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Before the Committee on Appropriations

Department of Defense Appropriations

Fiscal Year 2025

118*th* CONGRESS, SECOND SESSION

H.R. 8774/S. 4921

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NONDEPARTMENTAL WITNESSES

Department of Defense Appropriations, 2025 (H.R. 8774/S. 4921)

S. HRG. 118–570

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2025

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

ONE HUNDRED EIGHTEENTH CONGRESS

SECOND SESSION

ON

H.R. 8774/S. 4921

AN ACT MAKING APPROPRIATIONS FOR THE DEPARTMENT OF DEFENSE FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2025, AND FOR OTHER PURPOSES

Department of Defense
Nondepartmental Witnesses

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DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2025

TUESDAY, APRIL 9, 2024

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:00 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Jon Tester (chairman) presiding.

Present: Senators Tester, Baldwin, Shaheen, Collins, Murkowski, Moran, Hoeven, Boozman, and Capito.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE AIR FORCE

OFFICE OF THE SECRETARY

STATEMENT OF HON. FRANK KENDALL, SECRETARY

OPENING STATEMENT OF SENATOR JON TESTER

Senator TESTER. I want to call this committee to order.

I want to thank our witnesses, Secretary Kendall, General Allvin, and General Saltzman, thank you all for being here. Thank you for your service, and your dedication to our Nation's Air Force and Space Force. I look forward to, as all of us will, discussing your fiscal year 2025 budget priorities.

General Allvin, I believe this is your first hearing before this subcommittee. Welcome. We are always interested to hear your perspective coming into this hearing. And so, we look forward to working with all of you to get the fiscal year 2025 budget request for the Department of the Air Force, which is roughly 258.5, about 5 billion or 2 percent above last year's budget, passed.

I say last year's budget, but as you well know, unfortunately, it is only 3 weeks' old. I think that is ineptness on Congress' part, not on yours, and we tend to tie your hands behind your back when we don't get budgets done on time.

I know that Senator Collins and Senator Murray wanted to get a budget done on time. Unfortunately, there is far too many people here who believe that government shutdowns are the way this place should work. And it is not. And I look forward to working with Senator Collins, and everybody else on this subcommittee to get you guys a budget on time, that is as robust as we possibly can get.

At last year's Department of the Air Force hearing, I stressed the importance of getting that budget done on time. We failed. But we

don't need to fail this year. We need to get it done, and get it done by the end of September, so you guys have the certainty that you need not waste taxpayer dollars, and make sure that the folks that serve under you have every tool necessary to be successful.

I commend Senator Murray, Senator Collins, for working hard to get that 2024 Bill across a finish line, but the fact of the matter is our Airmen and Guardians deserve better, and we can do better.

A timely enactment of a Defense Appropriation Bill has never been more urgent. China's intentions regarding Taiwan, coupled with its advancements in military modernization. Russia's War, unjust war in Ukraine, and the escalation in the Middle East are just a few examples of global security environment that require continued diligence and modernization of critical weapon systems to effectively deter violence and defend ourselves and our allies.

Continuing resolutions, government shutdowns without accurate appropriations, it hamstrings our national defense, our Airmen and Guardians don't receive the training they need to get their job done, we can't get rid of outdated equipment, we can't modernize, we can't field new systems to scale.

So notwithstanding political headwinds and budget constraints, we are going to continue to work to end this trend, disastrous trend, I might add, of CRs (Continuing Resolutions) and uncertainty and get us back onto a regular budget cycle. The volatile global security environment has driven a great sense of urgency to the DOD's (Department of Defense) attempt to field innovative technologies and solutions at scale as quickly as possible.

We are always open to working with the Department of Defense to ensure that our warfighter has the tools they need to be effective, and we encourage the DOD to continue to take advantage of the current rapid acquisition and prototyping authorities as well as funding flexibilities to get this job done.

However, it cannot be ignored that programs initiated with expedited acquisition authorities apparently suffer from the same cost schedule, and technical issues as traditional acquisition programs do.

The Air Force in particular, has struggled to mature and transition into significant production, several so-called, rapid acquisition programs, including the E–7 Wedgetail and the Air Hypersonic Weapon, further I am concerned that many prototyping programs initiated with much urgency are not fully funded in the budget. This does not send the right message.

So, before we entertain enacting a new budget and acquisition authorities, I do want to understand how the Air Force is going to improve its performance to ensure that capabilities we invest in, actually reach the hands of the warfighter without wasting taxpayer dollars.

There is no question that the Air Force must keep Pace with evolving threats by modernizing, fielding new capabilities, and procuring systems that outperform our enemy. It is the role of Congress to ensure the American taxpayer dollars are used the most effective way possible to achieve superiority. And I look forward to continuing to work with you folks, and others, to make that possible.

Once again, I want to thank you for your service, I want to thank you for your leadership. I want to thank you for what you do to keep this country safe.

And with that, I will turn it over to Senator Collins for her remarks.

STATEMENT OF SENATOR SUSAN M. COLLINS

Senator COLLINS. Thank you, Chairman Tester, for holding this hearing. And a warm welcome to our newest member, who I just saw in the hallway, Senator Chris Coons, I know he stopped by prior to the hearing to greet our witnesses.

To our witnesses, thank you for your service. And please relay to the Airmen and Guardians that serve with you how much we appreciate their service to our country.

I want to expand just for a moment on the comments that the Chairman made about the importance of the Appropriations process proceeding on time. Our committee worked very hard last year and did in fact report each and every one of the Appropriations Bills, including the Defense Appropriations Bills prior to the end of July.

Unfortunately, we then ran into roadblocks in getting the bills brought to the Senate floor. I would note that while the bill was passed far too late, we did avoid having a continuing resolution. That was advocated by some of our colleagues. It would have been an absolute disaster for our Department of Defense.

And I thank the Secretary for spelling out in a letter what the disastrous consequences of a year-long continuing resolution would have been. So, we were far too late as an institution, in completing our bills, but at least we avoided that outcome.

I would also note that it does not help the process that the President is late by a month in submitting his budget. There is a legal requirement for the budget to be submitted, I believe it is the first Monday in February, and that deadline was not met again this year.

Let me offer a few other observations as we begin this important hearing. First of all none of us can gloss over the fact that this budget request would result in a real decrease in funding available for the Air Force and Space Force to buy aircraft and weapons that is true for the other military services as well.

Just to keep pay B with inflation for critical needs, like military pay, healthcare, and housing, the top line would need to be higher by at least 4 percent, but the administration proposes a top line increase of less than 2 percent for the Air Force. To comply with the caps of the Fiscal Responsibility Act, the 2025 budget request for the Air Force is 2 billion less than was planned when Secretary Kendall and General Saltzman testified before the committee just last year.

Second, our witnesses need to be completely forthright, as I know you will be, and always are, in describing to the committee the risk the Air Force would be accepting with this budget request. For example, Air Force officials have said that at any one time 514 aircraft in the fleet are grounded due to a lack of spare parts. Funding for additional spares to reduce that deficiency significantly was

excluded from the budget request and, instead, has been included on the Service's unfunded requirements list.

What are the consequences if Congress does not restore this $2 billion reduction? What risks are we assuming given that China's Air Force continues to grow, and this budget request proposes a net reduction of 129 aircraft? That means a much smaller Air Force. Each budget request must account for both the threats we are facing now and that are projected into the future.

What I know, with certainty, is that the threats facing our country and our military are growing. Two combatant commanders in the last few months have told me that this is the most dangerous global environment in 50 years.

Third, unless the National Security Supplemental is enacted into law, and soon, the Air Force will have to take funding out of hide from the fiscal year 2024 Defense Appropriations Bill we just enacted to sustain the Airmen and Guardians deployed in support of our allies and partners confronting adversaries in Europe and in the Middle East. The Bipartisan National Security Supplemental passed by the Senate in February included more than $1.8 billion for these purposes. Without this supplemental funding, there will be even greater harm to our overall readiness and modernization.

Finally, I would note that many of the military aircraft transporting aid to Ukraine and Israel are supported by the 101st Air Refueling Wing in Bangor, Maine, of which I am very proud.

Secretary Kendall, I know they are very eager to host you. And I look forward to doing so as well.

Thank you, Mr. Chairman

Senator TESTER. Thank you, Senator Collins. Appreciate your remarks.

We will now start with the panel Secretary Kendall you are up. Your full written testimony will be a part of the record. If you can keep it close to 5, we would appreciate it, but take your time.

SUMMARY STATEMENT OF HON. FRANK KENDALL

Secretary KENDALL. Thank you, Mr. Chairman.

Chairman Tester, Vice Chair Collins, Members of the Subcommittee, General Saltzman, General Allvin, and I thank you for the opportunity to testify today on the Department of the Air Force's fiscal year 2025 budget submission. The DAF (Department of the Air Force) fiscal year 2025 budget request supports the National Defense Strategy.

We appreciate the committee's support for the recently enacted fiscal year 2024 budget and your efforts to secure timely passage. As you are aware, the 6-month delay has had a real impact, that time cannot be recovered, but at least we can now move forward with our urgent modernization priorities.

As I have testified before this committee repeatedly, time is my greatest concern, we are in a race for military technological superiority with a capable pacing challenge, our cushion is gone. We are out of time.

As we have briefed the committee at a classified level, the pacing threat moves steadily forward, continued failure to provide on time authorities and Appropriations, as you both noted, will leave the Air Force and Space Force inadequately prepared. We know the

committee recognizes this, and we appreciate your strong bipartisan support.

Our fiscal year 2025 budget request complies with the Fiscal Responsibility Act (FRA). We are requesting $217.5 billion for the Department of the Air Force, which includes $188 billion for the Air Force, and $29.4 billion for the Space Force. The fiscal year 2025 budget reflects an increase of about 1.5 percent, as you noted, less than inflation, Vice Chairman, over the enacted fiscal year 2024 budget, and does not keep pace with inflation, or with the 7 percent publicly acknowledged growth of China's military budget.

To stay within the levels of the FRA, the DAF had to adjust our previous plans. The DAF fiscal year 2025 budget request seeks to preserve the momentum behind our modernization efforts, particularly the work on operational imperatives that we initiated, and that this committee supported in fiscal year 2024.

