continue to work with our Allies and partners to blunt Russian aggression and support Ukraine in its fight for territorial integrity and democracy.

Other persistent threats include the DPRK, Iran, and VEOs. The DPRK continues to expand its nuclear and missile capability to threaten the U.S. homeland, deployed U.S. forces, and our Allies and partners in the region, most notably Japan and South Korea. Iran continues to destabilize the Middle East with its support for militant groups' malign activities, its advancing nuclear program, and its harassment of maritime commerce in the Strait of Hormuz and the Arabian Sea. It continues to build and export missiles and missile architecture, unmanned aerial vehicles (UAVs) systems, and advanced maritime capabilities to VEOs worldwide – not just in the Middle East. Most notably this year, the world saw Iranian weapons used by the Houthis to disrupt the free flow of maritime commerce in the Red Sea.

Navy's FY25 Strategy-Driven Budget Request

The Navy's budget request for FY25 funds a strong, global Navy that is postured and ready to deter potential adversaries, protect our homeland, respond in crisis, and, if called, win decisively in war. Nested under the National Security Strategy (NSS) and NDS, the Navy's FY25 budget request is strategy driven with a focus on the PRC as the pacing challenge, while keeping a weather eye on the acute threat of Russia and other persistent threats like the DPRK, Iran, and VEOs. It supports the United States Marine Corps Force Design, implements Distributed Maritime Operations (DMO), and executes the 2022 Chief of Naval Operations Navigation Plan. It fully funds the Columbia-class submarine and the nuclear architecture that underpins it, allocates resources to our operations and readiness accounts that will keep our naval forces forward to defend our global interests, prioritizes resources to fund the Submarine Industrial Base (SIB), and maintains 31 amphibious ships per our Title 10 requirement.

However, the 2023 Fiscal Responsibility Act (FRA) imposed constraints that required us to make hard choices. Given the discretionary spending caps and the 0.7 percent topline increase, the Navy's FY25 budget request favors readiness for the near-term fight and the need to meet our congressionally-mandated peacetime mission over the modernization we will need for the future.

As our Nation's founders recognized, naval power is – and will continue to be – an essential element of our national security. The actions your Navy has taken this year in the Indo-Pacific, the Eastern Mediterranean Sea, the Red Sea, and elsewhere to defend American interests are a direct result of years of readiness investments in our Navy-Marine Corps team. Our actions illustrate how past investments and decisions made by our leaders in Congress, the Navy, and industry affect our ability to meet our mission today. More importantly, our Sailors' actions on, under, and above the seas to defend the rules-based international order demonstrate the value of investing in a strong naval force.

Within this constrained fiscal environment, we must continue that investment in our Navy-Marine Corps team to meet the threats of this challenging environment. We must put more ready players on the field – platforms ready with the right capabilities, weapons and sustainment and people who are ready with the right skills, tools, training, and mindset – to ensure we are fully prepared to fight and win our Nation's wars in this decisive decade. We cannot afford to keep players on the field that can no longer contribute to our ability to win decisively. The Navy's FY25 budget reflects that need and reflects my priorities of Warfighting, Warfighters, and the Foundation that supports them that I set forth in my America's Warfighting Navy document in January 2024.

Warfighting: Delivering Decisive Combat Power

The Navy views everything through a warfighting lens. Operating in support of the NSS, NDS, and National Military Strategy, the United States Navy is a critical element of the Joint Force, upholding international norms, providing access to free and open oceans, and ready to deliver decisive combat power as part of a Joint and Combined Warfighting Ecosystem. The FY25 budget request ensures our ability to execute globally distributed sea control and sea denial and guarantees our ability to fight and win our Nation's wars, if called.

Strategic Deterrence Investments. The FY25 Budget Request fully funds the Nation's top defense acquisition priority and the Navy's contribution to our strategic deterrence: the Columbia-class ballistic missile submarine, the second life extension of the Trident II D5 Ballistic Missile, and the Take Charge and Move Out (TACAMO) command, control, and communications suite.

Procurement Investments. With 88 ships on contract and 66 under construction already, the FY25 request invests \$32.4 billion in shipbuilding, funding six battle force ships (one Virginia-class submarine, two Arleigh Burke-class destroyers, one Constellation-class frigate, one San Antonio-class amphibious transport dock, and one Medium Landing Ship) and providing incremental funds for two Ford-class aircraft carriers (CVN 80 and CVN 81) and the USS Harry S. Truman (CVN 75) Refueling and Complex Overhaul. The budget request funds a total of \$189 billion across the FYDP for 57 total battle force ships.

Notably, the budget requests \$7.3 billion for the procurement of the first Virginia-class Block VI submarine and will initiate a nine-ship planned multi-year procurement beginning in FY25. It funds two Arleigh Burke class destroyers, including completion funds for three FY23 and two FY24 ships, and continues investment in the Constellation-class frigate program, which gets

more players on the field with increased lethality, survivability, and capability. Additionally, it bolsters our investment in the Navy-Marine Corps team and our commitment to USMC Force Design and the Expeditionary Advanced Base Operations concept by maintaining 31 amphibious ships, providing \$1.6B in FY25 to the fourth San Antonio Class LPD FLT II, adding funds across the FYDP to support amphibious ship recapitalization in LPD Flight IIs in FY27 and FY29, and funding 8 Medium Landing Ships through the FYDP.

Ship Decommissionings and Divestments. The FY25 budget requests the decommissioning of 19 ships, 9 of which have completed their normal lifecycle and 10 that are divestments before the end of their expected service life. This is a return on investment decision, based on a hull-by-hull assessment of each ship's material condition, life remaining, cost and time to upgrade, and warfighting relevancy.

Readiness Investments. Our Navy must be able to put players on the field that are *ready* with trained crews, ships and aircraft ready to operate, and with capable weapons systems and munitions. Despite FRA constraints, the Navy's FY25 budget request provides \$34.6 billion – an overall increase of \$200 million from the FY24 request – to Fleet readiness to support flying and underway steaming at levels that support our Fleet's global operations. It funds the reality that readiness is the key enabler for naval superiority and that ship, submarine, and aviation operations are the Navy's core capability and the foundation of maritime dominance.

The FY25 request funds \$7.6 billion – an increase of \$600 million from the previous year – in ship operations, providing the fuel, parts, and support necessary to train the Fleet and deploy it worldwide and investing in the critical maintenance for Military Sealift Command's support ships. The budget request supports a Fleet average of 58 days underway per quarter for deployed ships and 24 days per quarter for non-deployed ships. Out of the total \$10.6 billion in Navy-Marine Corps flight operations funding, the budget request funds \$6.8 billion in Navy flight operations, funding approximately 600,000 Navy flying hours to resource Fleet preparation and execution of training and operational requirements.

In regards to maintenance, we must get our ships, submarines, and aircraft in and out of their availabilities on time and on cost. The budget request funds \$14.5 billion in ship maintenance, including 58 ship availabilities, and covers private contracted availabilities as well as the Navy's four public shipyards, regional maintenance centers, and intermediate maintenance facilities. It also provides \$1.3 billion in aviation maintenance that paces the Fleet Flying Hour Program, funding 328 airframe and 1,486 engine events and sustaining aviation investments in depot overhauls and aircraft spares to increase mission capable aircraft numbers.

Sealift Investments. The Navy is committed to meeting Strategic Sealift mobility requirements by recapitalizing the Ready Reserve Fleet and the Maritime Prepositioning Force with a combination of used vessels and new construction vessels. To achieve this, the Navy is building a Sealift Campaign Plan to focus on a whole-of-strategic-sealift approach across the entirety of sealift prepositioned and surge assets. A key element of this plan is continued implementation of the congressionally-provided authorities to address strategic sealift readiness and recapitalization through the Buy-Used Program, which purchases used sealift vessels to replace older, aging vessels currently in the Maritime Administration's (MARAD) Ready Reserve Fleet. To date, the

Navy has procured five ships through the Buy-Used Program and plans to procure two more in FY24 and two more in FY25, which will meet the congressionally mandated limit. The Navy supports modifying the current congressional restrictions on the Buy-Used Program to allow the Secretary of Defense authority to purchase foreign built, used vessels without limitations. This authority would allow the Navy to accelerate surge sealift Fleet recapitalization immediately, while continuing to support U.S. shipyard industrial base.

The FY25 budget request continues this current recapitalization strategy to buy and modify two used vessels per year across the FYDP, while executing the current planned retirement schedule. The Buy-Used program provides a stable acquisition profile with forecasted maintenance and repair costs to meet strategic mobility requirements at a moderate level of risk. Additionally, the Navy is partnering with MARAD and USTRANSCOM to develop requirements for a range of new sealift construction options from basic sealift vessels for the Ready Reserve Force to purpose-built Maritime Prepositioning Force vessels.

Investments in the Hybrid Fleet. The Navy continues to invest in its hybrid fleet and in the enabling capabilities that will support all current and future unmanned programs of record. By leveraging America's unmatched innovation base, the Navy intends to augment our highly capable, existing platforms with a host of optionally manned and unmanned platforms operating under, on, and above the seas. This will extend our reach, expand our ability to distribute our forces, and enable us to deliver larger volumes of kinetic and non-kinetic effects across all domains to fully support the Joint Force. These technologies are being developed in Navy laboratories, with industry partners, and onboard the Navy's unmanned prototypes and tested in real-world scenarios.

To deliver these capabilities at the speed of relevance, the Navy is working to improve the acquisition process. The Navy's newly established Disruptive Capabilities Office (DCO) is focused on the most promising, game-changing technologies and getting them from prototype, to scale, and into the hands of our warfighters as quickly as possible. The DCO reports directly to me and the Secretary of the Navy. Simultaneously, the Navy is fully supporting OSD's Replicator effort and Defense Innovation Unit to rapidly procure and scale technologies that will ensure our warfighting advantage.

Network Investments. In order to ensure warfighting advantage, we must guarantee decision superiority for our warfighters. With this in mind, the FY25 budget request invests \$140M in FY25 with a total of \$716M across the FYDP in Project Overmatch. Through Project Overmatch – the Navy's contribution to Combined Joint All Domain Command & Control – we are fielding the connective tissue for today's Fleet, while developing and experimenting with what is needed for our hybrid fleet. Using modern software methods and pipelines, we are fielding software-based networking technologies to provide as many pathways to connect and share information as possible, as well as software applications that aid decision makers and planners in executing DMO. To date we have fielded our first increments of Project Overmatch across multiple Carrier Strike Groups and shore command nodes. The FY25 budget request will fund our follow-on increments of this capability, while growing the architecture, adding resilience and redundancy to our communications paths, and expanding into additional domains in conjunction with our Joint partners and Allies.

To provide more secure, resilient, and reliable means to C2 our naval forces, the FY25 request continues procurement and installation of satellite communications systems to include Satellite Terminal (transportable) Non-Geostationary Terminals, and Portable Receive Terminals as well as a wideband anti-jam modem system that protects vital SATCOM links. Our investments will result in the modernization of the Automated Digital Network System to a Software-Defined Network that will increase capacity and capability afloat and ashore for operational continuity. This investment supports our operational architecture and creates tangible warfighting advantages by providing access to resilient, high-speed, low-latency bandwidth at sea.

Cyber Investments. The FY25 budget requests invests \$1.55 billion in enhancing maritime cyber capabilities while also maximizing our investment in joint cyber capabilities defined via U.S. Cyber Command's goals and objectives. In 2023, the Navy released our Cyber Strategy to ensure alignment with national strategic guidance and to define context-specific lines of effort and outcomes across the intersection of the maritime domain, information environment, and cyberspace to enhance national security. The FY25 request executes that strategy and continues investment in cyber, which includes procurement of software, upgrades, and technical support and increased development of support for cryptologic modernization solutions. These investments explore, test, and accelerate integration of non-kinetic capabilities that provide our forces with cost-effective offensive and defensive options.

The budget request also invests in cryptographic and cybersecurity modernization, reducing the threat in the rapidly evolving digital landscape. We have increased support for cryptologic modernization solutions, upgrading all operational devices so we stand ready to operate against future quantum computing threats. In cybersecurity, network modernization will allow us to rapidly integrate learning from initiatives like Project Overmatch in order to provide our Sailors the best-in-class technology, at speed, across all of our platforms. Our Cyber Mission Forces stand ready to conduct full spectrum cyberspace operations in all domains.

Workforce Modernization. The Navy is updating its human force structure to ensure it has a workforce well-versed in cyber and unmanned technologies. To advance a truly hybrid fleet, we need to develop warfighters for the next generation who ruthlessly pursue warfighting excellence, who can deliver the advantage of autonomous and unmanned systems and who can operate and innovate alongside their systems. To meet this challenge, the Navy established the maritime cyber warfare officer designator and the cyber warfare technician rating in FY24. With this new designator and rating, the Navy now has a holistic group of cyber warfighters trained to address the most challenging cyber threats. We have also established foundational Navy-provisioned offensive cyber training, adjusted tour lengths, and maximized incentives, improving our cyber team readiness by 20 percent over the last year. In February 2024, the Navy established a new robotics warfare specialist rating to build and develop a team with experience in sensors, platform autonomy, and mission autonomy program. These Sailors will serve as the operators, maintainers, and managers of our hybrid fleet, planning and controlling our future unmanned systems.

Allies and Partners Investments. The Navy recognizes that we will never fight alone. Our Allies and partners are our true strategic advantage and a fundamental component in putting more

players on the field. They are force multipliers. Moving forward, we will design and drive interoperability with our Allies and partners into our systems and processes to deliver combined lethality in support of the rules-based international order we protect together. A cooperative deployment program, combined with a robust international exercise program, highlighted by the Rim of the Pacific (RIMPAC) Exercise this year, underscores our commitment to working alongside our Allies and partners.