In order to preserve modernization, we have marginally reduced procurement, and we have sustained our foundational accounts at levels we deemed acceptable, but no more. Because the Space Force budget is dominated by research and development accounts, we have had to marginally reduce the pace and scope of our Space Force Modernization programs.

Our first priority in the National Defense Strategy remains defense of the homeland. The DAF primarily supports through investments in domain awareness, air and space defense, early warning, and cyberspace defense programs.

Our second NDS (National Defense Strategy) priority is to deter strategic attacks against the United States, our allies, and our partners. The DAF fiscal year 2025 budget request prioritizes nuclear modernization to maintain a safe, secure, and effective nuclear deterrent. Notably, The Sentinel ICBM (intercontinental ballistic missile) program is experiencing unacceptable cost and schedule increases and is currently undergoing a Nunn-McCurdy Review. The Department of the Air Force will work closely with the committee as that review reaches its conclusion.

The third NDS priority is to deter aggression and be prepared to prevail in conflict when necessary. The DAF needs immediate and significant capability modernization to keep pace with the growing military capabilities of the PRC (People's Republic of China). The DAF operational imperatives and the closely related cross-cutting operational enablers continue to guide modernization. The fiscal year 2025 Defense DAF budget request includes $6.1 billion for these efforts.

Finally, the fourth National Defense Strategy priority is to build a resilient Joint Force and enduring advantages. This budget request invests to ensure that we can recruit and retain the Force we need and so that our Airmen and Guardians, and their families have the quality of life they deserve and can serve to their full potential.

As we have briefed the committee, the DAF is also currently undertaking a Department-wide effort to reoptimize to meet the demands of Great Power competition. The intent is to minimize both cost impacts and personnel or unit movements. We will work closely with the committee as we develop detailed plans. We do not an-

ticipate any significant impact on the fiscal year 2025 budget, and we have not requested funds for this purpose.

The DAF also deeply appreciates the committees support for the DOD Quick Start Initiative that was enacted last year by the authorizers. The DAF has obtained approval from the Secretary for two programs that will be initiated under this new authority. We are in the process of providing the required formal notification to the Congress and will publicly announce the two programs shortly.

Time matters, but so do resources. The United States is facing a competitor with national purchasing power that exceeds our own, a challenge we have never faced in modern times. China is actively developing and expanding capabilities to challenge strategic stability, attack our critical space systems, and defeat our ability to project power, especially air power. Conflict is not inevitable, but it could happen at any time.

General Allvin and I just returned from a trip to some of our key bases in the Indo-Pacific. We should all be very proud of our men and women serving in harm's way and doing everything they can to deter and be ready for a conflict should that occur.

The DAF fiscal year 2025 budget request is focused on addressing these realities and these needs. We commit to working with the committee to secure timely enactment of this budget request, and we thank you for your support in that endeavor.

Thank you. We look forward to your questions.

Senator TESTER. Thank you, Secretary Kendall. We appreciate your statement.

Now, we will turn to the Space Force. General Saltzman, you are up.

STATEMENT OF GENERAL B. CHANCE SALTZMAN, CHIEF OF SPACE OPERATIONS, UNITED STATES AIR FORCE

General SALTZMAN. Senator Tester, Ranking Member Collins, distinguished members of the committee, thank you for your continued support and for the opportunity to testify on the Space Force's Posture for fiscal year 2025.

As the Space Force prepares to celebrate its fifth birthday, we are wholly dedicated to the work of forging a service purpose-built for Great Power competition. Space has never been more critical to the security of our Nation, and the success or failure of the Joint Force depends heavily upon the capabilities we present.

It is our responsibility to contest and control the domain, to defend U.S. space capabilities, and to protect the Joint Force from space-enabled attack. Gaining and maintaining space superiority is the purpose for which the Space Force was established.

With about 3 percent of the Department of Defense budget, the Space Force offers a tremendous value proposition to the Nation. Every dollar invested in Space brings asymmetric returns, but that means every dollar cut creates asymmetric risk.

Against a near-peer adversary, space superiority is the linchpin. Without it, we cannot deter conflict. Without it, we cannot provide vital effects. Without it, we cannot protect the Joint Force. Until we have built the infrastructure to achieve space superiority, the Space Force is a work in progress.

The Space Force's theory of success includes three parts: avoiding operational surprise, denying the benefits of attack in space, and conducting responsible counterspace activities. The Space Force budget request is designed to support the National Defense Strategy by building, training, and equipping the Forces the Nation needs to perform each activity, preserving freedom of action in space while deterring and denying adversarial objectives.

Avoiding operational surprise requires us to maintain an accurate understanding of the space domain at all times, 8.3 percent of our budget is dedicated to this aim. Operating across disaggregated sensor frameworks, the Space Force provides the maximum information possible to decision makers from the tactical to the strategic level. And denying the benefits of attack in space demands that we make any attack against U.S. capabilities impractical and self-defeating, 43.4 percent of our budget is devoted to this objective.

Investing in resiliency for missile warning and tracking, satellite communications, position, navigation, and timing, hybrid architectures and proliferated constellations impose a heavy cost on aggression.

Finally, responsible counterspace activities describe the mechanism by which the Space Force can test and control the space domain. The fiscal year 2025 budget dedicates 24.7 percent of the Space Force budget to space superiority. Within the constraints of the FRA, the fiscal year 2025 Space Force budget reflects hard choices to maintain legacy Space Services and preserve current readiness. But it also slows the fielding of a modernized force.

Thank you for the opportunity to discuss the Space Force's fiscal year 2025 budget and posture. Even in the face of accelerating threats, the Space Force remains the preeminent military space organization in the world.

With the support of this committee, our Guardians will preserve and expand our strategic advantage, and we will step up to meet our pacing challenge.

So long as you continue to trust and invest in your Space Service, the Space Force will respond with unparalleled value for the Nation.

I look forward to your questions.

Senator TESTER. Thank you, General Saltzman.

Next, we will hear from Air Force General Allvin.

STATEMENT OF GENERAL DAVID W. ALLVIN, AIR FORCE CHIEF OF STAFF

General ALLVIN. Good morning, Chairman Tester, Vice Chair Collins, and distinguished Members of this Committee.

Today, I am proud to represent the 677,000 Total Force Airmen serving our Nation. I want to thank you for your unyielding support, not only for those Airmen, but for their families as well. It is an honor to sit beside Secretary Kendall and General Saltzman today and testify on the fiscal year 2025 budget submission.

As we look across the strategic landscape, we find ourselves in a time of significant consequence. The simultaneous demands of strategic competition with an aggressive and increasingly capable PRC, and persistent acute threats from around the globe require the Air Force to maximize the readiness of today's forces while

adapting our structures and processes to offer the best opportunity to prevail in an environment of enduring Great Power competition.

Time is not on our side. The fiscal year 2025 Air Force budget request reflects difficult choices. We have made tradeoffs to keep the Air Force's operational readiness today at the minimum acceptable to meet the Nation's demands while seeking to preserve the previous year's advances in modernization. The Air Force budget request also invests in the Air Force's most precious asset, our Airmen, to ensure they remain the decisive advantage upon which our Nation depends.

Strategic deterrence is a key priority in our National Defense Strategy, and the U.S. Air Force remains committed to the recapitalization of our nuclear force. We are actively supporting the process triggered by the Nunn-McCurdy breach of the Sentinel Program and will continue to pursue the path of a safe, secure, reliable, and effective ground leg of the nuclear triad well into the future.

The B–21 will form the backbone of the Air Force's future Bomber Force, capable of executing both conventional and nuclear missions, and remains a key investment priority for the fiscal year 2025 budget. Our ability to support the National Defense Strategy priority of deterring aggression and prevailing in conflict demands a modern Air Force that is connected to the Joint Force and can close multiple kill chains in minimal time to control the tempo of a complex fight with a peer competitor.

To that end, the fiscal year 2025 budget proposes continued investments in the F–35 and F–15EX, albeit with fewer than preferred quantities dictated by the constraints of the Fiscal Responsibility Act. We continue our investment in the Advanced Battle Management System that will provide cutting-edge tools and an integrated digital architecture to enable C3 battle management in contested and degraded environments.

We remain committed to the Next Generation Air Dominance Family of Systems, particularly Collaborative Combat Aircraft, which will allow the Air Force to deliver the affordable mass required to be effective against a very capable PRC. We are also committed to building forward basing resilient enough to enable continuous sortie generation even while under attack.

This imperative became even more apparent to Secretary Kendall and I as we traveled through the Indo-Pacific. To arrest the decline in our readiness, we have proposed modest increases in investment in flying hours and weapon system sustainment to support them, while prioritizing investments in critical physical and cyber infrastructure.

Our Airmen are and always will be the deciding factor in any conflict our Air Force faces and we are committed to their health, development, and quality of life. We have made significant progress, thanks to Congress' support, to increase basic pay, adjust basic allowance for housing and subsistence to account for macroeconomic factors.

There is still work to be done. During our recent trip, the Secretary and I saw dedicated Airmen eager to accomplish the mission despite significant challenges such as infrastructure degradation caused by natural disaster, and persistent environmental chal-

lenges, as well as access to healthcare enjoyed by most CONUS (continental United States) Bases.

Efforts in lowering barriers to service and increasing targeting tools are driving a trend in the right direction for recruiting and retention. To continue to attract and retain the very best in critical skills, we are developing tracks for officers and enlisted Airmen in the technical area, and we are creating new Warrant Officers billets in Cyber and IT.

The job of your Air Force has not changed since its inception: support the defense of this Nation through credible deterrence and unmatched combat prowess. To preserve that level of deterrence, we must maintain our readiness today, modernize our Force for tomorrow, and provide the absolute best support to our Airmen. Success on any battlefield is a team effort.

I want to thank the Members of Congress and this committee for their past and continued support.

Thank you. And I look forward to your questions.

[Statement follows:]

PREPARED STATEMENT OF FRANK KENDALL, GENERAL DAVID W. ALLVIN AND GENERAL B. CHANCE SALTZMAN

OVERVIEW

The President's Fiscal Year 2025 (FY25) budget request continues the Department of the Air Force's (DAF) implementation of the 2022 National Defense Strategy (NDS), while striking alignment with the 2023 Fiscal Responsibility Act (FRA). The DAF remains focused on the Department of Defense's mission to defend the U.S. homeland, safeguard and advance vital U.S national security interests, and meet growing threats to a stable and open international system, especially those posed by our pacing challenge, the People's Republic of China (PRC) and the Chinese Communist Party. In line with the priorities of the Secretary of Defense, this budget request supports that mission and invests in the people and teams that are our decisive advantage.

The DAF is currently undertaking a Department-wide effort to optimize how we organize, train, and equip the Air Force and Space Force to meet the PRC pacing challenge. These efforts are necessary for us to remain competitive and are being undertaken with a strong sense of urgency. They cannot, however, substitute for the resources the DAF needs to execute its missions.

The total DAF budget request for FY25 is $217.5B, an increase of 1.1% from the FY24 President's Budget request. The USAF budget for FY25 is $188.1B, a 1.7% increase from the FY24 request. The Space Force budget decreases modestly in FY25, from $30.0B to $29.4B. This is due in part to fact-of-life reductions in planned satellite availability for launch and to some key military space requirements shifting to the National Reconnaissance Office. The DAF had to implement some difficult tradeoffs, and take risk in certain areas to stay within the funding levels provided under the FRA.

A forced reliance on funding through Continuing Resolutions has already significantly hampered the DAF's ability to keep pace with evolving threats by withholding authorization and appropriations to initiate new programs of record or increase spending on existing programs. Unfortunately, the time we have ceded cannot be recovered. Timely and consistent authorizations and appropriations for defense spending in line with this budget request are necessary to deter and, if required, defeat threats to our national security. Continued failure to provide on-time authority and appropriations will leave the Air Force and Space Force inadequately prepared for the dramatic geopolitical, technological, economic, and environmental challenges we are facing. To keep pace with the threats in the changing strategic landscape, we urge the Congress to enact this budget request without delay.

RESPONDING TO INCREASING THREATS

The threats to our national security are dramatically increasing. The 2022 NDS identified the PRC as the only country with the will and increasing capability to reshape the international order. In 2023, the PRC increased its annual military

budget by approximately 7 percent with estimates showing it can support continued defense spending growth for at least the next five to 10 years.

The People's Liberation Army (PLA) already fields the largest aviation force in the Indo-Pacific region. It has combined a growing arsenal of long-range precision weapons with improving space- based capabilities to expand the capability of its long range kill webs and enable strikes against U.S. and Allied forces, air bases, carriers, and high-value airborne assets.

In addition to using space capabilities to target U.S. and partner terrestrial forces, the PLA is rapidly increasing its fielded suite of kinetic and non-kinetic counterspace capabilities. These include antisatellite missiles, "inspection and repair" systems that can grapple and disable satellites on orbit, laser weapons and jammers, and reusable spaceplanes with a range of potential military uses.

The PRC is also advancing its electronic warfare and cyberspace attack capabilities to threaten U.S. bases and capabilities in the region and the U.S. homeland. For example, the PRC has targeted critical infrastructure in Guam that could be used to disrupt U.S. air operations.

The PRC has also continued its rapid nuclear expansion, on track to exceed previous projections, with more than 500 operational nuclear warheads and a nascent nuclear triad. China is moving ahead of expectations to field a nuclear arsenal comparable to that of the United States. The PLA Rocket Force has at least 2,800 theater class ballistic missiles and 350 international-range ballistic missiles, including hypersonic missiles, highlighting its approach to diverse potential nuclear- delivery systems. Many of these systems have dual-use (conventional or nuclear) potential.

We must keep pace with the growing military capabilities of the PRC while also managing the acute threat from Russia, deterring threats from other regional actors, while remaining vigilant to potential Violent Extremist Organization threats. Russia continues to place a strong emphasis on modernizing strategic weapons that will allow it to hold the United States homeland at risk, particularly with hypersonic and other next-generation weapons. Russia is developing and deploying a range of counterspace systems including surface-launched, air-launched, and orbital anti-satellite weapons, laser weapons, electronic warfare systems, and cyber capabilities that can threaten military and dual-use space assets. Both Iran and North Korea are also working to expand their military capabilities.

In the midst of these growing threats, the capabilities of the Department of the Air Force are integral to the four priorities of the NDS: defending the homeland; deterring strategic attacks against the United States, our Allies, and our partners; deterring aggression and being prepared to prevail in conflict when necessary; and ensuring our future military advantage by building a resilient joint force and defense ecosystem. With budgetary pressure, the DAF budget request balances short-term risks and readiness against the need to rapidly modernize capabilities required to deter future threats and meet NDS priorities.

COMPLYING WITH FRA

The DAF's budget is aligned with the FRA. The global obligations and enduring missions of the DAF have not changed. Our global commitments have not changed. As a result, our force structure and human capital structure remain roughly constant from FY24. The requirements to maintain adequate operational readiness, support global deployments, and meet immediate mission requirements were met, but funded to the highest level of risk considered acceptable. For example, the so-called "foundational accounts" for Weapons Systems Sustainment, Facilities, and Flying Hours were funded at the lowest level considered acceptable in both the Air Force and the Space Force. This practice can be tolerated in the short term under the constraints of FRA.

With these "current force" related elements of the budget allocated, investments in the "future force" were adjusted to manage risk. The DAF budget request protects essential modernization, especially the investments derived from our work on Operational Imperatives and Cross-cutting Operational Enablers, and chose to marginally reduce procurement of systems already in production in order to sustain as much as possible the planned pace of research and development funding for capabilities necessary to keep pace with existing and imminent pacing threats. Procurement accounts were adjusted downward in the Air Force from previous levels for some key programs, including F–35 and F–15E/X. Procurement accounts also decreased with fact-of-life delays in T–7 and E–7 production. The Air Force procurement account decreased from $30.6B in the FY24 request to $29.0B in FY25 and the Space Force procurement account decreased from $4.7B to $4.3B. These adjustments generally allowed research and development accounts to keep pace with infla-

tion. They did not permit the desired growth over time. This is particularly true for the Space Force where transformational modernization is needed urgently.

MEETING NATIONAL DEFENSE STRATEGY PRIORITIES

Defense of the Homeland

Our first priority remains defense of the homeland. The DAF supports this priority through investments in domain awareness, air and space defense, early warning that increases strategic deterrence and enables defense of critical infrastructure, and cyberspace defense programs. These investments are closely tied with the DAF Arctic Strategy and position the DAF to support implementation of the 2023 Homeland Defense Policy Guidance.

Deterring Strategic Attacks

Our second priority is to deter strategic attacks against the United States, our Allies, and our partners. The DAF provides two legs of the Nuclear Triad and 75 percent of Nuclear Command, Control, and Communications (NC3). The DAF's full-scope nuclear modernization program recapitalizes all current systems and supporting infrastructure to deliver modern and credible deterrence capabilities, which are essential in today's increasingly uncertain international environment. Decades of deferring modernization of Cold War-era systems, combined with adversary nuclear modernization, make it imperative to modernize U.S. nuclear forces to maintain a safe, secure, and effective nuclear deterrent to protect the U.S. homeland, as well as Allies and partners.

DAF nuclear capabilities provide unique, complementary, and credible options in support of integrated deterrence. Decades of deferred modernization have left little room for error in our recapitalization program if we are to maintain a safe, secure, and effective nuclear deterrent. The FY25 budget requests more than $19.4B for nuclear modernization efforts including the Sentinel Ground Based Strategic Deterrent, B–21 Raider, Survivable Airborne Operations Center (SAOC), Long-Range Standoff Weapon, Next-Generation Overhead Persistent Infrared programs, and the Evolved Satellite Communication System. Additionally, the Space Force is in the early stages of developing and fielding a more resilient missile warning and tracking capability focused on tracking advanced threats by integrating new critical missile tracking capabilities. While B–21 and LRSO are currently close to planned cost and schedule profiles, other programs are experiencing difficulties, and these programs have not completed development. Sentinel is undergoing a critical Nunn-McCurdy review due to cost and schedule increases. The SAOC cost estimate has also increased and is putting pressure on the DAF's budget.

DETERRING AGGRESSION AND PREVAILING IN CONFLICT

The third priority of our NDS is to deter aggression and be prepared to prevail in conflict when necessary. The DAF needs immediate and significant capability modernization to keep pace with the growing military capabilities of the PRC. Each year, the threat continues to advance as does our effort to define cost effective competitive operational innovation. The DAF deeply appreciates the "Quick Start" provision placed in the FY24 NDAA and will take full advantage of this opportunity to save precious time. Our effort to Reoptimize for Great Power Competition is intended in large part to create institutions with the mission of ensuring continuous competitiveness against our pacing challenge. The seven DAF Operational Imperatives and the Cross-cutting Operational Enablers body of work continues to guide the DAF's modernization effort. The FY25 DAF budget request includes $6.1B for these efforts, $4.0B in the Space Force and $2.1B in the Air Force excluding B–21 investments available at a higher classification.

BUILDING A RESILIENT JOINT FORCE AND DEFENSE ECOSYSTEM

The fourth NDS priority is to build a resilient Joint Force and defense ecosystem to ensure our future military advantage. Our Airmen, Guardians, and civilian teammates are the decisive advantage in our strategic competition, and this budget request invests to ensure they can serve to their full potential. Programs that respond to the most pressing problems of our Airmen, Guardians, and their families are detailed for each DAF Military Service in the sections below.

UNITED STATES AIR FORCE

Strategic competition with the PRC while also managing acute and persistent threats requires the Air Force to modernize to maintain its preeminent status in the world. The Air Force continues to implement the programs identified under the

Operational Imperatives and follow through on initiatives designed to maintain the Air Force's qualitative advantages over any competitor. The Air Force is investing in force structure and capabilities aligned with the NDS. As the strategic environment is rapidly changing and technology fundamentally alters the character of war we are in a time of consequence. The Air Force is determined to maintain its position as the leader in speed, agility, and lethality upon which the joint team, the Nation, and allies rely.