The Navy is committed to strengthening the bonds with two of our closest allies and fulfilling our US commitments to the Australia-United Kingdom-United States (AUKUS) enhanced security partnership. This once-in-a-generation opportunity demonstrates our shared interest in a free and open Indo-Pacific based on international law and serves to uplift the warfighting capability of our three nations. Through the establishment of a conventionally armed, nuclear-powered attack submarine capability in Australia and the development and operationalization of advanced technologies and warfighting capabilities, we will build our collective technical and industrial capabilities to deliver next-generation interoperable systems that deter aggression and win in war, if necessary.

Investments in the Arctic. The Arctic is critical to America's safety and economic prosperity. Maritime presence and competition in the Arctic has grown to include many non-Arctic nations, as faster and cheaper trade routes become available due to increasingly navigable waters. To meet this challenge, the FY25 budget request provides \$47 million in FY25 and \$252 million across the FYDP for Arctic research, training, and operations. The Navy, Marine Corps, and Coast Guard must ensure all navigation and exploration – fishing, oil, and natural gas – remains in accordance with internationally recognized rules and norms. We will continue to work with our Allies and partners in the region – Canada, Iceland, Denmark, Sweden, Finland, Norway, and the United Kingdom – to ensure a peaceful and stable Arctic. The U.S. Navy remains ready to respond to changing geopolitical and climate conditions in the Arctic.

Warfighters: Strengthening the Navy Team

The Navy's active and reserve Sailors, our Navy civilians, and our families are our asymmetric advantage and give our Navy the decisive edge. I could not be more proud of our Navy team, who executes our Navy's mission every day. We must continue to build strong warfighting teams, recruit and retain talented people from across the rich fabric of America, and provide them world-class training and education. We remain committed to improving our Sailors' Quality of Service, which includes Quality of Life and Quality of Work. Within FRA Caps, the FY25 budget request provides \$41B – a 2 percent increase over FY24 – for an active duty force of 332,300, which includes a 4.5 percent pay increase for our Sailors, and invests \$2.8B for 57,700 reserve Sailors, aligned with Fleet force structure changes.

Manning. Simply put, the Navy needs more people to meet our mission requirements around the world. Over the last year, we averaged more than 18,000 manning gaps at sea, primarily in our apprentice ranks. Because of this, the Navy continues to prioritize seagoing billets for deployed and next-to-deploy forces to ensure all operational units are fully ready to support national tasking. We are offering increased incentives for our Sailors to remain at sea or return to seagoing billets through programs like the Advancement-to-Position program.

Retention. Our first line of effort in ensuring our Fleet is manned is to retain the Sailors we currently have. Overall, Navy retention remains healthy. We ended FY23 meeting or exceeding our retention benchmark forecasts across most of our zones of service and are on-track to meet FY24 retention targets. To continue this momentum, the FY25 budget's personnel funding paces a strong economy by offering our Sailors a complete compensation package, providing competitive pay and benefits as well as basic pay increases and cost increases for housing, subsistence, and basic needs allowances. It invests \$84 million more than the FY24 request in enlistment and re-enlistment bonuses. The Navy also extended the High Year Tenure (HYT) Plus pilot program indefinitely, which allows our Sailors to negotiate new orders to valid, vacant billets, or to extend their current assignment to the normal tour length to stay in past HYT gates.

Recruiting. The root cause of our manning challenges is our recruiting challenge. Although the Navy missed its FY23 recruiting goal by 7,000 Sailors, we contracted 6,000 more Sailors than we did in FY22. We are using all available levers to maximize the effectiveness of recruiting for FY24 by seeking innovative ways to attract individuals who are qualified and willing to serve. This starts by connecting people that live in every zip code to our Navy story and by spreading our message to areas of untapped potential, far from our bases and installations, and with little or no exposure to the Navy. We are recruiting in previously under-served markets, presenting in new places like gaming events and in the virtual world to create awareness beyond our traditional talent base, and expanding our market penetration through enhanced marketing and advertising via multi-channel means (social media, connected television, and online presence).

The Navy is also evaluating organizational and policy initiatives to improve recruiting and expand the pool of qualified, motivated, and capable applicants that meet our standards. This past year, the Navy established the Recruiting Operations Center to establish a more effective enterprise approach to recruiting, elevated Commander, Navy Recruiting Command to a seasoned 2-star Admiral position to provide better oversight and direction, and increased recruiter manning for greater reach and production. To expand opportunities to join our team, we raised the recruiting age from 38 to 41 years old, established the Future Sailor Preparatory Course, both Physical Fitness and Academic, increased enlistment bonuses to attract high quality recruits for high demand ratings, increased the number of Category IV recruits to match rating demand, and began accepting high quality (AFQT 50 and greater) Tier III recruits.

Education & Training. In an effort to prepare our warfighters for the future fight, the Navy's FY25 budget request prioritizes Sailor education by investing \$25 million in the expansion of the United States Naval Community College (USNCC) to 25,000 students by FY26 and by fully funding Tuition Assistance Programs. The Navy is committed to Naval University System wholeness, giving our Midshipmen at the United States Naval Academy, our officers at the Naval War College, our officers, enlisted, and civilians at the Naval Postgraduate School, and our enlisted Sailors across the Fleet every opportunity to succeed. We continue to see great results from the USNCC with over 3,500 Sailors, Marines, and Coastguardsmen currently enrolled in eight different academic programs. Additionally, through other initiatives like Live, Virtual, and Constructive training, Ready Relevant Learning, and the Fleet Learning Continuum, the Navy is ensuring our Sailors have the professional knowledge, skills, and training to be ready to meet and excel in its national security tasking.

Quality of Service (QoS). QoS remains among my highest priorities as CNO. The Navy remains resolute in our obligation to care for and deliver QoS to our Sailors, both active and reserve, our civilians, and our Navy families because they are our most important resource. Within a constrained budget environment, the FY25 budget request continues our significant investment in QoS with \$816 million to Quality of Life (QoL) and \$536 million to Quality of Work (QoW) initiatives. The budget request includes a \$523 million increase in Quality of Life initiatives over FY24 and pulls every lever to sustain deserved pay increases for our Sailors, increase BAH and BAS allowances, and fully fund barracks sustainment and operations.

To demonstrate the Navy's commitment to improving QoS, the Navy established a QoS Cross Functional Team (CFT) to improve our Sailors and families' QoL. Reporting to the Secretary of the Navy and me, the QoS CFT is Sailor-centric and focused on achieving both short-term and long-term goals to improve our Sailors' QoS. The CFT has made significant progress in addressing challenges faced by Sailors serving on ships and submarines at Huntington Ingalls Industries-Newport News Shipbuilding, including off-ship berthing, the availability of quality food, internet connectivity, and improved access to medical care and resources. The Navy intends to scale these initiatives Fleet wide.

Unaccompanied Housing (UH). The Navy's FY25 request fully funds barracks operations and sustainment and fully funds barracks recapitalization for fully scoped and ready projects. The budget request invests \$1.2 billion across the FYDP for barracks construction and renovations to repair poor and failing UH facilities. It invests \$206 million in FY25 – an increase of \$41 million from FY24 – for UH repair and addresses repairs to five CONUS facilities (Naval Air Station (NAS) Lemoore, NAS Oceana, Joint Base Pearl Harbor, Naval Base Kitsap, and Submarine Base Kings Bay) and one OCONUS facility (Naval Support Activity Bahrain). The FY25 budget request commits \$10 million in planning and development for UH projects across the FYDP and is expanding privatized UH in San Diego and Hampton Roads.

The budget also invests in adding Wi-Fi to all our UH. Beginning in February 2024, we commenced a Wi-Fi pilot (12 facilities/4K Sailors) in unaccompanied housing facilities at Naval Station Norfolk, Portsmouth Medical Center, and Norfolk Naval Shipyard. This pilot will run through the end of the fiscal year and will ensure the program is optimized to deliver connectivity and value to our Sailors prior to a wider roll-out across the Navy.

Childcare. The Navy is committed to meeting active-duty service member childcare requirements and is making steady progress on reducing the waitlist. As of March 2024, Navy has a Child Development Center (CDC) and School Age Care (SAC) waitlist of approximately 3,600 children, down from 5,300 at the start of FY23. To expand capacity and drive down the waitlist, the Navy is focused on staff recruitment and retention through increased pay and other initiatives, facility expansion through military construction (MILCON), and the Military Childcare in Your Neighborhood (MCCYN) Fee Assistance Program for those on the CDC and SAC waitlist. Currently, all active duty families on the waitlist have received MCCYN fee assistance. The Navy is extending the MCCYN program to Navy civilians this year.

In regards to MILCON, the Navy's FY25 budget request adds \$22 million in Facilities, Sustainment, Restoration, and Modernization funding for CDCs, \$23 million for CDC Planning and Design for future MILCON, and \$437 million for childcare operations. The following locations are areas of ongoing CDC construction projects: Naval Base Kitsap, Naval Base Point Loma, Naval Support Activity Hampton Roads, and Joint Expeditionary Base Little Creek/Fort Story. The Navy has 12 additional CDC MILCON projects programmed across the FYDP.

Healthcare. The Navy remains committed to our families and the need to provide affordable, high quality health care. Working closely with the Defense Health Agency and the Office of the Secretary of Defense for Health Affairs, the Navy's FY25 budget request invests \$1.9B across the FYDP to stabilize the health system and fully restore military medical manpower. This will ensure our ability to generate Navy operational medical capabilities to support high end competition, crisis, and combat, ensuring more players remain on the field.

Mental Health. The Navy is committed to ensuring our Sailors have access to the full continuum of mental health resources with the right care, at the right level, and at the right time. Our FY25 request increases funding for Mental Health and Suicide Prevention services by \$52 million – a 173 percent increase from FY24 – and fully funds the 21st Century Sailor Readiness and Resiliency and Suicide Prevention and Response initiatives, which enable Sailors to seek help earlier and often, but before a crisis. We continue to assign more chaplains to seagoing units and provide more mental health specialists to Fleet concentration areas. Right now, 43 percent of our mental health providers are embedded with the Fleet, providing proactive prevention and treatment.

Additionally, in 2023, the Navy implemented the Brandon Act, which honors the life of Petty Officer Third Class Brandon Caserta. The Brandon Act streamlines access to mental health support for all our Sailors and reduces stigma by fostering a culture of support for those seeking help. Also, in 2023, the Navy published the Mental Health Playbook, which assists command leaders in preventing mental health issues from occurring, and, when they do, shows them how to connect Sailors with the proper mental health care. We remain committed to providing our Sailors the support they need.

Sexual Assault Prevention & Response. The Navy is committed to providing a safe work environment free of sexual assault and sexual harassment for all our Sailors and to advancing a culture of Great People, Great Leaders, and Great Teams that drive healthy command climates. The FY25 budget request invests \$353 million in the recommendations made by the Independent Review Commission on Sexual Assault in the Military (IRC-SAM) with a focus on prevention, climate and culture, and victim care lines of effort. The budget requests includes funding for the phased hiring of Integrated Primary Prevention Workforce, the phased drawdown of collateral duty SAPR personnel, and for training and education. On December 28, 2023, the Navy's Office of Special Trial Counsel (OSTC), led by a rear admiral (O-7) who reports directly to the Secretary of the Navy, became fully operational. This independent prosecution office, staffed by experienced, specialized, and well-trained professionals, now exercises disposition authority over the Navy's most serious personnel violence offenses, including sexual assault. Beginning in January 2025, the OSTC will also review formal,

substantiated complaints of sexual harassment further supporting a safe and secure working environment for all Sailors.

Foundations: Build Trust, Align Resources, Be Ready

The Navy must have a robust, strong, and resilient foundation that supports our warfighters and warfighting. This begins by recognizing installations and shore infrastructure as warfighting platforms—as aircraft carriers that do not get underway—and investing in the shore as a weapons system. The FY25 budget request continues our investment in installations, shipyards, the SIB, and the weapons industrial base to ensure they are resilient and mission-ready and can generate and sustain our warfighters and our warfighting.

As in FY24, the Navy’s FY25 budget request provides large investments in the health of the industrial base, providing clear headlights to industry on our build plans. In line with the Secretary of the Navy’s Maritime Statecraft initiative, we are exploring additional ways to further invest in industry and increase shipbuilding capacity through multi-year, block buy purchases and investments in workforce development and supply chain resiliency. This requires a whole-of-government effort. In order to deliver the Navy the Nation needs, the Navy is pulling every available lever to expedite the necessary ships, aircraft, and weapons to our warfighters – by continuing to partner with industry, academia, interagency and allied partners to solve our most pressing challenges and by improving our ability to maintain existing platforms.

Installation Investments. The FY25 budget requests allocates \$10.5B across the FYDP to piers, airfields, aviation facilities, maintenance facilities, and core utilities to meet the Nation’s needs. Because shore infrastructure is vital in enabling global logistics, the Navy is repairing and updating critical waterfront utilities, making structural repairs to wharves and docks, and building and repairing taxiways and hangars. We are investing in our critical utility systems, upgrading water, wastewater, and electrical generation, distribution, and treatment capabilities to improve resiliency, quality, and reliability and minimize risk to mission. In energy, we are pursuing micro grids and continuing to aggressively conduct and learn from black start exercises, which are designed to test an installation’s ability to continue mission during a total loss of commercial power. Because most of our power originates off-base, the Navy continues to partner with local and state communities and Allies and partners, to improve resiliency inside and outside our fence line to support the Fleet.

Shipyard Infrastructure Optimization Program (SIOP) Investments. Our FY25 request invests \$2.8 billion in SIOP and provides \$9.0 billion across the FYDP, continuing our commitment to this once-in-a-generation investment in our four public shipyards. This is on top of our FY23 and FY24 requests of \$1.9B and \$2.7B. We must ensure our shore enterprise is fully funded, reinforced, and upgraded to prepare for war. The average age of the Navy’s shipyard facilities and related infrastructure is 61 years old and the average age of our dry-docks is 101 years old. SIOP is a needed investment in repairs, modernization, and recapitalization to deliver dry-docks that can support current and future classes of our nuclear-powered submarines and aircraft carriers, optimize workflow through changes in the physical layout of the shipyard, and increase productivity through technology and equipment upgrades.

The FY25 budget request funds the following: the fifth increment of the P-381 Multi-Mission Dry Dock Extension (\$401 million) at Portsmouth Naval Shipyard, the third increment for the P-209 Dry Dock 3 Replacement at Joint Base Pearl Harbor Hickam (\$1,199 million), first increment for P-1062 Dry Dock 3 Modernization at Norfolk Naval Shipyard (\$54 million), P-859 CVN 78 Aircraft Carrier Electrical Upgrades at Naval Base Kitsap (\$182 million), and planning and design requirements (\$183 million) for future construction efforts.

SIB Investments. The Navy's FY25 budget request reflects our prioritization of and significant investment in our undersea warfare capability. The Department of Defense's FY25 budget request invests \$4.0 billion and \$11.4 billion in the FYDP in the SIB, sending a strong signal to and increasing the health of industry, building our supply chain resiliency, bolstering our long-term capacity and supporting the AUKUS partnership, all while ensuring readiness for today. The FY25 request doubles the approximately \$2.0B SIB investment Congress provided in FY23 and FY24. This significant investment is on top of the President's FY24 \$3.3B SIB Supplemental request and the planned investment of \$3B from the Commonwealth of Australia. These actions meet a generational demand for an increase of at least 100,000 skilled workers over the next ten years to build the Columbia-class submarine, deliver the Virginia-class submarine, and maintain our in-service submarines.

This is a national effort. The SIB, including the supply chain that supports material and readiness for all submarine classes, consists of over 15,000 industry partners spread across every state in the country. The Navy will continue to partner with industry to make investments that will deliver a production cadence of 1 Columbia and 2.3 Virginia-class submarines per year to replace the aging Ohio-class submarine, achieve our required force structure of 66 SSNs, and support our AUKUS commitments.

Weapons Industrial Base (WIB) Investments. The Navy's FY25 budget request invests \$6.6 billion in critical munitions and builds on the FY23 and FY24 weapons industrial base and procurement investments. The budget request continues the multi-year procurement for four critical munitions across the FYDP: Standard Missile (SM), Naval Strike Missile (NSM), Long Range Anti-Ship Missile (LRASM), and Advanced Anti-Radiation Guided Missile (AARGM). The Navy remains committed to working with industry to identify manufacturing challenges and provide investment opportunities to streamline testing and increase production.

Additionally, the Navy is investing in industry and in its organic industrial base to ensure we can ramp up munitions production in the immediate future. Building upon the FY23 and FY24 requests, the FY25 budget request invests \$227M to expand capacity for Trident II, Long Range Anti-Ship Missiles, Standard Missiles, and MK-48 torpedoes. We welcome supplemental funding to help replenish munitions expended in the Red Sea.

Typhoon Mawar. The Navy is committed to repairing the damages done by Typhoon Mawar in Guam. Current damage exists at \$44 billion with over \$6 billion in facility repairs and reconstruction in FY24 and FY25, complicating our ability to meet the NDS and impacting QoL for residents and service members. With the accelerated degradation of our shore installations and infrastructure compounded by the increased demands of our QoS investments, it is important

that the Navy obtain the Guam Disaster Recovery supplemental in a timely manner in order to begin recovery from the typhoon's damage.

Red Hill. The Navy remains committed to rebuilding trust with the people of Hawaii and service members, civilians, and families affected by the Red Hill fuel leaks. Joint Task Force-Red Hill has safely removed 104.6 million gallons of fuel—over 99 percent of previously held fuel reserves—6 months ahead of schedule, and turned over responsibilities to Navy Closure Task Force-Red Hill (NCTF-RH) on 28 March. NCTF will execute the permanent closure of Red Hill and continue long-term environmental remediation and aquifer restoration efforts. The Navy team in Hawaii continues to work alongside the EPA and Hawaii Department of Health to provide water that meets all federal and state safe drinking water standards, while transparently communicating with elected representatives, community groups and the public.

Industrial Base Workforce Development. Our recruiting efforts are about more than recruiting active duty Sailors. It is about a broader “call to service” to active duty and reserve Sailors and workers supporting the industrial base that covers the spectrum of support to our Nation. The Navy appreciates Congress’ continued support and is working closely with industry partners to strengthen and grow the defense industrial base workforce through the SIB, multi-year procurement contracts, and SIOP to help build a comprehensive, coordinated, and sustainable development system to deliver skilled trade workers. For example, the SIB is working closely with regional training partners across the country to improve workforce attraction, recruitment, training, and retention in order to achieve the increased capacity to design, build and sustain the platforms and systems the Navy and Nation needs.

Additionally, the DDG 51 multiyear procurement contract for FY23 included a workforce development incentive that supports essential enhancements, including workforce housing and transportation, expansion of local talent pipeline programs, facilities modifications in support of workforce development, attraction and retention bonus programs, and augmented on-the-job training. And, through SIOP and our recapitalization of century-old infrastructure, we are improving QoS for our 30,000 shipyard employees. But, we must do more. Alongside government and industry, we must explore ways to support QoL concerns in order to ensure that these workers have affordable housing, commutes, and food options.

Conclusion

The Navy continues to meet its Title 10 mission to be organized, trained, and equipped for the peacetime promotion of the national security interests and prosperity of the United States and for prompt and sustained combat incident to operations at sea. Our operations around the world demonstrate that an investment in America’s Navy is an investment in America’s security and prosperity. We answer the bell, from the seabed to space, in cyberspace, and in the information environment. No other Navy in the world operates at this scale and no other Navy in the world can train, deploy, and sustain such a lethal, globally deployed, combat-credible force.

As our Nation’s founders recognized and as seen this year, naval power is – and will continue to be – an essential element of our national security. The Navy’s FY25 budget request invests in that reality and prioritizes warfighting advantage to win in this decade. Through our Performance

to Plan, Get Real Get Better, and Culture of Excellence 2.0 initiatives, the Navy is instilling a mindset that makes the most out of each dollar we receive to build the best Navy possible. We are committed to ensuring the American taxpayer knows that each dollar invested in the Navy is a dollar well spent on their safety, security, and prosperity.

The credibility of our Nation's deterrence rests upon ready and capable ships, aircraft, and submarines. The investments we make now will shape the global maritime balance of power for the rest of this century. I could not be more proud of our Navy team that guarantees our prosperity and security, defers our adversaries, and is ready to fight and win if needed. The Navy will continue to work alongside all stakeholders and our Allies and partners to deliver the Navy the Nation needs. On behalf of our more than 600,000 active and reserve Sailors, Navy Civilians, and Navy families, I am grateful to this committee and to your colleagues in Congress for your steadfast commitment to your United States Navy.



Admiral Lisa Franchetti

Chief of Naval Operations



Adm. Lisa Franchetti is a native of Rochester, New York. She received her commission in 1985 through the Naval Reserve Officer Training Corps Program at Northwestern University, where she received a Bachelor of Science in Journalism. She holds a master's degree in organizational management from the University of Phoenix.

Her operational tours include auxiliaries officer and first division officer on USS Shenandoah (AD 44); navigator and jumboization coordinator onboard USS Monongahela (AO 178); operations officer on USS Moosbrugger (DD 980); combat systems officer and chief staff officer for Destroyer Squadron (DESRON) 2; executive officer of USS Stout (DDG 55); and assistant surface operations officer on USS George Washington Strike Group. She commanded USS Ross (DDG

71) and DESRON-21, embarked on USS John C. Stennis (CVN 74). She also served as commander of Pacific Partnership 2010, embarked on USNS Mercy (T-AH 19).

Ashore, Franchetti's assignments include commander, Naval Reserve Center Central Point, Oregon; aide to the Vice Chief of Naval Operations; protocol officer for the commander, U.S. Atlantic Fleet; 4th Battalion officer at the U.S. Naval Academy; division chief, Joint Concept Development and Experimentation, on the Joint Staff, J7; deputy director of International Engagement and executive assistant to N3/N5 on the Navy staff; and military assistant to the Secretary of the Navy.

Her flag assignments include commander, U.S. Naval Forces Korea; commander, Carrier Strike Group 9; commander, Carrier Strike Group 15; chief of staff, Strategy, Plans and Policy (J-5) Joint Staff; commander, U.S. 6th Fleet/commander, Naval Striking and Support Forces NATO/deputy commander, U.S. Naval

Forces Europe and U.S. Naval Forces Africa; deputy Chief of Naval Operations for Warfighting Development, N7; director for Strategy, Plans and Policy (J-5), Joint Staff; and Vice Chief of Naval Operations. Franchetti assumed the duties as Chief of Naval Operations Nov. 2, 2023.

Her personal awards include the Defense Distinguished Service Medal, Distinguished Service Medal, Defense Superior Service Medal (two awards), Legion of Merit (five awards), Meritorious Service Medal (six awards), Navy and Marine Corps Commendation Medal (four awards), and the Navy and Marine Corps Achievement Medal (two awards).

STATEMENT

OF

GENERAL ERIC SMITH
COMMANDANT OF THE MARINE CORPS

HOUSE ARMED SERVICES COMMITTEE

ON

THE POSTURE OF THE UNITED STATES MARINE CORPS

Chair Rogers, Ranking Member Smith, and distinguished members of the Committee, thank you for the opportunity to report to you on your Marines and your Corps. Your support has been critical to your Corps' ability to remain the Nation's Force-in-Readiness, all the while modernizing to stay ahead of our adversaries and those who would seek to threaten our Nation or its Allies and partners.

Who We Are and How We Fight

The Marine Corps is, first and foremost, a warfighting organization. We exist to fight and win our country's battles. Everything we do is with that one goal in mind. The character of war may change, but its essence never will – it is the violent struggle between two irreconcilable wills. That struggle is where Marines thrive. We ask for nothing more than the chance to be First to Fight.

We are and will remain a naval expeditionary force that fights from the sea as task-organized, multi-domain combined arms air-ground task forces. With Force Design in progress, we continue our proud history as our nation's expeditionary shock troops who can deliver combat power from sea to land – and we have added the additional capability to project power from land to sea. As a globally present and persistent force, we are inextricably linked to naval campaigns, and we are forward deployed in competition, ready to respond in times of crisis at a moment's notice.

Our foundation as our Nation's expeditionary force in readiness and as its elite soldiers from the sea will not change. But the formations, capabilities, and methods we use against our adversaries must evolve. Combined arms operations today are more than coordinating ground maneuver, indirect fires, and close air support – already the most difficult task for any fighting force to master. To fight and win against a peer adversary, combined arms must now be all-domain, incorporating effects in and from cyberspace, space, and the electromagnetic spectrum. The mastery of this evolution in warfare is what allows us to punch above our weight class. It is what will keep the Marine Corps – a relatively small service – respected by our friends and feared by our enemies across the globe.

Maneuver Warfare, encapsulated in our Marine Corps Doctrinal Publication (MCDP) 1, is integral to how we fight, but our understanding of “maneuver” must evolve along with the changing character of war. Marines at the tactical edge will maneuver under all-domain supporting fires to seize terrain and destroy the enemy. This challenge will require a greater proliferation of capabilities that can provide those all-domain effects down to the lowest level. This requirement includes autonomous systems; precision fires;

intelligence, surveillance, reconnaissance, and targeting (ISR-T); integrated command and control; and increased ground and maritime mobility.

Marine Stand-in Forces are task-organized, mobile, low-signature, sustainable formations, built to maneuver across all domains, sense and understand the battlefield, enable combined kill webs, and apply all-domain combined arms. They persist forward in contested areas, operate alongside allies and partners, contribute to deterrence, and, if deterrence fails, fight to win. Adversaries will attempt to deny and degrade the joint force's ability to see and sense. Marines at every echelon are now using the platforms and capabilities that our aggressive modernization efforts are delivering. Our Force Design efforts have enabled our Marines to conduct all-domain and multi-source collections and intelligence in support of the joint force. We are the eyes and ears for the joint force, ideally positioned within the weapons engagement zone (WEZ) to conduct both reconnaissance and counter-reconnaissance, to act as a joint tactical air controller for the combined joint force, and to strike the enemy from land to sea with organic sensors and precision fires.

Sustaining those forces will be both vitally important and exceptionally difficult. Contested logistics can only succeed through a combination of technology and tactics. Forces will have to coordinate the deliberate application of multi-domain fires and maneuver to create the physical and temporal conditions necessary to support logistics networks. Make no mistake – a peer fight requires both the large traditional avenues for supply as well as a global network of tailored nodes to support specialized units distributed across the battlespace. The Globally Positioned Network ashore, including Maritime Prepositioned Forces afloat, will become nodes within a larger, resilient sustainment web that will not rely on single points of failure. This is a wicked problem to solve, but for Marines, it is not insurmountable. We became Marines to do hard things.

Today, across the Indo-Pacific, approximately 23,000 Marines are forward-deployed or stationed West of the International Dateline. Building upon the longstanding ability of III Marine Expeditionary Force to deter, campaign, and respond to crises, I would like to highlight several initiatives in the Indo-Pacific region: a new integrated naval Task Force called TF 76.3; our Marine Littoral Regiments – one of which will be forward postured in Japan's Southwest Islands; an expanded Rotational Force in Australia; and a new Rotational Force – Southeast Asia. This forward posture is a critical requirement for integrated deterrence and reinforces a national source of strategic advantage, our global network of Allies and partners. Just as important, our forward posture contributes to the core mission of the Naval Force – presence.