The FY25 Air Force budget request is $188.1B. The Air Force budget invests in foundational accounts in an attempt to arrest the year-over-year degradation of the capabilities, operational readiness, and supporting infrastructure necessary to implement the NDS, but doing so mandates a slower rate of needed modernization which increases the risk to the DAF's overall readiness. The budget fully funds nuclear modernization programs to deter strategic attacks, continuing the most extensive recapitalization effort of the nuclear enterprise in the Air Force's history. (The recently announced Nunn McCurdy cost breach on the Sentinel ICBM program is still being

addressed and final estimates are not available at this time.) It also continues investment in modernization focused on critical long-range kill webs ($310.6M) and affordable mass ($719.8M) central to the ability to deter and, if necessary, defeat aggression. This is in clear recognition of the PRC pacing challenge and Russian acute threat. The Air Force budget request also invests in the Air Force's most precious asset—its Airmen—to ensure they remain the decisive advantage the Nation depends upon.

AIR FORCE'S ROLE IN DEFENDING THE NATION

For FY25, the Air Force must make difficult choices to balance risk today and into the future. Today, the Air Force is accepting risk across the Service's modernization accounts in order to maintain minimally acceptable near-term operational readiness. This places additional risk on the Air Force's ability to deter and defeat any adversary going forward.

The FY25 Air Force budget request prioritizes operational readiness in the current year and seeks to preserve previous years' substantial advances in modernization and procurement. The Air Force's operational readiness is near the minimum level acceptable for the Service to meet the Nation's demands.

While this budget attempts to sustain the modernization momentum created by the Operational Imperatives and Cross-cutting Operational Enablers, it takes risk in the medium term to balance immediate operational readiness needs at the level of maximum tolerable risk. The medium-term risk most noticeably impacts the Air Force's ability to field the Next Generation Air Dominance (NGAD) Family of Systems, as well as a mature Command, Control, Communications, and Battle Management (C3BM) system, the Air Force contribution to JADC2.

The Air Force is requesting $2.1B to meet the immediate Operational Imperatives required to maintain the Air Force's qualitative advantage and ability to deter and, if necessary, win whenever called upon by the Nation. The Operational Imperatives provide the Service with critical capabilities, readiness investments, and the foundation required to transition and sustain a wartime posture against our pacing threat. Notably, the USAF FY25 budget request continues progress toward fielding an operationally optimized Advanced Battle Management System (ABMS) ($174M) that will improve situational awareness and provide decision-support tools to close hundreds of kill chains within relevant timelines while operating in a highly contested environment. The FY25 Air Force budget supports achieving moving target engagement at scale ($177M), which will be decisive in a conflict with a well-resourced peer- or near-peer adversary. Fielding the NGAD Family of Systems ($675M), particularly Collaborative Combat Aircraft, will allow the Air Force to augment current and future platforms with lower-cost complementary systems that can cost-effectively achieve control of the air in highly contested environments. The B–21 and its Family of Systems (details available at a higher classification) will be the backbone of the Air Force's bomber force and provide critical operational capability for both conventional and nuclear missions and provide precision effects en masse against targets worldwide. The Air Force is committed to building resilient forward basing ($594M) that ensures sustainable and networked bases capable of sufficient sortie generation and mission execution in a contested environment. The Service is also investing toward securing the critical readiness required to mobilize and move the Air Force and Joint Force into theater ($232.9M), including hardening mobilization and support capabilities against cyber and non-cyber threats. These investments represent significant efforts in critical systems and assets required by the increasingly challenging threat environment.

Among the Air Force's highest priorities is achieving electromagnetic spectrum dominance and an information advantage in highly contested environments. The Air Force's budget includes a $50M budget request in FY25 for investment in EA–37B Baseline 4 capability enhancements and advanced waveform development. Furthermore, the Air Force is investing in mission resilience and adaptability efforts such as the 350th Spectrum Warfare Wing's rapid reprogramming to ensure effective electronic attack, support, and defensive capabilities; synchronization efforts such as Air Combat Command's Electromagnetic Battle Management (EMBM). The Air Force's investments in electromagnetic spectrum dominance are vital to ensuring that the Nation's warfighters, Joint mission partners, and Allies build, achieve, and maintain mission effectiveness, survivability, and, ultimately, warfighting advantage over the Nation's adversaries. These efforts aid in maintaining the Air Force's credibility in both assurance and deterrence roles.

As the Air Force adapts to the changing strategic environment, we are reoptimizing every aspect of the Service around meeting the PRC pacing challenge. The Air Force is focusing organizations responsible for strategic readiness on current operational readiness, creating and/or elevating organizations that are critical to this strategic environment such as cyber and the nuclear enterprise, and creating a single command to focus on future capabilities. These reoptimization decisions make changes that are within the current authorities and, to the extent possible, the resources of the Department of the Air Force. As we strive to keep pace in a strategic environment where the competition has sustained and consistent growth in funding, these efforts alone will not be enough.

AIR FORCE'S ROLE IN TAKING CARE OF PEOPLE

The Air Force is committed to attracting and retaining the best Airmen in the world. In FY24, the Active Duty Air Force is currently on track to meet its recruiting goals. Air National Guard and Reserve recruiting are trending upward but continue to remain a challenge for the Service. The Air Force has continued to break down barriers to service and made progress thanks to Congress's significant support to provide requested pay increases and increasing economic security for Airmen through cost-of-living adjustments to basic pay, BAH, and BAS. Additionally, the Air Force is opening its bases to local communities to showcase the service to the public and connect with the Nation's possible recruits. The then VCSAF's cross functional team on Barriers to Service implemented 18 policy changes since Jan 2023 to expand future recruiting opportunities and increase eligibility to serve. These changes include accelerated naturalization at BMT, aligning the body composition to the DoD standard, and expanding the tattoo policy. These changes have provided tangible improvements without sacrificing quality. The CFT will continue to review and adjust DAF policies and initiatives to best address future recruiting challenges and amplify efforts to increase propensity to serve for all.

To maintain talent, the Air Force has focused on quality-of-life impacts for its Airmen, investing to ensure they have the resources required to thrive. The Air Force has concentrated on improving access to childcare; this budget request includes a $40.0M MILCON submission for a CDC at Mountain Home AFB, on top of 11 CDC MILCON projects that the Air Force is executing in FY25, and $50M in Facilities, Sustainment, Restoration, and Modernization focused investment in CDCs. The Service is also on track to implement the Independent Review Commission on Sexual Assault in the Military's recommendations and programs as approved by the Secretary of Defense, expanding victim care and support for victims of sexual assault. Specifically, the Air Force is increasing the presence of embedded mental health personnel in line units to prepare for contingency operations. Demand for these mental health services has increased twofold over the last decade while mental health manning has remained relatively unchanged. To offset the lack of providers, the Department of the Air Force is training service members at every level on basic mental health skills. The Air Force has also invested in Interpersonal and Self-Directed Violence Prevention and Response with $451M in the FY25 budget request to implement initiatives supporting and protecting Airmen.

Quality of life also demands the best living and working facilities possible. Due to fiscal constraints resulting from the FRA, the Air Force was unable to reduce the $46.8B of deferred maintenance and repair backlog, nor achieve the 2.3% plant replacement value (PRV) reinvestment goal envisioned in the Infrastructure Investment Plan. The FY24 budget request set this goal at 1.58% and the FY25 budget request reduces it to 1.5%. Additionally, the existing CR has directly impacted the Air Force's ability to release funds and award dormitory contracts in the current fiscal year. The inability to release funds increases risk to meet the Air Force's dormitory investment goal of $1.1B by 2026, and the inability to fund and award dor-

mitory projects in FY24 will roll into FY25. However, with this budget request, the Air Force will meet the FY22 NDAA requirement to invest at least 5% of the estimated replacement cost of the total inventory of permanent party dormitories for facility improvements. The Air Force is deliberately investing to sustain adequate dormitories. The FY25 budget request includes a planned investment of $250M for future prioritization of dormitory repair, but that does not include FY24 rollover due to funding delays. The Air Force is also engaging with local leaders to increase the availability of affordable housing options for families. These moves, along with the substantial increase in BAH for many localities, have increased housing opportunities and living facilities for Airmen.

To be the best, we must manage our Airmen's talent. The Air Force is defining new Total Force skills required to meet the demands of Air Force Force Generation (AFFORGEN), Agile Combat Employment, and Future Force Design. As part of reoptimization, the technical tracks for Officers and Enlisted Airmen as well as the introduction of Warrant Officers for Cyber and IT, seek to attract and retain the critical talent needed in fast-paced and rapidly evolving critical technology sectors that are shaping the modern battlefield. We are also improving talent management by investing in processes and systems that increase agility, flexibility, and data access. The Air Force is exploring ways to identify the most innovative Airmen, network them, and ensure they can field innovative solutions to meet the Air Force's most significant challenges.

AIR FORCE'S ROLE N SUCCEEDING THROUGH TEAMWORK

Teamwork is critical in the total Air Force, including the Reserves and the Air National Guard, all as part of the Joint Force meeting the NDS objectives. That teamwork begins within the DAF, where the Air Force relies on and supports the Space Force. Both Services depend on each other in developing and fielding the Operational Imperatives and achieving the Department's reoptimization efforts. Cooperation of both the Space Force and Air Force is required to meet the challenges posed by the nation's adversaries. The ability to conduct precision strikes, engage moving-targets, close kill chains, and build situational awareness in a highly contested environment requires the seamless integration of both Services. The Air Force and Space Force are inexorably intertwined, ensuring that both services, the Joint Force, and our allies and partners will prevail wherever called upon.

Meeting our pacing challenge also demands that the Air Force seamlessly integrate with the larger Joint Force, the combatant commands, and our allies and partners. This is the essence of Integrated Deterrence. As part of the reoptimization efforts, the Air Force is executing large-scale exercises to test its capabilities against peer threats in highly contested environments and re-designing force presentation models to ensure combatant commanders most stressing operational needs are met. The FY25 budget includes $428M in investment to support the integrated priority lists of the combatant commanders. The Operational Imperatives and capability investments across the Service are critical to ensuring the Joint Force can succeed against the pacing challenge.