- Marines with the I and III Marine Expeditionary Forces continue to reinforce joint warfighting advantages through their ongoing activities across the Indo-Pacific with our allies in the region, including Japan, Australia, the Philippines, Thailand, and South Korea. Exercises RESOLUTE DRAGON and IRON FIST with the Japanese Ground Self-Defense Force (JGSDF) and Amphibious Rapid Deployment Brigade are two of the best examples of our active campaigning in the theater. Those operations and activities directly support Japan's efforts to reinforce its maritime domain awareness in the Southwest Islands, enhance its reconnaissance and counter-reconnaissance capabilities, and further develop its capability to use land-based anti-ship systems to effect sea-denial. Some of this training occurs at the JGSDF's Camp Ishigaki on a southwestern Japanese island approximately 160 miles east of Taiwan.
- In Australia, Marine Rotational Force – Darwin (MRF-D) continues to demonstrate advanced interoperability between the Marines Corps and Australian Defense Forces (ADF) across each warfighting function, power projection with non-traditional assets, and the ability to overcome mobility challenges in the littoral environment. Because of the years of working closely with the U.S. Marine Corps to address the changing threat, the ADF are developing two amphibious brigades that have much in common with the Marine Littoral Regiment. This year, MRF-D will integrate with the ADF in at least 13 operations, activities, and investments (OAI), including exercises that seek to validate theater planning assumptions and enhance overall interoperability. The MRF-D 2024 rotation will further focus on simulating and overcoming the logistical challenges we envision facing in a high-end fight in the Pacific.
- The largest bilateral military exercise between Australia and the United States, Exercise TALISMAN SABER, is well known; what is perhaps less well known is that TS23 integrated amphibious vessels from the United States and Japan, as well as German naval infantry, and introduced field training exercises with several Pacific Island Countries for the first time. And, for the first time last year, we were able to include the Indonesian National Armed Forces within our combined training alongside the Australians. We look forward to expanding upon this new opportunity to extend our campaigning.
- In October 2023, we initiated the second rotation of our newest expeditionary force – Marine Rotational Force – Southeast Asia (MRF-SEA), to counter ongoing PRC maritime gray zone operations. MRF-SEA operations and activities included coastal defense training, raid and reconnaissance training, and amphibious operations training with Allies and partners in the Philippines, Malaysia, Indonesia, and Singapore.
- Our most important campaigning event in support of deterring North Korean aggression, SSANG YONG, resumed in 2023 and involved an amphibious landing with elements of the ROKMC, 1st

Marine Division, and the 13th Marine Expeditionary Unit (MEU). SSANG YONG 24 is planned for August 2024 to allow for the utilization of the America ARG (LHA 6) and 31st MEU.

- In August 2023, Marines of the AMERICA Amphibious Ready Group and 31st Marine Expeditionary Unit (MEU) conducted humanitarian assistance/disaster relief operations in the vicinity of Papua New Guinea following the eruption of Mount Bagana on 31 Jul 2023.

Our efforts across the EUCOM AOR have also significantly expanded, and now include tailored efforts with NATO's newest members – Sweden and Finland. Since 2018, Exercise ARCHIPELAGO ENDEAVOR has been the primary venue for Marine Forces, Europe, to develop interoperability with the Swedish Marines. Beginning in 2022, the Royal Swedish Navy also offered the exercise as a medium for the Marine Corps to develop and evaluate modern concepts such as maritime domain awareness. This generous offer and the close relationship with America's newest Ally are further evidence of the strategic impact of our network of Allies and partners. In 2023, Low-Altitude Air-Defense (LAAD) Marines participated in exercise ADEX with the Finnish Navy, and Combat Logistics Battalion-6 (CLB-6) participated in Exercises ATRAIN and FREEZING WINDS with the Nyland Brigade (naval infantry). This year, Exercise FREEZING WINDS will be the primary bilateral exercise between the Marine Corps and Finnish Navy and naval infantry forces. In addition to those exercises, Marines from 2d Marine Division conducted several HIMARS Rapid Infiltration (HIRAIN) events throughout the theater, including Finland, Poland, and Greece. These visible demonstrations of combat credibility and operational reach involve inserting HIMARS via fixed-wing aircraft, conducting fire missions using U.S. and NATO C2 architecture, and then extracting via fixed-wing aircraft.

Your Corps' worldwide campaigning activities, alongside the Navy, help nurture our Nation's source of strategic advantage on the world stage: our network of Allies and partners. Through our persistent presence, we are forging close and lasting relationships – every day – and building a network of friendly forces who have common operating concepts and increasingly, interoperable systems and procedures.

Following the terrorist attack on Israel on 7 October 2023, the 26th MEU and BATAAN Amphibious Ready Group immediately responded and provided simultaneous contingency support to EUCOM from the Mediterranean Sea and CENTCOM from the Red Sea. Their rapid response demonstrated the ARG/MEU's ability to provide expeditionary sea-based contingency response packages during times of crisis without the constraints and restraints of access, basing, and overflight. Additionally, the 26th MEU(SOC) aboard the BATAAN ARG conducted maritime security operations in vicinity of the Straits of Hormuz to deter malign influence and assure free flow of commerce.

Throughout 2023, Marine Security Guard Augmentation Units (MSAU) operating under Title 22 authorities augmented security at designated U.S. diplomatic facilities overseas to protect U.S. diplomats and prevent the compromise of national security information and equipment. MSAUs conduct on-compound security and defense at these facilities when Department of State (DOS) deems there is a need to augment the resident Marine Security Guard detachment due to an increased threat. In 2023, there were 18 MSAU deployments in support of our diplomats in Ukraine, Central African Republic, Ecuador, Mali, Haiti, Zimbabwe, Egypt, Liberia, Lebanon, Jordan, Israel, Democratic Republic of Congo, and Bangladesh.

All these examples, from maritime security to embassy reinforcement, demonstrate the diverse range of missions that our crisis response forces are ready to execute at any time and place. The breadth of those capabilities is simply unmatched across the joint force and continues to be a source of strategic advantage.

Where We Are Going

Upon my assumption of duties as Commandant of the Marine Corps, I outlined my top five priorities: 1) Balancing Crisis Response and Modernization, 2) Naval Integration and Organic Mobility, 3) Quality of Life, 4) Recruit, Make, and Retain Marines, and 5) Maximize the Potential of our Reserves. Those priorities remain at the heart of my direction to your Corps.

Balancing Crisis Response and Modernization

By balancing crisis response and modernization, we will continue our modernization effort under Force Design while remaining unwavering in our commitment to a persistent, global forward presence and to our Marine Expeditionary Units.

Force Design and Modernization. I remain fully committed to Force Design and all its supporting efforts. The following assumptions inform our modernization efforts: (1) The long-standing trend of increasing dispersion on the battlefield will continue and likely accelerate -- frontages will increase, battlefield depth will increase, and sanctuary will be difficult to achieve; (2) winning the all-domain reconnaissance and counter-reconnaissance fight provides significant warfighting advantage and losing this fight will be increasingly difficult to overcome; (3) the Marine Corps' ability to task-organize for specific missions will

continue to be a source of competitive advantage for the service; and (4) the future operating environment requires threat-informed modernization of Marine Corps capabilities.

We will continue to provide our Nation with forward deployed Marine forces who campaign and are prepared to respond to crisis alongside our Navy shipmates. Employing our crisis response capability as a subset of campaigning is how we will be postured to deter malign actors and provide our Nation's leaders with strategic decision space. Despite the threats from operating inside an adversary's WEZ, forward-deployed Marines can shape the operational environment and cause our adversaries to think before committing to a course of action. Should our adversaries foolishly choose to fight, Marines will be ready with the tools necessary to destroy and defeat them in combat.

Marine Littoral Regiments: As an example of our dispersed, task-organized units that possess modern equipment for the future of warfare, the 3d Marine Littoral Regiment (MLR) – headquartered at Marine Corps Base Hawaii – reached Initial Operational Capability in 2023 and is planned to reach Full Operational Capability in FY 25. 3d MLR is actively experimenting with innovative tactics, techniques, and procedures to enable its unique mission as a distributed unit that must possess resilient communications, air defense, and precision fires. On the other side of the Pacific, the 12th Marine Littoral Regiment – headquartered in Okinawa, Japan – stood up in November 2023.

Contested Logistics: The ability to conduct logistics in a contested environment will underwrite the success of any future naval campaign in the current age of ubiquitous counter-intervention strategies. Contested logistics remains a service priority but will require a combination of solutions from the Service, joint force, and allies and partners. Connecting the industrial base, depots in the United States, and ports of embarkation with forward nodes in theater and tied to a resilient tactical level sustainment web, supported by multi-domain distribution platforms, will take a monumental effort across all the services. The Marine Corps will continue to work in stride with the joint force, Allies, and partners to ensure we have the integrated systems, architecture, global logistic awareness, doctrine, and training to sustain our forces.

The Marine Corps, in close collaboration with the Navy, is currently experimenting with over a dozen new manned and unmanned technologies and potential future capabilities focused on enabling logistics in a contested environment. These operational experiments include well-known capabilities such as the CH-53K, the stern landing vessel (SLV), as well as lesser-known, emerging capabilities like the tactical resupply unmanned aircraft system (TRUAS), the Medium Aerial Resupply Vehicle for Expeditionary

Logistics (MARV-EL), and the autonomous low-profile vessel (ALPV). Concurrently, the Marine Corps has commenced the formal establishment of the first of three near-term Global Positioning Networks located in the Western Pacific.

Marine Corps Intelligence, Surveillance, & Reconnaissance (ISR) Enterprise Transformation: As an essential element of transformative efforts behind our modernization, the Marine Corps ISR Enterprise will continue to expand and strengthen the Corps' dynamic -- and growing -- cadre of ISR professionals. The Marine Corps exceeded our goals in qualifying Marines to expand signals intelligence and electromagnetic warfare specialties. Integrated within our infantry battalions, some of these Marines have already begun contributing to the Joint and Naval Forces' ability to sense and make sense in complex maritime and littoral environments. Other groundbreaking efforts throughout the Fleet Marine Force include integration and experimentation with innovative maritime sensing capabilities such as surface-search radars, automatic recognition software, advanced electromagnetic support capabilities, and various tactical airborne platforms.

Autonomous Systems at Scale: The Marine Corps is actively engaged, participating, and, in some instances, leading efforts within the Department of Defense's Replicator Initiative, which aims to field attritable autonomous systems at scale and in multiple domains. To accomplish this task, the Marine Corps is aggressively leveraging AI, robotics, and commercial technology. I see Replicator, if managed carefully, as an opportunity to build on the momentum of Force Design to accelerate modernization and alignment with the emergent needs of the Joint Force. The USMC has worked tirelessly to scale some of the identified capabilities already, so we appreciate Replicator's holistic approach to breaking down policy barriers while we strengthen our industrial base. As Replicator continues to rapidly develop, the Service will emphasize unmanned systems that can support a range of military operations in the Indo-Pacific and other geographic regions.

Complementing these efforts, the Marine Corps takes advantage of the Rapid Defense Experimentation Reserve to rapidly transition promising prototypes into production. An example of one such initiative is the Marine Corps' XQ-58A Valkyrie, a highly autonomous, low-cost tactical uncrewed air vehicle, which successfully completed two test flights, one in October 2023 and the other in February of 2024. These flights mark key milestones in the Marine Corps' Penetrating Affordable Autonomous Collaborative Killer -- Portfolio (PAACK-P) experiment. Future test flights will inform Marine Corps requirements for the Marine Air-Ground Task Force Unmanned Aerial System Expeditionary (MUX) Tactical Aircraft (TACAIR) program. The XQ-58A will complete six planned test flights with objectives that include

evaluating the platform's ability to support a variety of intelligence, surveillance, and reconnaissance (ISR) missions; the effectiveness of autonomous electromagnetic support to crewed platforms; the potential for AI-enabled platforms to augment combat air patrols; and other manned-unmanned teaming (MUM-T) capability objectives. We are committed to the development of a robust Combat Collaborative Aircraft capability and think this model of manned-unmanned teaming is just as relevant on the sea and under the sea. We are exploring options that would provide our future MEUs with such capabilities.

Training and Education. Last summer, the Navy and Marine Corps team conducted our most expansive and stressing live and virtual training to date in Large Scale Exercise 23 (LSE 23) using Carrier Strike Group 2, anchored on the USS Dwight D. Eisenhower (CVN-69), to help us better understand how we would fight the next war at sea. We were able to connect six carrier strike groups (two live, four virtual), six amphibious ready groups (two live, four virtual), and an additional 25 live and 50 virtual ships. To add to the realism of the event, exercise planners added 25,000 sailors and Marines to the exercise with very little additional preparation outside of normal training. All these factors make both the learning and findings more authentic. LSE 23 required the use of nine Maritime Operations Centers. Testing warfighting concepts and challenging ourselves at this scale is exactly what is required to generate the warfighting readiness we need in the future against a peer threat.

Readiness. Critical to our ability to remain forward postured and ready for any crisis is our commitment to operations and maintenance funding of ground and aviation training, maintenance, safety, and readiness. This funding allowed us to respond to the many crises around the world in 2023, and it will help ensure that we are organized, trained, equipped, and forward-postured to do so again this year and into the future. We will continue to emphasize the importance of a full and predictable budget to fund modernization programs, advance our logistics capability, which is the pacing function, and advance the role of our installations as power projection platforms.