While the Air Force focuses on supporting the Joint Force in meeting the NDS priorities, the Service also realizes that Allies and partners are a center of gravity for United States national security. Allies and partners facilitate access, basing, and overflight. The Air Force is committed to working with our Allies and partners, especially in the Indo-Pacific, Europe, and the Middle East, to advance an international order grounded in rules and norms. The Air Force continues to streamline FMS programs and work with allies to develop interoperable capabilities beginning from the initial design of systems.

Teamwork is also required with the Defense Industrial Base to ensure a robust industry that is the world leader in technology and production capacity that can adapt at speed and scale. As we promote the strength of the Defense Industrial Base, the Service is working with industry partners on delivering relevant capabilities with increased speed and capacity and ensuring mission- dependent supply chain and logistics resilience.

Teamwork inside the Department of the Air Force; the Joint Force; the Defense Industrial Base; and Allies and partners will be the cornerstone of integrated deterrence and combat capability in strategic competition with the PRC. The interdependence of these forces demands constant attention to drive seamless integration and interoperability. Unity in action and capabilities developed between the Air Force, Joint Force, and Allies and partners will provide our Nation and our Allies an advantage that no potential adversary can match.

Perhaps as much as any time in history, teamwork is required across the whole of our government to tackle the increasingly complex and dangerous challenges that

face our Nation. The Air Force will continue to work transparently and collaboratively through the Department of the Air Force, Department of Defense, Executive Branch, and Congress to field and maintain the most ready and dominant Air Force for the Nation.

UNITED STATES SPACE FORCE

Since its establishment in 2019, the United States Space Force has focused on one, overarching imperative: to secure the Nation's interests in, from, and to space. As the threats in space to American prosperity and security both increase and become more sophisticated, the Space Force must transform and therefore, it is prioritizing investments that prepare the Joint Force and the Nation to confront the dangerous operating environment that space already has become. This transformation is severely complicated by the constrained fiscal environment, which has forced the DAF and the Space Force to make hard choices.

SPACE FORCE'S ROLE IN DEFENDING THE NATION

The world's use of space is growing at an accelerating rate, making space simultaneously more important and more dangerous. The domain is no longer the benign expanse of the past. Counterspace threats continue to destabilize the environment, and space-enabled attack increasingly holds the Joint Force and our homeland at risk. The PRC, and to a significant extent Russia, have operationalized space. The United States has not kept pace. With space undeniably defined as a warfighting domain, the Nation depends upon the Space Force to secure its interests in, from, and to space.

To meet this challenge, the Space Force has organized its modernization efforts around a theory of success that aims to protect the Nation and its interests, while also preserving stability and long- term usability of the domain. This approach adheres to three guiding principles: (1) avoid operational surprise in the space domain, (2) deter attacks against U.S. interests in space and (3) prevent an adversary from using space to attack our homeland or the Joint Force. The destruction of forces in space risks creating long-lasting hazards and indiscriminate risks. For this reason, the Space Force's concept of space superiority seeks to protect U.S. interests without jeopardizing the future of the space domain.

Avoiding operational surprise in space requires the Space Force to maintain constant awareness of the battlespace, supplemented by a robust capability to accurately produce indications and warnings for malign behavior. Over 8% of the Space Force's FY25 budget is dedicated to this purpose. Specifically, the Space Force budget invests $1.25B into the space domain awareness mission area, including funding for the Deep Space Advanced Radar Capability, SILENTBARKER, and Space Data Fusion. These programs extend the Space Force's umbrella of awareness in the space domain, by establishing a clear picture of the operating environment and denying adversaries the ability to strike U.S. assets without warning.

To deny the benefits of a preemptive counter-space strike, the Space Force must build resilient space capabilities that guarantee continuity of critical services to the Joint Force despite current and growing adversary counterspace forces. These critical services include missile warning; communications; targeting; and Position, Navigation and Timing. The Space Force must transform these services to make them resilient to attack. As airborne systems providing communications and targeting have become more vulnerable and as threat long-range precision strike systems have proliferated, the Joint Force dependency on space is significantly increasing. To that end, the Space Force budget invests $2.58B, or 55% of the total space-based missile warning budget, to field a proliferated multi-orbit missile warning network. Operating across different orbital regimes and sensor types, this hybrid approach complicates an adversary's attack options against U.S. space assets, enhances resiliency of a no-fail warning mission, and assures critical decisionmaking data will be available at the tactical, operational, and strategic levels. The Space Force is procuring two additional GPS–IIIF vehicles. Presently, there are 31 satellites in orbit with four in storage and two slated for launch in FY25. Simultaneously, the Space Force is researching more resilient PNT options. The FY25 budget also devotes $4.4B to developing satellite communications (SATCOM) systems capable of operating through contested and degraded environments. The Space Force is working to ensure that all of its capabilities can deter, overcome, and operate through enemy action.

$7.25B—nearly a quarter of the Space Force's FY25 funding—invests in the ability to counter an adversary from using space to attack the U.S. homeland or the Joint Force. This set of investments, which cannot be discussed in detail in an unclassified setting, is a major transformational effort for the USSF because it enables

the newest Space Force mission, space superiority. The need to gain and maintain space superiority over peer adversaries is the distinguishing characteristic of a transformed Space Force and it is a top priority. Unfortunately, the compounding effects of Continuing Resolutions and the FY25 top-line funding constraints under the FRA have had significant impact on the Space Force's ability to meet the demands of this critical mission.

Finally, to reoptimize for the pacing challenge, sustain our long-term competitive advantage, and ensure the relevance of our technical investments, the Space Force is establishing a Space Futures Command. Overseeing the forward-looking force design process by which we determine our objective force, Space Futures Command will provide vital structures and processes for our force development activities. Working closely with the Air Force Research Laboratory this Command will routinely assess the relevancy of and make recommendations on the priority of areas of scientific research. This will provide a clear and consistent demand signal to all partners, unambiguously identifying the technologies we consider to be essential to our success.

The Space Force is in the early stages of a major transformation, from a force focused only on peacetime capabilities to a force that also includes the full range of warfighting capabilities. The Space Force we have today, no matter how ready it is, does not have the range of capabilities needed against the pacing challenge. Preserving current force capabilities is necessary but not sufficient. We must invest to transform our legacy space capabilities into a credible warfighting force to deter and, if needed, to defeat our adversaries; and we must do so with a sense of urgency. This requires on-time and stable funding. Continuing Resolutions force the Space Force to rearchitect programs, miss launch windows, and break delivery timelines, spreading mission delays across the FYDP. For example, hypothetical year-long CRs can force the Space Force to slow its launch procurements, precipitating impacts for years to come by reducing the capability it can get on orbit, creating industrial base challenges, delaying test and training activities, and generating more barriers to its transformation.

SPACE FORCE'S ROLE IN TAKING CARE OF PEOPLE

The Space Force's small but technologically sophisticated workforce means the Space Force must deliberately manage talent on an individual basis. In 2023, Congress passed the Space Force Personnel Management Act. This landmark legislation will enable the Space Force to build a modern personnel management system that will better allow the Space Force to develop and retain the elite military cadre it needs to be competitive and successful. The permeability between full-time and part-time military service the single component creates will allow Guardians of the relatively small Space Force to flexibly manage their careers and better meet their personal and professional goals while meeting Space Force operational needs.

The Space Force is also piloting the Defense Civilian Training Corps in FY25. This program, which will act as a civil service counterpart to the Reserve Officer Training Corps program, will recruit civilian Guardians with desirable backgrounds following the completion of their undergraduate education. Additionally, FY25 resourcing will allow the Space Force to expand developmental opportunities for all Guardians. Here, the first step will be a redesigned Officer Training Course. Under this program, all newly accessed officers will attend the same initial skills training course to learn the fundamentals of cyber operations, intelligence, and space operations. This combined initial skills training will ensure all officers have a comprehensive operational background prior to pursuing more specialized duties like acquisition. The Space Force is truly committed to being operationally focused.

The demands placed on Guardians continue to grow as space becomes a more dangerous operating environment. To prepare for this challenge, Guardians must be able to develop, train, and exercise their operational tradecraft in a secure environment against high-fidelity simulated threats. To meet these requirements, the Space Force is building the necessary test and training infrastructure from scratch. In FY25, the Space Force budget invests $438.7M into the Operational Test and Training Infrastructure (OTTI) program. The Space Force is also expanding its investments in the test enterprise to account for the electromagnetic and orbital warfare mission areas. Recently, the DAF organized all of these activities under a single Program Executive Officer, ensuring resourcing transparency, accountability, and interoperability across the test and training enterprise.

One personnel challenge the Space Force faces as a small service is creating the organizational capacity to perform current operations while simultaneously building operational readiness for a high-intensity conflict. To better balance these two, the Space Force is formalizing how it builds operational readiness in combat force ele-

ments. The Space Force is accomplishing this by implementing the Space Force Generation model for readiness, which is made possible by a requested additional $344.2M invested across several accounts. This investment enables a rotational model for Employed-in-Place missions, allowing personnel to accomplish threat-focused combat training before they are presented to the combatant commanders for day-to-day operations.

SPACE FORCE'S ROLE IN SUCCEEDING THROUGH TEAMWORK

The Space Force is not just an important teammate, but an essential one to the Joint and Combined Force. Broader operational success across all domains and theaters will depend on the Space Force succeeding in its missions. First, the Space Force provides services that the Joint and Combined team must have, or they will fail. Achieving that requires not just fielding effective capabilities joint warfighters need, but also securing those capabilities from adversarial attack. Second, the Space Force protects the Joint and Combined team from space-enabled attack. The Space Force cannot succeed in either regard without robust relationships across the U.S. enterprise and with indispensable Allies and partners.

To that end, partnerships with the other Services and throughout the Joint Force is a top Space Force priority. In FY24, the Space Force established several service components to integrate Space Force capabilities and expertise into the Combatant Commands. For example, the Space Force established U.S. Space Forces Europe and Africa, giving both USEUCOM and USAFRICOM a dedicated team of experts in space planning and operations. The FY25 budget invests an additional $27.8M to build service components in support of every Combatant Command. Once fully implemented, this program will give every Combatant Command access to Guardians who can help integrate space capabilities into their joint operations.