Unmodified Audit Opinion. As we invest in new platforms, barracks, and training, it is our responsibility as good stewards of taxpayer funds to continue to prove that when the Corps is provided a taxpayer dollar, we can show exactly where and how it has been invested – a responsibility I take very seriously. Following a rigorous two-year audit, the Marine Corps achieved an unmodified audit opinion, the best possible outcome – and the first time in the Department of Defense's history that any service has received an unmodified audit opinion. These results demonstrate how seriously the Marine Corps takes its stewardship of taxpayer funds and our ability to account for and put to best use every dollar trusted to the service. This audit supports what we have believed for a long time – when Congress provides the Marine

Corps a dollar, we invest it wisely, and we can tell you exactly where and how it was spent to further our Nation's national security objectives. The Marine Corps worked with Independent Public Accountants to validate budgetary balances and records and to audit physical assets at installations and bases across the globe. These actions included counting military equipment, buildings, structures, supplies, and ammunition held by the Marine Corps and our DoD Partners. The audit's favorable opinion was only possible through the support and hard work of numerous dedicated Marines, civilian Marines, and many other partners across DoD. Nonetheless, we will not rest on our laurels; the audit report pointed out some areas for improvement, and we will use these recommendations to make our fiscal practices even better.

Naval Integration and Organic Mobility

The Marine Expeditionary Unit remains our crown jewel, and the Navy's Amphibious Warfare Ships and surface connectors are key enablers in campaigning, crisis response, and contingency response. Our MEUs remain in high demand by Combatant Commanders, Allies, and partners alike; our MEUs respond to crises all over the globe and prevent crises from turning into a larger conflict. Amphibious Warfare Ships enable our global, persistent presence – that presence has been the guarantor of peace and worldwide prosperity for the better part of the last century. No platform or unit is capable of a more diverse set of missions from the low-end to the high-end of military operations. No other unit is purpose-built for campaigning and deterring maritime gray-zone operations. No other part of the fleet is purpose-built to satisfy the naval presence mission. Bottom line, Amphibious Warfare Ships with embarked Marines are the only tool in the U.S. arsenal that can strengthen our relationships with Allies and partners across all domains while being capable of rapidly transitioning to crisis or conflict. As an assurance for Allies and partners, the Navy and Marine Corps ARG/MEU team has no equal and is a primary source of strategic advantage.

Amphibious Warfare Ships. The CNO and I have locked shields, and there is no space between us on the requirement for Amphibious Warfare Ships – to include construction, maintenance, and modernization, and the availability of ships for training and deployment. The Fiscal Year 2025 Thirty Year Shipbuilding Plan continues the LPD Flight II Program on 2-year centers and LHA production on 4-year centers across the FYDP. This includes full funding for LPD33 in this FY25, the CY24 delivery of LPD 29 USS McCool, and funding to maintain a scheduled delivery of LHA 8 in FY26 – sustaining no fewer than 31 amphibious warfare ships. The CNO and I continue to work to improve amphibious warfare ship readiness to ensure global, persistent presence of MEUs in support of Combatant Commanders' demands.

Amphibious warship procurement, like other Navy shipbuilding programs, can benefit from multi-ship procurement contracts that stabilize the industrial base and provide significant cost savings for the Department. New ship acquisition using authorities already granted by Congress yield potentially significant cost and schedule benefits, accelerates delivery of amphibious warfighting capability to the Fleet, and provides critical stability and predictability to the shipbuilding industrial base. By procuring the amphibious warfare ships in the 30-Year Shipbuilding Plan (3 LPDs and 1 LHA) on a multi-ship procurement contract, the Department can save hundreds of millions of dollars for the American taxpayer. Multi-ship procurement supports the industrial base and is a critical tool for reaching and maintaining the amphibious warfare ship requirement and meeting the objectives of the 2022 National Defense Strategy, as long as industry produces those ships on schedule and on budget.

Littoral Mobility. Mobility is a critical requirement to enable the dispersion and persistence of stand-in forces. In the case of MLRs in the Indo-Pacific, littoral mobility will be essential to maneuver through the complex geography of the region. We recognized this capability gap early as we developed concepts for the Indo-Pacific and designed the associated Medium Landing Ship (LSM) as a critical enabler for this theater. Separate and complementary to the Amphibious Warfare Ships, the LSM is a maneuver asset and, as a shore-to-shore vessel, is unique and critical to expeditionary littoral mobility. LSMs facilitate campaigning and can support diverse missions such as security cooperation, humanitarian assistance / disaster relief (HA/DR), logistics support, and the launch and recovery of uncrewed systems for maritime domain awareness.

Quality of Life

When we improve our Marines' Quality of Life (QoL), we do right by our Nation's most precious resource – our Marines and their families – and we retain our lethal edge by retaining our top talent. To this end, we have recently undertaken several targeted efforts to improve our Marines' QoL and further promote the retention of our best Marines:

- Rapid execution of “Barracks 2030,” the most consequential barracks investment plan we have ever undertaken.
- Improvements in quality and accessible healthcare.
- Acceleration of investments in Marine Corps Total Fitness and focused investments in our gyms, chow halls, Child Development Centers, and family housing.
- Increased creative incentives for overseas and Pacific-based Marines.

Our recent Talent Management efforts are data-informed and comprehensive. Additionally, we recognize that Quality of Life does not just mean facilities and incentives. Talent Management drives us to make better data-driven institutional decisions and personnel policies for our Marines and their families. All Marine leaders know instinctively that we have a sacred and personal responsibility to lead, mentor, and care for our junior Marines, but there is still more the institution can do to help our youngest Marines.

Barracks 2030. The Marine Corps has recently initiated Barracks 2030, our strategy to pursue improvements in our unaccompanied housing. This strategy codifies many initiatives the Corps began in February 2023 and is certainly informed by the 2023 Government Accountability Office report on barracks. The Marine Corps' Barracks 2030 strategy takes an aggressive approach in improving housing for our Marines along three lines of effort: Management, Modernization, and Materiel. Our strategy is data-driven – to the “room level.” I recently directed the inspection of the over 58,000 barracks rooms in the Marine Corps – not as a replacement to our junior leaders' weekly inspections for cleanliness and repair – but to establish a systematic approach towards barracks maintenance using a standardized repair checklist. In the coming weeks, the data from this inspection will inform our prioritization of efforts and future year budget requests.

As an example of our management efforts, and as directed by the Fiscal Year 2024 National Defense Authorization Act, we plan to implement a civilian management structure in our Military Housing Offices by October of this year, followed by civilian and contractor management of each of our barracks in the next two years to improve responsiveness to maintenance requests. Ultimately, we will return more than 500 Marine non-commissioned officer barracks managers to their primary military occupational specialties. We further intend to consolidate family housing and barracks oversight within the Military Housing Offices, which will streamline leadership and management of all Marine Corps housing.

Our Modernization plans extend beyond new structures and include modernizing systems to enable right-size inventory and deliberate, proactive maintenance. Over the last six years, the Marine Corps has averaged over \$200 million annually in restoration and modernization projects for barracks exclusively. In Fiscal Years 2022 and 2023, we renovated 30 barracks, improving the quality of life of 8,116 Marines. In Fiscal Year 2024, we approached Congress with a funding request to renovate 13 more barracks to improve the living conditions of 3,517 Marines. We are leveraging a tier-based readiness approach to lifecycle management to prioritize investments for the most critical facilities. Every dollar spent will be targeted to where it will have the greatest impact. Future modernization efforts include installing new air

conditioning systems for barracks in the warmest of climates and targeted demolition to remove buildings not suitable for our Marines.

In the near term for Material, Marines can expect to see common space furniture replaced three times faster than in years past and replacement of lock systems across the entire barracks portfolio within the next two years. We are also committed to replacing room furniture, washers, and dryers at a much greater frequency through a centralized procurement system.

Health Care. Quality healthcare for our Marines is the minimum standard for readiness and is vital to the All-Volunteer Force. Overseas, and primarily in Japan, network care in the civilian community is not as readily accessible at the standard set by the Department of Defense for our Marines and their families. In recognition of this fact, the Marine Corps conducted a data-driven area assessment on delayed access to care. Guided by the results of this assessment, the Marine Corps is working with Navy Medicine and the Defense Health Agency to identify the location and need of specialties and develop a plan to address them. We are thankful for Congress' support for the Defense Health Agency implementation and its support to address the gap between DoD contract healthcare labor rates and the civilian market.

Sexual Assault Prevention and Response. Sexual assault is a crime, and the Marine Corps always focuses on assisting victims with care and support and holding alleged perpetrators appropriately accountable. As of December 2023, the Marine Corps Office of the Special Trial Counsel is fully staffed and operational worldwide. This program will professionalize prosecution of special victims offenses and strengthening victims' confidence in the military justice system. The Marine Corps continues to hold its commanders and senior enlisted leaders responsible for the command climate of their units and for fostering a culture of respect for all.

- Our Training & Education Command has undertaken a comprehensive review and modification of our training covering the career of a Marine – from the first instance a poolee commits to the Corps to training for our Colonel-level commanders. Foundationally, this training review and implementation has leveraged the Independent Review Commission on Sexual Assault in the Military (IRC) training requirements.
- In FY23, the Marine Corps worked to hire 358 positions across the enterprise and another 92 in FY24 in support of IRC recommendations approved by the Secretary of Defense and prevention efforts. This hiring is in addition to the previously authorized 120 Marine Corps full-time equivalents (FTE) in prevention and response. As of January 2024, 162 employees have been onboarded, and another 273 hiring actions are in process. We remain unsatisfied with the pace of

our hiring, especially in certain locations where labor and workforce factors limit our available pool of applicants. We will continue to work with Congress to develop policy initiatives to accelerate this effort.

Marine Corps Total Fitness. Marine Corps Total Fitness is the summation of physical, mental, spiritual, and social fitness programs that equip our Marines with the tools of resiliency and fortitude required to fight at their highest potential and prevent unnecessary loss due to factors ranging from non-EAS attrition to the tragedy of suicide. The Marine Corps takes a holistic approach to total fitness, understanding that fitness is more than simply possessing high physical fitness or mental aptitude scores. Upon assuming the duties of the 39th Commandant, I immediately directed simple but effective measures to supplement our already robust total fitness initiatives – a renewed focus on Quality of Life by improving the quality of our living spaces, our chow halls, and 24/7 access to on-base gyms. Further, I will continue to ensure access to the programs available to our Marines using force-wide person-to-person engagement programs such as Unit Marine Awareness and Prevention Integrated Training, which every Marine in the Corps receives annually.

As a Corps, we apply a public health approach to prevention, focusing on ensuring the health, safety, and well-being of the entire Marine Corps community. Our efforts aim to strengthen protective factors that reduce the risk of individuals experiencing harmful behaviors. For example, social connections, social support, and positive social relationships are protective factors against a spectrum of issues including child abuse, domestic abuse, hazing, sexual violence, substance abuse, youth violence, and suicide-related behavior. Skill-building is an essential component of prevention and equips Marines and their families with the tools needed to cope with stressors before they become overwhelming. Examples of skill-building include building problem-solving, coping, anger management, and healthy relationship skills.

Over the last year, the Marine Corps Behavioral Programs Office has implemented several efforts to combat the factors contributing to harmful behavior and suicide. Their efforts include the third iteration of our annual Wellness Symposium to inform unit Suicide Prevention Officers, Suicide Prevention Program Coordinators, and uniformed leaders. The office also partnered with the Lejeune Leadership Institute to reinforce prevention efforts at our Marine Corps Recruit Depots through leadership and ethics courses. Our Safety Division has also updated our Cognitive Behavioral Therapy curriculum. We have initiated a deliberate service-wide messaging campaign targeted at Total Fitness and suicide prevention. In fact, the second message to the entire force that the Sergeant Major of the Marine Corps and I recorded was specifically aimed at addressing mental health and suicide prevention directly.

Safety. Safety is a critical component of our Corps and a key indicator of a unit's discipline. Operational excellence is the professional, efficient, and expert execution of our warfighting missions, functions, and tasks. It demands a culture of continuous improvement and the pursuit of the highest standards. Safety is not a restriction or obstacle to realistic or challenging training – it is a requirement. Many mishaps are preventable when we comply with established procedures and take action to stop unsafe acts before they occur. Our safety culture is strong but must be doggedly maintained and actively inculcated into our youngest Marines. When I became Commandant, I directed the assignment of a General Officer to lead our service safety initiatives and provide the requisite level of oversight and leadership. I am grateful to Congress for the additional authorization of a general officer that enabled this assignment.

Childcare. Our Child and Youth Programs (CYP) provide high-quality, accessible, affordable care aboard 16 Marine Corps installations and through contractual partnerships. Some of the benefits CYP offers include Child Development Programs, the Community-Based Child Care Fee Assistance Program, and Youth Programming. We continue to make progress in recovering from the effects of COVID-19 on our childcare network. The Marine Corps Child Development Center's (CDC) unmet needs list continues to shrink, with the current total at 962 spaces.

We are addressing childcare waitlist issues by emphasizing hiring efforts and a non-competitive childcare employee transfer program.

- Beginning in FY23, we added over \$100 million to the Child and Youth Program portfolio to hire more employees at increased wages to help retain a professional workforce. Our average CDC employee salary is now higher than those outside the gate at most installations.
- In FY23, direct care employees' salaries were increased beyond the federally mandated \$15 per hour. The minimum wage of an entry-level employee is \$18.20 per hour. Childcare employees with children enrolled in the program now receive a 50 percent reduction in fees for the first child and a 20 percent reduction for subsequent children.
- Our current staffing turnover rate is 20 percent, a marked improvement over the FY21 and FY22 turnover rates of 34 percent and 45 percent, respectively. Departing employees listed "relocation" as the primary reason they resigned in about a third of cases, which is explained by the fact that many CDC employees are spouses who move alongside their servicemember. Military spouses comprise 40 percent of the Marine Corps' Child and Youth Programs employees. Spouse employment is important for many Marine Corps families and can be a significant factor in their financial security, readiness, and retention. Family Member Employment Assistance Program is

available at each Marine Corps installation and provides employment related referral services, career and skill assessments, career coaching, job search guidance, portal career opportunities, and education centers referrals/guidance. We also reimburse eligible Marine spouses up to \$1,000 for state licensure and certification cost arising from relocation to another state. We appreciate Congress' recent expansion of this program and continued support. To address the challenge of PCS cycles, we have implemented a CDC employee non-competitive transfer program that allows employees to transfer from their current position more seamlessly to a similar one at a different installation. This single initiative has enabled us to retain more than 180 spouse employees, whom we may have otherwise lost.