Nationally, there are many agencies and organizations with equities in the space domain. This is why the Space Force is partnering with a variety of government agencies to unify effort and leverage common interests for mutual benefit in space. For example, space-based surveillance, reconnaissance, and targeting is a critically important emerging mission area for the Space Force. Therefore, the Space Force is working with the intelligence community, as well as industry partners, so that the Space Force can accomplish this important mission as part of the Joint Force.

As a highly technical service, the Space Force depends on a strong industrial base. An eighth of the Space Force FY25 budget is dedicated to commercial space services which will help reinforce and energize the space industrial base our nation depends upon. Moreover, the Space Force is continuing to develop its commercial space strategy within the larger DAF and Department of Defense industrial policy framework to identify areas for deeper partnerships with the diverse commercial space market.

The Space Force can no longer afford to delay its necessary transformation. Space capabilities are foundational to how the Joint Force projects power across the world and are increasingly at risk—they are old, vulnerable, and already not fully meeting joint warfighter needs. Lessening these risks requires transformational change—transcending the status quo and making smart investments in not just new systems, but also people—America's Guardians.

CONCLUSION

The Department of the Air Force is in a race for technological superiority against a well-resourced strategic competitor. The United States is now facing a competitor with national purchasing power that exceeds our own, a challenge we have never faced in modern times The PLA is actively developing and expanding capabilities to challenge strategic stability, attack our critical space systems, and defeat our ability to project power, especially air power. Conflict in the Indo-Pacific region is not inevitable. The United States is actively working to prevent conflict by strengthening combat-credible deterrence. However, acute and persistent threats still exist, and the security and prosperity undergirded by the United States military for decades is increasingly challenged. The DAF FY25 budget request is focused on addressing this reality. The DAF has funded current readiness accounts at the lowest acceptable level while investing remaining resources in essential modernization. Some Air Force procurement has been deferred to free up funding for new capabilities in development. The Space Force lacks similar trade-off options, forcing delays in needed systems, especially counterspace systems. The DAF FY25 budget request is aligned with the NDS. It addresses mission requirements while taking care of people and fulfilling our role in the Joint, interagency, and combined team. We urge timely approval of this budget request to allow us to keep pace with the challenges facing the United States.

Senator TESTER. General Allvin, thank you very much for your statement. I want to thank you all for your statements.

I want to express a couple things before I get to my questions. Number one, this budget puts a lot of pressure on you three gentlemen, and the other branches of our military to make sure that our priorities are correct.

That being said, we are living under a 1 percent increase budget cap that was negotiated in a bipartisan way by leadership. I don't think Senator Collins and I are going to be in conflict with this statement at all. I think this is totally inadequate. I think we have got to figure out a way to make sure, at this dangerous time, which I believe is the most dangerous time in the world since the early 1960s, that we give you the money you need and then hold you accountable to make sure you spend it correctly.

But I am here to tell you that from this Senator's perspective, the amount that is in this budget, and I don't care if we are talking about Air Force, Army, Navy, Marines, it doesn't matter, is inadequate. And I think it is inadequate because there was the decision made to put a 1 percent cap down months ago. That was a bad decision.

That being said, we will work with you and we will work in a bipartisan way to try to make sure that you have what you need for that deterrence and those priorities that you have already spoken of.

I want to start by talking about recruiting, end strength for the Air Force in this budget it holds it steady at 320,000. It has always been a challenge. It is a challenge right now to meet that number.

The question I have is how confident are you, Secretary Kendall, that you will be able to meet that number? And do you have enough people to—if you don't meet that number, do you have enough people to actually implement the modernization efforts?

Secretary KENDALL. All right. Recruiting was the question?

Senator TESTER. Yes.

Secretary KENDALL. We are actually doing very well this year. The active Force is on track at this point to essentially meet its goals. In fact, we are looking at revising the goals up slightly. The Reserves are doing well also. The Guard has improved their performance over last year, but it is not quite meeting their target.

So we took a number of steps. General Allvin led a group, a taskforce when he was a vice chief-of-staff, that changed some of our policies to expand the envelope of the people that we would bring in. We did not lower our standards, but we made some adjustments. That helped a lot. We increased our efforts in recruiting in general. We provided better information technology so our recruiters could be out recruiting instead of at their computers, and we increased the size of the force.

We also asked, throughout the Force, people to go interact more. The biggest problem we have with recruiting is the propensity to serve in the U.S. has declined, and a lot of that is lack of familiarity with the military. So we have taken a number of steps to try to reach out and communicate what the opportunities are in the military.

So, I am very comfortable with the trajectory as it exists now. I think we are in good shape, as I said, for the active and the re-

serves, and I think we are making good progress on the Guard. The Space Force has not had issues recruiting.

General Allvin may want to add a little bit to that.

General ALLVIN. No. I think the Secretary has it exactly right. We are never satisfied because we know it can turn on a dime. And so, in addition to all those that the Secretary has mentioned, we're really reinforcing sort of the value proposition, the sense of purpose, and this idea that we are in a time of consequence, and just reinforcing that there is broader purpose in serving in the military. And that familiarity with what we do, I think, is reaching out to more people, and we are starting to resonate as well.

Senator TESTER. The Sentinel Project is a project that is near and dear to both Senator Hoeven and me. There is about $3.7 billion allocated to Sentinel, and this is to replace the Minuteman III intercontinental ballistic missile. There have been cost increases, and schedule delays, and quite frankly, I believe the Air Force is going to make a decision on the path forward in June, but quite frankly, we are running against—in my perspective—we are running against some real-time issues if we are going to get these replaced in the three ICBM bases by 2036.

I know that you are recused from this, Secretary Kendall, so I will go with General Allvin with the question: How committed is the Air Force to replacing Minuteman III? Do you believe that you have—do you believe the Air Force has the folks in position to manage this program? And do you think we will be able to get it done on time; that time being 2036?

General ALLVIN. Well, Senator, as you know, we have to recapitalize, we have to ensure that we have a robust and effective triad, and of course, the ICBM leg of that triad is the most responsive and that has a great deterrence effect. So, we will remain committed to the recapitalization. And as we look at the Nunn-McCurdy process playing out, we are supporting that, and we are continuing our engineering and manufacturing development as that occurs.

But regardless of what the decision is in July, we remain committed to ensuring that recapitalization, in whatever form that takes, the Office of Secretary of Defense has the overall decision authority, we are supporting that with facts and data, but we are certainly committed to ensure that regardless of what the outcome of that committee, we will ensure we have a safe and reliable and effective triad in the future.

Senator TESTER. Well, I think it is critically important. I just think it is critically important, and I think that if we don't get a good solid timeline about when things are going to happen, and I anticipate that is going to happen in June, then we can anticipate that we will never hit that 2036 mark.

General ALLVIN. And I will add to that, if I could Senator, that we have internally, we have ensured that we are having leadership part of the reevaluation that we have done within the Air Force is we have elevated—elevating to a two-star General the Program Executive Office for ICBMS, and ensuring that we can continue to provide the focus and the overall guidance that is needed to support whatever decision that comes out of the Nunn-McCurdy.

Senator TESTER. I have some additional questions but there will be a second round, at least for me.

Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

General Allvin, I want to read to you a quote from the Executive Vice President of the Air Force Association, he said the following, "Under this budget the Air Force, already the oldest and smallest in its history, would see its total aircraft inventory fall below 5,000 for the first time ever, and indeed when I looked at the chart on aircraft inventory the projection is 4,903 aircraft. China, on the other hand, is increasing the size of its fleet of aircraft."

Are we at the point where we are risking an Air Force that is too small to accomplish the missions that it is assigned?

General ALLVIN. Senator, I believe that the most important thing that we should be focused on is having the right capability. Of course, we are all restricted by the budgets within which we work; however, our focus is to ensure that just having a quantity, we have the right quality to be able to ensure the survivability and the ability to compete in highly contested environment.

So we are focused on getting the maximum capacity that we can of the most capable platforms and systems, because it has gone beyond just counting aircraft, it is the entire kill chain, the ability to have the battle management, to they have the situational awareness which is, increasingly, we are going to rely on my brother from Space here to ensure that we do. So it is really not just platforms, it is a capable system of systems that will ensure that we can endure.

Senator COLLINS. As I listened to you, I remember an Admiral saying to me in my very first year in the Senate, that quantity has a quality all of its own. I mean there becomes a point, when I look at the 5-year plan of the Air Force, when you are seeking to divest more than a thousand aircraft while procuring fewer than one aircraft for every two jets that are being retired, and when I look at the situation in Ukraine it seems clear to me that not only is quality obviously extremely important in capability, but quantity matters also, particularly when we are facing as many threats in such diverse places, as we are.

General ALLVIN. Senator, I would agree with you. And I would say that quantity does matter, but we want every one of that quantity to be survivable, because if we have a large quantity but they have a reduced chance of survival then we are actually putting more Airmen in harm's way and at higher risk if we can't have them survive and be able to actually prevail.

And so, we do look at that capability and capacity, but we certainly don't want—because our Airmen will go fight, we want to deter, but when asked we will fight in whatever cockpits we have, and so we want to ensure that when we are providing that mass, that mass is actually survivable, and can endure.

Senator COLLINS. I just want to make sure you have enough of those cockpits.

For each of our witnesses, but starting with the Secretary, please describe to the committee the area, or capability, where you feel you are incurring the most risk given the top line constraints?

Secretary KENDALL. As I mentioned in my opening statement, my greatest concern is time, and the pace of modernization. China is, and I have been watching China closely for—since 2010, they have modernized in a way which is intended to take advantage of what they see as our vulnerabilities, and so they are attacking things like our airfields, our carriers, our satellites, that we rely upon in relatively small numbers.

They are also modernizing in the air domain and in the counterspace domain very effectively in general. And they are fielding quantities. We do have to respond to the quantities as you mentioned. Unfortunately, holding on to increasingly aging and expensive to maintain, and less cost-effective assets really doesn't help us with that equation.

So when I look at the risk equation I think we are at a situation where, in the near term, the immediate term, we are at an acceptable level of risk, and we have to emphasize getting to the next round of the Next Generation, if you will, of capabilities.