- To mitigate waitlists, we also offer childcare fee assistance for eligible Marines assigned to an installation with a significant waitlist. Over the last three Fiscal Years, the rate of fee assistance utilization has increased steadily for both community-based childcare providers as well as children served. In Fiscal Year 2023, over 1,600 children were enrolled in the fee assistance program at over 620 community-based providers, at a total cost of \$6.1 million. We recently increased the maximum amount of fee assistance, which will undoubtedly help our Marine families, especially those in high-cost areas.

We appreciate Congress's support to improve childcare delivery in all its forms. Access to and affordability quality and reliable childcare enables Marines to focus on their duties, which directly impacts our readiness and lethality.

Overseas and Pacific Marines. The Marine Corps has established a Pacific cell to focus solely on improving the quality of life and morale for our Marines, civilian workforce, and families throughout the Indo-Pacific. This cell is engaged with units stationed in the Pacific and has solicited direct feedback. One idea we are studying is the adequacy of policies regarding shipment and storage of privately owned vehicles for Marines stationed overseas. Those changes would improve spouse employment, access to childcare, and other quality-of-life priorities. We are considering other monetary and non-monetary incentives to reduce the cost and stress of executing orders to overseas locations.

Recruiting, Making, and Retaining Marines

Recruiting. Our success in maintaining an elite force begins with recruiting young men and women who possess the character, mental aptitude, physical and psychological fitness, and desire required to earn the title, "Marine." Recruiters face a challenging environment. Labor market challenges, historic lows in qualification rates, and lower propensities to join have made it increasingly difficult to maintain our

recruiting momentum. Nonetheless, we do not ask young men and women to join us, and we do not promise them an easy life – instead, we challenge them to try out for and earn the privilege to wear the Eagle, Globe, and Anchor. Those who meet and sustain our high standards deserve our best leadership. We are a proud organization that welcomes and judges all based on one standard - the Marine Corps standard.

There is no better visible example of our disciplined warriors than our recruiters. We send our very best to recruiting – our recruiters are often the first Marine a young person ever meets. One in four of our general officers have been recruiters during their career, and we pride ourselves in assigning a sergeant major to every recruiting station. We value the mission – not only for the immediate results of recruiting the best fighting force for our Nation – but also for the professional development and leadership that such rigorous duty instills in a Marine leader. As it is such a challenging duty, we are paying particular attention to the quality of life for our recruiters. Incentives like monetary bonuses help, but we understand that non-monetary incentives often make the difference. Additionally, and in keeping with Marines’ tenet of “exploit success,” I recently directed an increase of several hundred recruiters to ensure our continued success in accomplishing our mission and sustaining the momentum in re-building our Delayed Entry Pool.

Our performance speaks for itself. As you know, Marine Corps Recruiting Command achieved its Fiscal Year 2023 recruiting mission while sustaining our high standards. Last fiscal year, over 98 percent of our recruiting accessions were high school graduates, exceeding the Department of Defense’s standard of 90 percent. While we are authorized up to 4% of accessions from the CAT IV mental group, we have deliberately chosen not to do so and did not access any CAT IV applicants in 2023. In addition, the average Armed Forces Qualification Test (AFQT) score for Marine recruits was over 60 – which remains well above the AFQT average score of 50; sixty-six percent scored in the top three tiers of the AFQT, exceeding the DoD standard of 60 percent. Marine Corps Recruiting Command has also successfully made our shipping and contracting missions every month this fiscal year. Of note, we have also surpassed the Fiscal Year 2023 total number of Prior Service Enlistment Program (PSEP) re-accessions back into the Active Component. So far, in Fiscal Year 2024, we have already attained 126 PSEPs in comparison to the 121 total in Fiscal Year 2023. For our Officer mission, we have accessed 639 officers so far this fiscal year, which is on-pace to meet or exceed the mission by category and component.

Retention. Over the past 12 months, we have implemented five major reform initiatives: 1) the Commandant’s Active and Reserve Retention Program, 2) the Expanded First Term Alignment Plan

(FTAP) Retention Model, 3) the Small Unit Leader Initiative, 4) Promotion Allocation Fulfillment, and 5) Marine Corps Graduate Education Program (MCGEP) Enlisted Pilot. These programs provide demonstrable results, and I am prepared to provide the Committee with detailed briefings on each. As just one example of the impact these initiatives are having, we entered FY23 with a persistent shortfall of approximately 2,000 Sergeants across the force. Via implementing the Small Unit Leader Initiative, we not only decreased that shortfall to 150, but also secured the retention of the top talent within our E4 ranks for years via early re-enlistment.

In FY22, we successfully re-enlisted 5,918 (22%) of the eligible first-term population of 26,221 Marines. In FY23, we expanded those efforts and successfully re-enlisted 7,070 (27%) of the eligible first-term population of 26,121 Marines. Most importantly, 5,670 of those re-enlisted remained in the FMF to provide greater unit cohesion. With even greater goals in FY24, we anticipate continued high re-enlistment rates, particularly among first-term Marines. In FY23, we initiated a pilot program targeting our infantry community, seeking to create greater unit cohesion and individual Marine and family stability via 60-month infantry-only enlistment contracts. Due to the success of that effort, on 1 October 2023, all infantry contracts became 60-month contracts. Within the first quarter of this FY, we have already exceeded our monthly mission goals, and for the year-to-date, we have shipped 149% of the requirement. We will meet and exceed our annual infantry recruiting mission of 2,579 this year.

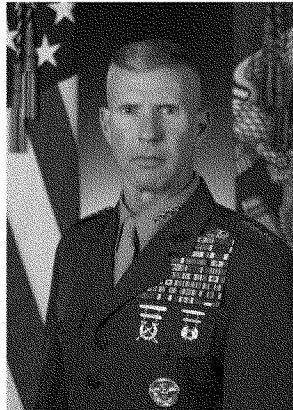
It is important to note that as the Marine Corps shifts from a "Recruit and Replace" to an "Invest and Retain" model, the service must incentivize the retention of the highest quality Marines, regardless of occupational specialty. The idea that "there is always boat space for talent" is our guiding principle. However, if not diligently managed, MOS-agnostic retention may result in uneven retention across occupational specialties. To ensure the even distribution of retained talent across the force, we will continue incentivizing lateral move opportunities for qualified Marines by reducing administrative barriers to lateral moves and offering targeted bonuses for high-demand, low-density skills. Moreover, within the next year, we can expect the delivery and enhancement of the Talent Management Engagement Portal and AI/ML enabled models such as the Retention Prediction Network, Talent Marketplace, and Modernized Enlisted Staffing Goal Model that will allow us to better identify the highest quality Marines for targeted retention.

Optimizing Employment of our Reserves

By Maximizing the Potential of our Reserves, we continue to forge a lethal Total Force that is greater than the sum of its parts while taking stress off the Active Component. To maximize the potential of our reserves, we must appropriately resource our AC end strength to 172,300 and RC end strength to 32,500; research the necessary policies and authorities required to enable AC and RC permeability; and return to historic National Guard Reserve Equipment Account funding levels to ensure the modernization and readiness of our Reserves. The Selected Marine Corps Reserve (SMCR) is a service-retained force and reservoir of capabilities similar to our three active-duty MEFs. Our world-class Marine Corps Reserve routinely provides forces to satisfy service needs from training to generate readiness, build partner capacity in SOUTHCOM and AFRICOM, and augment traditional global force management requirements. Purpose-built to augment, sustain, and reinforce the active component, our SMCR units, Individual Mobilization Augmentee (IMA) Detachments, and Individual Ready Reserve (IRR) are sources of competitive warfighting advantage.

Conclusion

The Marine Corps will be ready to respond to any crisis or contingency in the future, just as we have in the past. I remain committed to ensuring the Marine Corps remains our Nation's Force-in-Readiness. We will never lower our standards or sacrifice the reputation associated with the sacred title, "Marine" – and will remain innovative and agile in our approach to warfighting. With your help, we will ensure your Marines are provided with world-class training and improved quality of life and are enabled with the capabilities required to win our Nation's battles against any adversary. I promise you that every dollar invested will give you the greatest return to realize our modernization strategy, build a more lethal force, and take care of your Marines and their families. I thank the Committee for your continued advocacy and support for your Marines. Semper Fidelis.



Commandant Of The Marine Corps

GENERAL ERIC M. SMITH

General Smith is currently serving as the 39th Commandant of the Marine Corps.

Born in Kansas City, Missouri, and raised in Plano, Texas, General Smith graduated from Texas A&M University and was commissioned in 1987. He has commanded at every level, including Weapons Company, 2nd Battalion, 2nd Marine Regiment during Operation Assured Response in Monrovia, Liberia; 1st Battalion, 5th Marine Regiment during Operation Iraqi Freedom; and 8th Marine Regiment/ Regimental Combat Team 8 during Operation Enduring Freedom. He also served in Caracas, Venezuela as part of the U.S. Military Group.

As a General Officer, he commanded U.S. Marine Corps Forces Southern Command, 1st Marine Division, III Marine Expeditionary Force, and Marine Corps Combat Development Command.

General Smith's staff assignments as a General Officer include serving as the Director of Capability Development Directorate, Combat Development and Integration; Senior Military Assistant to both the Deputy Secretary of Defense and Secretary of Defense; Deputy Commandant for Combat Development and Integration; and the 36th Assistant Commandant of the Marine Corps.

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

MAY 1, 2024

RESPONSE TO QUESTIONS SUBMITTED BY MR. LAMBORN

Mr. LAMBORN. Secretary Del Toro - I'd like to just take a moment and echo a few of my colleague on the poor state of the Submarine industrial base despite unprecedented levels of funding from Congress, which is directly jeopardizing our Sea Based Nuclear Deterrent. I understand the Navy is investing \$15 Billion dollars over the next five years and, yet you testified to the Senate that many of the shipyards are buying back upwards of \$4 billion dollars in stock. This must stop.

Secretary Del Toro, at this level of investment the only metric cannot be the number of submarines we are producing years into the future. Can you tell the committee what the Navy is doing to develop metrics that will indicate our investment in the industrial base is bearing fruit?

Secretary DEL TORO. The Navy appreciates the continuous support Congress has provided to our nation's submarine industrial base (SIB). The Navy understands the importance of metrics to prove the benefit of the resources required to advance submarine construction and in-service sustainment. To that end, the Navy has made significant progress in implementing a performance to plan method to track and communicate investment impacts, with a focus on those that are outcome-based and tied to submarine schedules and performance.

This approach maps SIB investments - which serve as enablers of the Columbia and Virginia production cadence - and traces metrics and performance to targets for individual projects that have been aggregated by common outcomes (e.g. number of workforce members placed in the SIB against the 10K-12K required each year). This approach enables traceability down to the lowest levels, with ties to "1+2" production rate and in-service operational availability. It also provides a fact-based framework to assess quantitative and qualitative progress and make data-driven decisions on investments and priorities.

Mr. LAMBORN. Hypersonic weapons are critically important to expanding U.S. deterrence options against our adversaries. Fielding Navy's Conventional Prompt Strike (CPS) from ZUMWALT destroyers and VIRGINIA submarines must stay a priority. Shortly thereafter, I hope to see the Hypersonic Air Launched Offensive (HALO) weapon fielded. However, fielding the initial capabilities must not be considered the required end state; fielding is the starting point. The initial capabilities already have vulnerabilities. Accelerating technology development and flight test demonstrations is vital to mitigating those vulnerabilities and restoring technological superiority over our adversaries.

The Office of the Secretary of Defense (OSD) Test Resource Management Center's (TRMC) Multi-Service Advanced Capability for Hypersonics Test Bed (MACH-TB) located at Naval Surface Warfare Center, Crane Division (NSWC Crane) is leading a pioneering effort to dramatically reduce the cost and accelerate the pace of hypersonic flight testing and demonstrations. I would like to get your perspective on a few items:

1. What importance do you place on continuing hypersonic technology development and demonstration for CPS after initial fielding? 2. What impact do you believe MACH-TB will have in accelerating technology development and transition in the Navy.

Secretary DEL TORO. Fielding hypersonic weapons is one of DoD's highest technical research and engineering priorities. The DoD's strategic approach for hypersonic weapons is predicated on rapid prototyping, which involves accepting, minimizing, and mitigating risks to move through the design, build, test, and learn cycles faster than traditional acquisition programs.

In order to rapidly maximize the warfighting capability delivered to our Sailors, the Navy Conventional Prompt Strike (CPS) Program has implemented a program plan that includes a series of recurring Technology Insertions, as required to keep pace with emerging threats. This will allow the program to routinely iterate the weapon system design to enhance its capability against evolving threats, integrate affordability initiatives to reduce material costs, leverage additive manufacturing and other new production processes, and perform obsolescence management activities.

The Technology Insertion process ensures that the Army and Navy can affordably deliver a capable hypersonic system to support the nation's continued battlefield dominance. With Congress' support, the Multi-Service Advanced Capability Hypersonic Test Bed (MACH-TB) program was initiated by the CPS Program and Naval Surface Warfare Center (NSWC), Crane, Indiana in 2022 to accelerate hypersonic technology development by increasing the capacity for hypersonic flight testing. In 2023, the program transferred MACH-TB to OUSD(R&E) Test Resource Management Center (TRMC) to expand support to all hypersonic and strategic systems across the Department.