As General Saltzman mentioned, we have got to have a transformative set of space capabilities. We need to get to that. And in the air domain we need to get to the next generation, particularly the Uncrewed Collaborative Combat Aircraft that General Allvin mentioned.

We have a cost problem with the aircraft that we are buying now. Our fighters are very expensive. The F–35 and the F–15EX cost about $100 million each, NGAD (Next Generation Air Dominance) and will cost over $300 million, and will be bought in small numbers. The uncrewed Collaborative Combat Aircraft give us an opportunity to address the cost and the quantity issues with relatively inexpensive but very highly cost-effective platforms that we add to the fleet.

So getting on with the Next Generation capabilities is by far my highest priority right now. The risk is increasing over time. And if we focus on the risk today at the expense of the higher levels of risk we are going to see, as China continues to modernize, we are going to have to be in a very untractable position within just a few years.

Senator COLLINS. Thank you. I will ask the other two to respond for the record. Thank you, Mr. Chairman.

Senator TESTER. Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman. Thank you, Secretary Kendall, and Generals Allvin and Saltzman for your service to the country.

Secretary Kendall, I want to especially thank you for coming to the Pease Air National Guard Base last year. We really appreciated your announcing the Department's policy increasing transparency for those communities like Portsmouth that have been affected by PFAS (Per- and Polyfluoroalkyl Substances) contamination.

I wonder if you can share an update on the implementation of the new policy, because I am still hearing concerns from residents in Portsmouth who feel like they are not seeing the kind of transparency they had hoped for as the result of the new policy.

Secretary KENDALL. Senator Shaheen, thank you, it was a pleasure to meet with you, and visit with you at Pease. And as the Vice

Chairman mentioned earlier, I am going to be going to Bangor very shortly, so I will make sure I have got this balanced here.

Senator SHAHEEN. You can stop on the way to Bangor, you know, we are right on the——

Secretary KENDALL. Will definitely do that. That program is moving forward, and I think it is—we are committed to doing the right thing in regard to addressing PFAS. We are reacting to the change in standard, and I think at this phase we are doing the planning for the next round. I think there has to be a reassessment given that the standard is tighter than originally expected. So let me let me take that for the record, and get back to you with a more detailed answer, but we share your concern about that problem.

Senator SHAHEEN. Well, thank you. My constituents will especially appreciate that. Also, the Air Force submitted a proposal to the Armed Services Committee to move assets out of the Air Guard into the Active-Duty Space Force, and while I understand how important that is to the Space Force we are hearing some concerns from the Guard about what this means and whether it is a precedent for moving other missions out of the Guard.

So, can you speak to that? And maybe General Saltzman as well could talk about the intent behind the authority and what you hope to use it for?

Secretary KENDALL. Now, we are in the process of preparing a report for the Congress on this, and I think it, it has been briefed already to some of the members. There are roughly 700 people that are affected by this, that are currently doing—are designated as Space Force missions or Space Force people serving in the Air National Guard. And we need to resolve their status, it is awkward the current arrangement. We have made it work for almost over 4 years now, and we can continue to make it work, but it is not ideal by any means.

Our preference would be to have those people become members of the Space Force, and transition as the Reserve people that are part of the Space Force are under the new statute that was passed last year, that we intend stability, in general, for these people, their units will still exist, they will still serve with, basically, the same conditions of part-time, and full-time, and so on, and they have the same benefits and everything else, but they will become part of the Space Force.

The other alternative is the creation of a Space Guard, we are definitely not in favor that, that it is too small a number of people to create a large separate institution, and I think it is better for them, it is better for the Space Force certainly if we simply move them into the Space Force as the Reserves are going to be moving in. So, we value those people, but we want to get this resolved.

Senator SHAHEEN. So, you don't see this——

Secretary KENDALL. They have been out there for several years we need to get it resolved.

Senator SHAHEEN. And I appreciate that, and you don't see this as a precedent for moving other missions out of the Guard, and this is not a blueprint to start doing that?

Secretary KENDALL. No. This is an artifact of the creation of the Space Force, it is one of the things—it is sort of cleaning up the battlefield of the creation of the Space Force, doing what makes

sense and logical for these people to—the legal term is "sui generis", it is a unique situation. There is absolutely no intention to make any other changes in moving things out of the Guard.

Senator SHAHEEN. Thank you.

General Saltzman, Starlink and other commercial satellite ventures are a complement to our operations in space, but I, and I am sure others were troubled by the reported incident of SpaceX shutting off its service to the Ukrainian Armed Forces. So, can you talk about how we should be addressing that kind situation with commercial services?

General SALTZMAN. Yes, Senator. I think the best way to answer that question is just to say we do this in a number of different fields, for a number of different missions, and we do it contractually. And so, we have many contracts where we are counting on commercial service providers to be integrated into our operations.

And we have always had good success in making sure that throughout the spectrum of conflict, from time of peace, through crisis, and even in the conflict that those providers understand what the services is, and what they are expected to do across that spectrum of conflict. And so bottom line is when we have contracts to support our military operations those companies come through.

Senator SHAHEEN. And so how does Space Force then respond if there are risks involved and they don't come through?

General SALTZMAN. Well, I imagine that would be through the legal ramifications of reversing contract that you have signed. So, we have also look very carefully at which companies we are asking for what services to provide, we are very deliberate with making sure that we account for what parts of our missions should be inherently governmental functions performed by members of the Space Force, which ones we feel like can be augmented successfully by commercial services, we are very deliberate with that process as we include them in. And so, we would hold them accountable to those contracts the way you would any legal framework.

Senator SHAHEEN. Thank you. Thank you, Mr. Chairman.

Senator TESTER. Before I get to Senator Moran, I would just say that by the time he gets to the courts it is too late, if they have done something that puts us at risk.

Senator Moran.

Senator MORAN. Chairman, thank you. And thank you to all of you for your service to the country. Thanks for being present with us this morning.

Secretary Kendall, the B–21 Raider Program, let me ask three questions on that topic, all together I am going to try to get to four different topics in my time. As the B–21 program transitions into production, is there anything that this committee should consider to ensure the industrial base is prepared to support the production ramp and fielding meet the warfighters' needs? Are there additional milestones or accomplishments that over the next year or so that you can share in that regard, with the B–21 and the Strategic Posture Committee Report, anything that is included in there that the Air Force intends to incorporate into the B–21 Program?

Secretary KENDALL. I hesitate to say positive things about programs because the B–21 is still in development and it could get in trouble at any time, but at this point the program is making good

progress. It is flying, I think that is public. It is classified so I can't give you many details here. I would point out that the production numbers that are reflected in our budget for this year show a decrease in unit cost, because we have been able to negotiate lower prices with the contractor. So, it is one example of where we are going in the right direction in our contracting activities and our negotiations.

We can get back to you in classified environment, Senator Moran, and give you more details about specific milestones. But we are watching all that very closely, and at this point, at least, the program is executing fairly well.

Senator MORAN. Thank you. And I would look forward to visiting with you in a classified setting. And it is one that is critical for modernizing our aviation fleet, we also need to invest in sustainment of existing systems, and you have, and while you indicated a balance between New Hampshire and Maine, it has been a while since you have been to Kansas, we would love to have you back, but while you were there we visited Wichita State where we saw the twinning of the B–1. Could you detail how the Air Force has worked to digitally reengineer older aircraft is important to maintaining the Legacy Fleet?

Secretary KENDALL. We have attempted to plan the full spectrum of needs where the B–21 is introduced that includes facilitization, you know, simulations, training, et cetera. So, I have seen programs get into trouble because there was too much focus on the platform, and not enough on all the things are necessary to support it. So hopefully, we have avoided that in the case of the B–21.

Senator MORAN. Collaborative Combat Aircraft, the Air Force plans to rapidly acquire thousands of Collaborative Combat Aircraft even as the experimentation and testing of manned and unmanned teaming continues. What is the acquisition timeline and when does the Air Force plan to conduct a fly off?

Secretary KENDALL. We already have contracts underway for five competitors right now, we are planning to down select to a smaller number. I am not sure exactly what that is, at least two though, and then move into the next phase of design for the first tranche, the first increment of the CCAs (Collaborative Combat Aircraft). The details beyond that get classified pretty quickly.

We are also working on the technology, I am going to get a ride on an autonomously flown F–16 later this year. There will be a pilot with me who will just be watching, as I will be, as the autonomous technology works, and hopefully neither he nor I will need to fly the airplane. But the technology is moving forward really well. We are encouraged by that.

We set up the CCA Program to have three separate components, one is the New Development Program itself, another is the acquisition of some existing uncrewed aircraft that we could use to develop the organizational concepts, and maintenance approach, and so on, sort out some of those non-acquisition things, and also moving the technology forward to feed into the program. And all of those are moving forward. I am very encouraged by where the CCAs are.

Senator MORAN. Does the Air Force plan to have clean sheet designs for each mission set, or does it plan to have multiple role CCAs?

Secretary KENDALL. The initial role for the aircraft is going to be counter-air, but it will have the potential to do other things. So, the first increment which we are trying to get out quickly is sort of a minimum viable product, and then the second and follow-on increments will add additional capabilities. We want to manage it very carefully, though, because we have to keep the cost under control.

The intent is to keep the cost of these aircraft to a third or a quarter the cost of an F–35, say. If we don't accomplish that, they won't be as cost effective as we desire.

Senator MORAN. Mr. Secretary, my final question. The release of the MOB 7 Basing Criteria for the KC 46–A Aircraft revealed an adjusted force structure of eight rather than twelve aircraft. Will the unit receiving the next KC–46 units have the exact mission requirements as they did with the 12 aircraft KC–135 fleet? If so, what kind of feasibility analysis has been done to demonstrate that capability?

Secretary KENDALL. I don't have the details on that one already, I will have to take it for the record.

General Allvin may be able to answer.

General ALLVIN. I would just answer, Senator, that the requirements of each of the bases really comes through our AFTRANS our Air Mobility Command to TRANSCOM, so the requirement as far as the capabilities required and the capacity required it adjusts to the fleet size. So that we wouldn't expect that there would be a fleet—a requirement that exceeds the capacity of the base with the platforms at the end.