MACH-TB will accelerate U.S. hypersonic technology development and transition by providing an affordable, rapid hypersonic flight test capability for DoD programs, NASA, national labs, academia, and industry. MACH-TB supports hypersonic programs by creating frequent, low-cost opportunities to test technologies with robust, agile and modular approaches prior to incorporation into a weapon system, like CPS.

The CPS Program utilizes MACH-TB as a critical test and evaluation partner in rapidly designing, developing, and fielding a hypersonic capability to the warfighter. In Fiscal Year 2023 (FY23), CPS participated in four flights with MACH-TB, which included more than 20 experiments and the first full-scale test that will enable future testing of a low cost and modular experimental glide body. In partnership with MACH-TB, the CPS Program tested a new navigation technology that was developed, prototyped, and integrated and flown on a sounding rocket in just 14 months.

Future MACH-TB testing will provide insight to the Navy on technology improvement and capability validation, enabling more robust and successful evolutions of our hypersonic weapon system. The CPS program will continue to partner with the OUSD(R&E) TRMC to address the current and future needs of the CPS program's developmental sub-scale and full-scale testing using MACH-TB.

Mr. LAMBORN. Undersecretary Shyu recently testified before this committee that OSD R&Es program called "Accelerate the Procurement and Fielding of Innovative Technologies Program", or APFIT, is an effective catalyst for small and non-traditional companies. She specifically mentioned accelerating production for a paint removal system that greatly improved naval ship maintenance.

1. Can you highlight any other examples of ways your organization works with both the APFIT program and Industry (such as Naval Shipbuilding Research Program) to accelerate the development technologies to improve existing industrial processes? Can you tell the committee about any program internal to the Navy that also plays a similar role?

2. We have heard from companies that work in spaces adjacent to the ship maintenance industry who develop promising and innovative solutions to improving shipyard industrial processes. How is the Navy ship-maintenance enterprise encouraging large prime contractors, who are hesitant to deviate from proven but expensive and antiquated processes/equipment, to invest in novel technologies to drive down cost and improve efficiencies within shipyards.

3. What role does SEA04X, SEA04T, and the Navy Seaport program play in helping small business to bring advanced capabilities to bear in the Ship Maintenance Enterprise, if any?

Secretary DEL TORO. The Navy values innovative solutions and the role small businesses play in moving technologies that benefit the Navy forward. The Navy works closely with OSD R&E's APFIT program to help engage the small business enterprise and acquire capabilities that deliver technical advancement across multiple domains, including communications, unmanned vehicles, sensing, and industrial applications. Beyond the noted paint removal system, the Navy has had additional successes with APFIT in the past and continues to work closely with the APFIT office on additional key innovative technologies that would be beneficial to the Navy.

Within the Navy, the Small Business Innovation Research program resources small businesses to develop solutions for several topics, including industrial processes. Additive manufacturing efforts within the Navy are developing cutting edge solutions to issues within the traditional industrial supply chain.

Additionally, the National Shipbuilding Research Program (NSRP) is an industry-led, partially NAVSEA and Program Executive Office funded, program that collaboratively develops improved products and processes in ship design, construction, and repair, in order to maintain the global competitiveness of the US shipbuilding and repair industry. The NSRP strives for rapid, widespread implementation of R&D results on Navy and commercial shipbuilding and repair programs.

It seeks implementation across shipyards, across tiers, and across varied business operations and technology areas as soon as practicable, before projects are complete. Coordination with the shipyards ensures NSRP develops solutions for those closest

to the problem. Specific to the Navy's public shipyards, NAVSEA 04 works with the NAVSEA SBIR office to provide opportunities for small businesses to develop technologies that help to overcome a specific problem the shipyards are dealing with while enabling these small businesses to grow.

The technologies are then made available government wide, as well as commercially, to help grow the business, boost the economy, and provide solutions to other industry leading partners.

Mr. LAMBORN. The Zumwalt is only 1 ship and cannot be continuously deployed, but INDOPACOM requires a persistent offensive hypersonic capability. Can you update the committee on your plan to maximize presence and deliver the USS Moonsoor and USS Johnson with the CPS launcher system?

Does the Navy's decision to only procure 1 Virginia Class Block 6 submarine this year affect the Navy's ability to provide persistent CPS presence after this weapons it is fielded by subsurface platforms (VA Block 5) in 2030?

Admiral FRANCHETTI. The Navy is leveraging the industrial capacity of our new construction shipbuilders to modernize Zumwalt-class Destroyers with Conventional Prompt Strike (CPS) capability. DDG 1000 is undergoing the first modernization program. Follow-on availabilities are scheduled for DDG 1001 and DDG 1002. Once complete, the Navy will have three destroyers prepared to support a persistent hypersonic capability. To maximize presence in the INDOPACOM region, ship employment cycles will be phased to ensure continued operational availability throughout the conduct of routine and depot maintenance cycles. The current shipbuilding plan provides for persistent CPS presence by 2030. CPS fielding on submarines will be accomplished with Virginia Payload Module (VPM) capability starting with SSN 803, which is expected to be available to the Fleet by FY30. SSN 804 and SSN 805 are also scheduled to be delivered by 2030 with CPS capability.

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RESPONSE TO QUESTIONS SUBMITTED BY MR. SCOTT

Mr. SCOTT. Can the U.S. Navy be able to count on the commercial sector to transport damaged ships or support battle damage repair (BDAR) near the fight?

Admiral FRANCHETTI. The Navy has in the past and continues to evaluate options to support BDAR in times of conflict and will conduct exercises in the coming year to exercise the system. Commercial vessels have provided such services in contested environments in previous wars and have a recent, proven history of transporting and assisting stricken USS vessels overseas outside of contested environments.

Immediate capacity is a challenge since there are no U.S. flagged heavy-lift vessels capable of providing support to larger USS vessels, and there are limited U.S. flagged towing vessels located worldwide to ensure some are close to a potential fight. From a wartime readiness perspective, the Navy is exploring additional forward maintenance opportunities to "exercise the system" so that when conflict arises we are prepared to respond in foreign friendly shipyards, that are already qualified and certified in peacetime to US Navy standards with the knowledge and experience to work with us.

RESPONSE TO QUESTIONS SUBMITTED BY MR. KEATING

Mr. KEATING. Secretary Del Toro and Admiral Franchetti, can you elaborate on the innovation occurring with our Australian and UK partners with regards to AUKUS Pillar 2, specifically in regard to the torpedo tube launch and recovery capabilities and small unmanned underwater vehicles?

Secretary DEL TORO. As a component of AUKUS Pillar II, the Undersea Warfare Working Group is accelerating the development and delivery of advanced military capabilities while bolstering industry and innovation sector collaboration. The AUKUS partners are integrating the ability to launch and recover undersea vehicles from torpedo tubes on US, UK, and Australian SSNs to include SSNAUKUS, the purpose built AUKUS submarine. Torpedo tube launched and recovery (TTL&R) makes the operation of uncrewed undersea vehicles ubiquitous for the SSN force, increasing the range and capability of our undersea forces to enable assured access and deliver effects such as strike and intelligence, surveillance, and reconnaissance.

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RESPONSE TO QUESTIONS SUBMITTED BY MR. WALTZ

Mr. WALTZ. Last October, I sent you a letter requesting that the 11 Marines killed at Abbey Gate during the Afghanistan withdrawal be posthumously promoted in accordance with 10 USC section 1563, which authorizes Members of Congress to initiate a recommendation for an honorary promotion. I'm grateful that less than 2 weeks after the Abbey Gate bombing, you posthumously promoted Navy Corpsman Maxton Soviak to Hospital Corpsman Third Class.

However, It's been nearly three years since these brave Marines were killed, and more than 6 months since I made this request to you. When will you do what is right by these Marines and their families?

Secretary DEL TORO. As the Department has previously testified, it is longstanding Marine Corps practice that only Marines selected for promotion prior to being killed in action are considered for posthumous or honorary promotion. None of the Marines killed at Abbey Gate were under consideration for promotion at the time. This practice is grounded in fairness and honor to all Marines who have been killed in action throughout its history.

It is consistent with how the Marine Corps has recognized our greatest examples of valor; as an example, the Vietnam War, 45 Marines were awarded the Medal of Honor having gallantly given their lives, none of whom were posthumously promoted. Many have had ships or buildings named in their honor. This does not detract from the sacrifices the Marines killed at Abbey Gate made. We sacredly honor them and their families for the contributions they have made to the Marine Corps and our Nation, and have recognized them through personal awards and citations.

Mr. WALTZ. The Navy recently completed and published the results of a 45 day review of its shipbuilding portfolio.

Could these timelines improve if we had more shipyards? Do you consider shipyards to be infrastructure? The Infrastructure Investment and Jobs Act provided \$1.2 trillion for infrastructure projects in the United States. How much funding to build new shipyards was included? Were you consulted at all while the White House drafted this proposal?

When we see China building up their shipyards - building more than 50% of the world's ships each year (up from 12% only 2 decades ago) with PLAN 395 ships by 2025 and an expected 435 by 2030, how are we accepting such abysmal performance from our American shipbuilding infrastructure?

What are you doing to get us back on track while we are being dwarfed by the Chinese shipbuilding arm?

Secretary DEL TORO. The private shipyards that build ships for the Navy are paramount to the larger shipbuilding industrial base, but are not owned or operated by the U.S. Navy. While partnering with private shipyards in infrastructure investments will help improve performance, the 45 Day Shipbuilding Review found the largest challenges to shipbuilding performance are driven by the lingering effects of COVID on the supply chain and skilled workforce availability and proficiency.

The Navy is working major initiatives to drive improvement in these areas. The Fiscal Year 2025 budget request continues investment in the submarine industrial base. Further, the Navy is working initiatives that focus on developing and retaining the highly skilled shipbuilding workforces in both industry and the government, including utilizing Section 122 workforce development legislation in the fiscal year 2023 National Defense Authorization Act.

Additionally, the Navy is promoting the shipbuilding industrial base and supply chain through smart acquisition strategies, like multi-year procurements, and efficient build profiles while also appropriately balancing risk between the Navy and industry.

RESPONSE TO QUESTIONS SUBMITTED BY MR. FALLON

Mr. FALLON. Secretary Del Toro, you have recently told lawmakers that "the service is out at least \$1 billion in critical munitions in recent operations in the Middle East. You said that the \$2 billion within the supplemental is direly critical to the Navy and Marine Corps to be able to replenish those munitions and continue to provide the types of defensive measures enacted in the last 6 months.

My fear is that if activity in the Middle East and elsewhere increases much more funding will be required. We have estimates that the Iranian strike costed Israel and allies approximately \$550 million, that is 2% of our entire Israeli supplemental spent within 6 hours.

We need current munitions and missile intercepts to ensure we our defending our troops and allies but this solution alone is not sustainable over the long term.

What efforts are you pursuing to ensure effective and sustainable defensive solutions?

Secretary DEL TORO. Through collaboration, the Navy is employing an operationally informed mix of air, surface and ground-based interceptors, as well as other defense systems. Expenditures are at historic levels. While we acknowledge the cost inversion of kinetic interception against these cheaper one-way attack unmanned vehicles, we balance that cost against the safety of our Sailors and the billions of dollars of forward-deployed surface fleet power projection that they protect.

The Navy needs both increased capacity and enduring low-cost solutions that match this emergent unmanned threat. On the capacity front, both expansion of the munitions industry base and the acquisition of long lead items, will help our replen-

ishment rates. Multi-Year Procurement (MYP) and Economic Order Quantity (EOQ) contracts allow industry to bulk buy components and negotiate long-term purchasing agreements with their suppliers.

This reduces our costs. On the other end of the spectrum, we are currently experimenting with and maturing a host of lower cost kinetic and non-kinetic technologies that promise to expand our layered defense options.

Mr. FALLON. Secretary Del Toro, can you send the committee a quarterly report on the recruiting results versus goals? We would like to validate trends and actively continue the conversation on how Congress can help Navy/ Marine Corp in ensuring readiness.

Secretary DEL TORO. The Office of the Secretary of Defense publishes monthly press releases which provide recruiting numbers for each of the Military Services. They can be found at: <https://prhome.defense.gov/M-RA/Inside-M-RA/MPP/PR/>

Mr. FALLON. A recent Foundation for Defense of Democracies (FDD) paper highlighted some of the issues currently being felt by the DOD cyber community. I asked in a cyber hearing last year, "who is accountable for the growth, readiness, and capability development of the cyber fleet". Nobody has given me a direct answer on this. DOD has basically delegated this to the services, which is problematic.

I bring this up in this hearing because the article I just referenced specially called out the Navy for not doing its part to contribute to the 14 Cyber National Force teams, which are responsible for defending our most critical assets.

The article specifically states, "the Navy will not be able to deliver new teams for at least a few years because I needs to focus on improving the readiness of its existing cyber personnel."

Secondly, I just reviewed some recruiting statistics released by the Pentagon, and frankly the Navy's numbers for its entire force are concerning.

What is the Navy doing right now to accelerate force readiness for cyber?

Admiral FRANCHETTI. I am committed to providing world class cyber forces in support of National Defense priorities. To accelerate force readiness, the Navy is focused on increasing manning, building capacity through recruiting, retaining talent with retention incentives, and enhancing training. In the last year, Cyber Mission Force (CMF) manning has increased from 80% to 88% across 40 teams.

I will continue to focus on CMF manning until it is greater than 95% across all teams. To improve recruiting, we are leveraging a proven initiative by assigning Information Warfare (IW) Senior Enlisted to six locations to focus on IW recruiting.

In FY23, Cyber Warfare Technician (CWT) recruitment achieved 100% of its goal, and we are incentivizing the rating through Selective Reenlistment Bonuses (SRB) and Special Duty Assignment Pay (SDAP). The Navy established Cyber Qualification Training Teams (CQTT) to improve unit level training across the CMF and meet U.S. CYBERCOM required unit level training requirements.

This effort will provide a regular and repeatable training process, performance assessments, and support team certifications. Navy also invested in a virtual training environment and acquired a U.S. CYBERCOM Persistent Cyber Training Environment (PCTE) Enterprise Compute and Store (ECS) node. This investment has tripled the annual training throughput for CMF work roles in just two years. Navy has been advocating to transform the cyber force generation system to a model where government owned, service deliver individual training is provided to service members prior to assignment to CMF teams.

Where authorized, Navy now delivers some of the required CMF training, resulting in steep readiness improvements. Case in point, Navy delivered Cyber Protection Team (CPT) training resulted in a 34% increase in individual readiness in the past 14 months. Navy continues to partner with U.S. CYBERCOM/NSA to gain authorization to deliver the remainder of cyber training in this manner.

Mr. FALLON. General Smith an article published in January of this year highlighted that Marines deployed on Rotational Forces Southeast Asia and Darwin were relying on our partners for counter UAS because they weren't equipped by their organic units with this capability.

I think it's safe to say every service has struggled to adapt to this threat, but I'm particularly concerned that Marines, because of how dispersed you operate, may be lacking this capability at the small unit level. Are you concerned with these reports considering the accelerated proliferation of drone use we are seeing with our adversaries? What is the Marine Corps doing to get US made CUAS solutions in the hands of our marines before they go into theater?

General SMITH. The proliferation of drone use is a concern. Unmanned Aircraft Systems (UAS) are changing the character of war in ways like the IED did twenty years ago. To combat the UAS threat, the Marine Corps is investing in four key programs: Marine Air Defense Integrated System (MADIS), Light-MADIS (L-MADIS), Medium Range Intercept Capability (MRIC), and dismounted CUAS systems.

MADIS, L-MADIS, and MRIC were specifically designed for Low Altitude Air Defense Battalions (LAAD Bn) conducting air defense in support of critical assets and maneuver forces.

The dismounted CUAS system is intended to provide every element of the Marine Corps a means of self-defense against Group 1 and 2 small UAS. Each program organically, or through command-and-control networking, will complete the entire CUAS kill chain (detect, track, identify, and defeat).

Two prevailing challenges will be the balance between the size, weight, and power (SWaP) versus system capability and lethality; and the ability to provide at every echelon the notification of adversary UASs for force protection and cueing, as well as notification of the employment of friendly UASs to mitigate mis-identification. To advance the Marine Corps capability in this area, we requested the following in FY25 Budget:

MADIS o \$132.2 million request to support the procurement of (13) systems in PB25. o Employed on a pair of Joint Light Tactical Vehicles. o Can lethally defeat manned aircraft and group 3-5 UAS with Stinger missiles, and lethally and non-lethally defeat group 1-3 UAS. o AAO is (190) MADIS systems comprised of (380) total vehicles. o IOC scheduled for 1QFY25 with the delivery of (13) systems to III MEF.

L-MADIS o \$33.2 million request to support procurement of (5) systems in PB25. o Employed on a pair of Ultra-Light Tactical Vehicles (ULTV). o Can lethally defeat manned aircraft and group 3-5 UAS with Stinger missiles, and non-lethally defeat group 1-3 UAS. o AAO is (21) systems consisting of (42) ULTVs. o IOC scheduled for 2QFY25 with the delivery of (3) systems to III MEF.

MRIC o \$111.4 million request to support the procurement of (12) launchers and (242) missiles in PB25. o Designed to lethally defeat sub-sonic and super-sonic cruise missiles, and capable of lethally defeating manned aircraft and group 3-5 UAS. o The first complete battery will be fielded in FY26, followed by an additional battery in FY27 and FY28. o In February 2024, industry partners broke ground establishing a U.S.-based production facility in Camden, AR which will ensure continued access to a supply of domestically produced interceptors.

Dismounted CUAS o Low SWaP body-worn or man-portable system that provides Marines at the small unit level an ability to detect and engage Group 1 and 2 sUAS with organic weapon systems. o Detect, track, and identification phase of the kill chain completed through a handheld graphic user interface to receive sensor data from external entities with a redundant RF detection system. o Combination of directional/omni-directional jammers and/or enhanced rifle optics to defeat sUAS. o Urgent Needs and Program of Record Requirement Documents are currently in draft.

RESPONSE TO QUESTIONS SUBMITTED BY MR. GIMENEZ

Mr. GIMENEZ. What is the current status of our littoral mobility in the Pacific?

Secretary DEL TORO. Combat Logistics Force (CLF) ships support littoral mobility through employment of T-AOs (Fleet Replenishment Oilers), T-AOE (Fast Combat Support) and T-AKE (Dry Cargo/Ammunition) class ships that refuel, resupply, and rearm carrier strike groups and expeditionary strike groups.

Navy is developing the Light Replenishment Oiler (TAOL), which will strengthen Navy's ability to conduct power projection and sea control by augmenting the current combat logistics force with smaller, intra-theater ships that enhance the Navy's ability to conduct distributed Maritime Operations (DMO), Littoral Operations in Contested Environments (LOCE), and Expeditionary Advanced Base Operations (EABO).

TAOL will provide fuel, ammunition, and supplies to dispersed surface action groups and will support expeditionary advanced base requirements. TAOL will transfer fuel, ammunition, and supplies at-sea to Medium Landing Ship (LSM), which will further transfer this material to expeditionary forces ashore via its beaching and pier side offload capabilities.

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Mr. GIMENEZ. Given known amphibious warship maintenance issues, are (4), forward-deployed amphibious warships in Japan adequate to support a three-ship amphibious ready group for the 31st Marine Expeditionary Unit?

Admiral FRANCHETTI. Yes. To meet the high readiness requirements of the Forward Deployed Naval Force-Japan, four amphibious ships allows for one ship to be in an extended maintenance period, while still capable of supporting the three ship requirement.

Mr. GIMENEZ. General Smith, last year I traveled with my colleagues to meet with our Marines and Sailors throughout the Indo Pacific, I saw firsthand the malign acts of the Chinese Community Party in throughout the region. I am fully supportive of the Force Design and modernization efforts of the service, enabling the Marines to be that Stand in Force we need to deter the CCP.

However, I am deeply concerned with the state of the Marines littoral mobility as the Landing Ship Medium (LSM), has received for the first time ever, funding in their year's budget request. Can you please explain why the LSM is so important to the Marine Corps? What does the Marine Corps plan on using as a bridging solution in the Pacific until the LSM is operational?

General SMITH. The Medium Landing Ship (LSM) is planned to fill the capability gap that exists in the littoral environment between the Navy's large, globally deployable, high endurance, multipurpose Amphibious Warfare Ships (AWS) and smaller amphibious warfare type craft that enable ship to shore employment.

The LSM's role is to provide the primary means of theater mobility-littoral maneuver and sustainment for Marine elements of the Stand-in Force (SIF). Marine SIF are task-organized, mobile and low-signature formations designed to maneuver across all domains. They provide the Joint Force the ability to sense and understand the battlefield, enable combined kill webs, and apply all-domain combined arms. Marine SIF formations primarily operate in the littoral environment that currently has a critical gap in which the Navy and Marine Corps do not maintain a platform that is suitable to maneuver and sustain forces operating ashore.

The LSM will fill this void and be a vital platform for the SIF to deploy personnel and equipment to maintain forward presence by campaigning, responding to crisis, and enabling Joint Force power projection during conflict. The Marine Corps requirement for LSMs is 35. In FY25, there are 8 LSMs planned within the FYDP, with a procurement profile of 1-1-2-2-2 (one ship each in FY25 and FY26; and two ships each in FY27, FY28, and FY29). The Marine Corps supports PB25 that initiates procurement of the first LSM in FY25 and eight total over the FYDP, maintaining a procurement schedule of 1/1/2/2/2. Maintaining the current procurement profile is critical for delivering the late to need platform necessary to fill the void in current littoral mobility.

Due to the urgency of this void, the Navy and Marine Corps have developed a Littoral Maneuver Bridging Solution (LMBS) as a phased approach to provide some limited operational mobility and tactical maneuver capacity for elements of the SIF until LSM are available to support one Marine Regiment in the early 2030s. The purpose of LMBS is to provide forward capacity now in direct support to Stand-in Force task organized units of action with limited intra-theater mobility, tactical maneuver, and sustainment.

This effort is not to negate the late-to-need of the LSM; this effort is to leverage what exists already, even if limited, and experiment with chartered vessels to develop procedures for SIF formations and future LSM employment as well as inform US Navy on lessons learned from experimentation. The approved LMBS is four expeditionary fast transports (T-EPF) and two landing craft utility (LCU) and experimentation craft such as the four Marine Corps-funded charters and the two planned Ancillary Surface Craft (ASC).

T-EPF will be used in support of intra-theater operational mobility, and pier-to-pier support of units conducting Expeditionary Advanced Base Operations (EABO) in an archipelagic environment.

LCU will be used in exercises for tactical maneuver of smaller units and sustainment.

Experimental chartered vessels will be used to support 21st century beaching operations in support of exercises and experimentation, adding needed littoral mobility capacity in the Indo-Pacific region. These chartered vessels will also assist in the refinement of tactics, techniques, and procedures (TTPs) in support of EABO. The

TTP development with these chartered vessels serving as surrogates for the Medium Landing Ship (LSM) is needed now as the LSM program continues along the procurement path and remains late-to-need.

ASC will be used for experimentation to provide enhanced maneuver, littoral mobility, and sustainment to/from expeditionary advance bases (EABs) and potentially Advanced Naval Bases (ANBs) within the archipelagos. The capacity and capability of LMBS does not match or fulfill the requirements and capability of the LSM program once all vessels are delivered.

RESPONSE TO QUESTIONS SUBMITTED BY MR. PANETTA

Mr. PANETTA. Secretary Del Toro, I appreciate your partnership pushing forward the new Naval Innovation Center (NIC) at the Naval Postgraduate School in my district in Monterey, CA as part of your initiative to propel innovation by transforming how the DoD leverages the private sector and other DoD hubs.

In your posture statement, you framed the NIC as "empowering our next generation of warfighters by leveraging the talent at NPS to inform future operational concepts and advanced technology development."

Our adversaries understand that one of our greatest challenges is our inability to invest in capabilities today so that we can rapidly deploy them in tomorrow's battle.

You and I discussed how early investments in innovative technology enabled successful operations in the Red Sea, while on the flip side, Ukraine demonstrates the DoD's lack of flexibility to procure and deploy new technology during crisis operations.

I want to be clear: our inability to bring innovative solutions quickly is not just a threat to our national security, but makes the U.S. a liability to our partner forces.

This is why we need a hub like the NIC that leverages private sector investments and the unique experiences of our service members to circumvent slow and outdated processes and bring solutions for both long-term strategic planning, and immediate tactical-level challenges.

Having the NIC in Monterey surrounded by over a dozen Navy, Army, and Coast Guard installations, and just down the way from Silicon Valley, will bring together several components of the DoD, industries that span the U.S., and some of our nation's most talented servicemembers to experiment and collaborate on cutting-edge technologies for strategic competition and irregular warfare.

Secretary Del Toro, thank you for securing the planning and design funds for FY25 and FY26, prioritizing the completion of the 1391 form, and accelerating the environmental assessment review.

My questions are: 1. Can you elaborate for the Committee on why we need the Naval Innovation Center and how it will leverage DoD and defense industries across the nation?

2. Can you confirm your MILCON timeline as FY26 and FY27 for the committee?

3. What support do you need from Congress to see through the MILCON request?

Secretary DEL TORO. The Naval Postgraduate School (NPS) ensures the technological leadership of our future force. By combining student operational experience and graduate education with an applied research curriculum and faculty expertise, NPS accelerates the adoption of naval capabilities by educating the next generation of naval leaders needed to employ them.

The Naval Innovation Center (NIC) at the NPS will develop a cadre of warrior-scholars deeply versed in the technologies driving revolutionary changes in modern warfighting. By fostering academic collaboration with traditional and non-traditional partners within DoD and industry, the NIC will serve as a premier military education facility for Navy and Marine Corps that will enhance the education of our postgraduate students through relevant, experiential, hands-on applied research with cutting-edge technologies.

RESPONSE TO QUESTIONS SUBMITTED BY MR. ALFORD

Mr. ALFORD. Secretary Del Toro & ADM Franchetti, The committee included a provision in the FY24 NDAA requiring the Navy to provide a report on the industrialization efforts and investments it is making into the Navy's next generation Nickel Zinc submarine battery. It is the view of this committee and as testified by Navy leadership that the submarine industrial base is only as strong as its weakest link, and that we need to make investments at all supplier tiers in the submarine production base to get readiness and production rates where they need to be.

The recent supplemental appropriations request that was approved asked for approximately \$3 billion dollars for investments in the submarine industrial base. And I want to commend the Navy for making it smart investments in Nickel Zinc battery technology that it has recognized will improve operational performance, safety and drastically reduce maintenance delays.

Out of the recently approved AUKUS SIB funds and in the FY 25 Navy Budget request, can you please tell the committee what the investments are specifically planned for Nickel Zinc submarine battery manufacturability to ensure the VA Class submarines are delivered on time?

Secretary DEL TORO. The Navy is committed to investment in Nickel Zinc battery technology. There is funding allocated in the FY24 supplemental appropriations and in the FY25 budget request associated with scaling up of the Nickel Zinc battery manufacturing infrastructure. These investments will secure domestic sources, provide a viable alternative to current power sources and offer an environmentally friendly and safer energy storage solution.

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