Senator MORAN. Do we know that that capacity exists with eight and not twelve? Or we don't know that? Or you are saying it doesn't exist.

General ALLVIN. Well, if the capacity is reduced because of eight versus twelve, then the requirement will be adjusted accordingly so we won't be overstressing the crews or the maintainers to have them go up against a greater requirement for the capacity there.

Senator MORAN. Thank you. Thank you, all.

Senator TESTER. Senator Hoeven.

Senator HOEVEN. Thank you, Mr. Chairman. And thanks to all three of you for being here, and for your service to our country.

Secretary Kendall, we have the best intelligence, surveillance, and reconnaissance capabilities in the world, but I am concerned that the drawdown of our fleets of ISR (Intelligence, Surveillance and Reconnaissance) Aircraft, including Global Hawk, without adequately replacing those capabilities in the Air Force is a concern. Do you believe that we have the best ISR capability now versus any of our adversaries?

Secretary KENDALL. Yes, overall, but we need to modernize, and we need to modernize quickly, and one of the things we are doing is shifting more capability into space, and that is largely because of the increased threats to our airborne platforms. We are acquiring systems like the E–7 which will give us an important element of capability. We always want to present the threat with an array of problems, not just one problem. So we don't want to be totally

dependent on space, and we can't be totally dependent upon airborne platforms.

So we are going to have a mix in the fleet for the foreseeable future, and we are going to have a more modern set of capabilities. A lot of our existing capabilities are very useful in a benign environment, in a not highly competitive environment, and we want to retain them for that purpose, but we also need to get on with modernization of more survivable assets at the same time.

Senator HOEVEN. Right.

Secretary KENDALL. And I will be happy to give you a more detailed brief at classified level.

Senator HOEVEN. Right. And we need to do that. You and I have talked about that, but for purpose of this briefing, so it is important that Air Force maintain that capability, and that we not have a gap in terms of what we, our leadership and ISR now, with the idea we are going to hand it off to Space and maybe have it in Space Force someday, but have a gap in either time, like a 5-year time gap, or capability, where an adversary, like China, might have a superior ISR capability, correct?

Secretary KENDALL. We are moving in the space as quickly as we can, and we have funded programs right now, particularly for ground moving target capability, that again, they are highly classified. And we are moving forward on technology and programs for air-moving target indications as well. Some of our older systems, like AWACS (Airborne Warning and Control System), for example are increasingly expensive to maintain.

Senator HOEVEN. Right.

Secretary KENDALL. We have drawn them down as a way to be more efficient with the aircraft that remain, there is a transition happening there. We have reduced our MQ9 Fleet but, you know, we have got it to a level now where we think we are going to maintain it. So we are trying to manage that, and manage the risk, but we are moving aggressively to space, that is not a long way away.

Senator HOEVEN. Right. But you would agree at the same time we have to maintain the best ISR capability versus any of our adversaries, as we do some of that transitioning, you would agree with that?

Secretary KENDALL. We do need to maintain ISR capability on air as we transition, and I think you—what you are aware I know you have been briefed, and Allvin and I have been talking about some of the things we are doing, and how we are going to take advantage some of the programs that we can't talk about in an open hearing.

Senator HOEVEN. Right. Well, my two remaining questions are: in addition to ISR, we want to have some offensive capability as part of that as well, right, both in terms of cyber and kinetic, right? And it is not just ISR, right?

Secretary KENDALL. Oh. Yes. Yes.

Senator HOEVEN. It is those offensive capabilities combined with stealth. And the other thing is, are you willing to work with this committee to make sure there isn't any gap, and that we are working with fixed-price contracts where we know the costs, versus a projected capability and a projected cost which is likely going to be much, much higher? My question is, are you willing to work with

the committee, and that those things are important? That is my question.

Secretary KENDALL. They are important. We will work with the committee. I don't want us to talk by each other, and on what side, I am trying to be careful there.

Senator HOEVEN. But you know where I am going?

Secretary KENDALL. I think I understand where you are coming from.

Senator HOEVEN. Yes. And thanks.

Secretary KENDALL. I will be happy to work with you.

Senator HOEVEN. Okay. Appreciate it.

And General Saltzman, anything you want to offer on the same issue, because you are obviously a big part of that transition?

General SALTZMAN. Absolutely. And as you know SDA (Space Development Agency) is doing some work to help start to foster the kind of data transport layers, the kind of missile warning capabilities that we will need, as well as the GMTI (Ground Moving Target Indicator) capabilities that we are collaborating on, as the Secretary mentioned. All of those, if they are fully funded through the program as designed looking at later this FY DP (Future Years Defense Program), to start to deliver some of those capabilities.

Senator HOEVEN. Yes. And to get the right result we have to work very carefully with both of you to make it happen the right way.

And then, General Allvin, I want to thank the Chairman for his emphasizing the importance of the Nuclear Triad and the updating of the ICBM to Sentinel, and how important he thinks it is, and that I concur with that. I do as well. I also want to express my appreciation for your answer that the modernization is an absolute requirement, and that we will address Nunn-McCurdy as part of that. And I appreciate the steps you are taking to make sure that that gets done.

A specific question I have for you is in regard to weapons generation facility at the Minot Air Force Base which is the only dual nuclear base status, and your plans to address that?

General ALLVIN. Obviously, the weapons generation facilities at all of the bases are key, they are going to be important and as we have discussed before we need to ensure that we have those accomplished in the right order, so by the time we are ready to take on the platforms such as the B–21 and the modernized platforms, we also have the right weapons generation facilities to be able to arm those as well.

Senator HOEVEN. Okay. Again thanks to all three of you, appreciate it. Thanks Mr. Chairman.

Senator TESTER. Thank you Senator Hoeven. And for the information of the Senators, we are going to be holding a classified hearing on Space Force related issues, and if there are issues that need to be in that classified hearing on the Air Force, too, we are more than happy to include those.

Senator Boozman.

Senator BOOZMAN. Thank you Mr. Chairman. Thank you all for being here, we appreciate your hard work in keeping our Nation safe, but also in keeping—taking care of the men and women that serve, which is so, so very important. Along with the entire Arkan-

sas delegation we are pleased with the continued investment at Ebbing Air Base, making it the Nation's Premier Foreign Pilot Training Center for allies and partners.

General Allvin, can you speak to the importance of training our allied foreign pilots on U.S. soil, and why it is imperative to our national security?

General ALLVIN. Thank you, Senator. And trust me, I say this out of pride not arrogance, but we have the best pilots in the world, and so if you want to train, being trained by the best is good for everybody involved, but specifically, you know, training with our Airmen here in the U.S. in places like Ebbing, it offers you the opportunity to not only understand how to fly the aircraft but how to use tactics techniques and procedures that are similar to those that we do as well.

So as we train that with the pilots from foreign countries, their Air Forces develop those same tactics, techniques, and procedures, and then we can train like we are going to fight together. And so it makes us just a better allied and partner fighting force when we train on the same systems, and with the same tactics, techniques, and procedures.

Senator BOOZMAN. Very good. Secretary Kendall, you continue to emphasize the need for our investments to meet China's escalating military threats head on. China already has more troops, more munitions, and more hypersonic weapons than we do, their momentum is only growing. Can you talk to us how you would assess the progress you are making to keep pace with China's aggressive modernization efforts? And very importantly, what do you need most from this committee to ensure you can achieve your strategic objectives, and protect America's interest at home and abroad?

Secretary KENDALL. Senator Boozman, the second part of your question is the easier part. Timely appropriations; and thank you for asking, so I could say that; the Chairman talked about it earlier, so did the Vice Chairman.

Senator BOOZMAN. You can't say it enough, we appreciate that.

Secretary KENDALL. We have given up about a third of the time available over the last 15-odd years when we could have been making progress. And we have lost 5 years in the 15 years, and that you cannot win a race when you move at that kind of a pace, relative to an opponent who is not— doesn't seem to have the same constraints. So time is my biggest concern, and timely appropriations is critical to success.

I get intelligence and briefs every single morning, and I have given a threat briefing to the committee, we would like to offer another opportunity to do that, come over with an updated briefing, because the threat keeps changing, it keeps getting worse. And I just saw some data this morning which was, you know, concerning.

And so we have got to move forward as quickly as we can. We are trying to structure our acquisition programs to make that happen, but I also want real capability delivered, so the guidance I have given the acquisition community is structure programs to get meaningful military capability as quickly as we can.

And meaningful military capability isn't one or two prototypes, it is numbers that would matter and pose a threat to the adver-

sary. So we are trying to structure our programs to accomplish that.

We need to move forward very quickly in Space. Space focus needs to go through a transformation, it needs to go from, essentially, a situation where we could operate with impunity to one where we can't. And China has already fielded a number of anti-satellite capabilities and is fielding more.

And China has also fielded a number of systems designed to target U.S. assets, and support warfighting, and we have to deal with those. We have to have counterspace capabilities that can deal with those, and traditionally we have not had a lot of capabilities. There are things that I can't talk about here that contribute to that, and that is very helpful, but it is not enough, we need to do more.

On the Air Force side, we have this very large capital investment in the installed Force, and we have this very large set of global capabilities that we are supporting. So the balance there is about doing enough for all of that, maintain that, while we get on with modernization at the same time. I have a little bit of flexibility within the Department of the Air Force to move assets between the Space Force and the Air Force, we haven't done a lot of that, I did more of the first budget that I built than the last two.

I think the risk is reasonably balanced. But time is my biggest concern. We are doing the right things, what we identified under both the operational imperatives, and the subsequent work on cross-cutting operational enablers, is the right suite of investments. And the $5 billion down payment that we got in the 2024 budget and the $6 billion we are asking for in this budget are going to move us in the right direction.

We could move faster, and I would like to be able to do that, but I think we have a reasonable pace of modernization, if we are fully funded and promptly funded with the request that we have.

Does that answer your question?

Senator BOOZMAN. Yes, sir, very much. Thank you very much. Again, thank you for being here.

And thank you, Mr. Chairman.

Senator TESTER. Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Mr. Secretary, Generals, welcome, and thank you for your leadership.

Mr. Secretary, it was good to visit with you just the other day in Anchorage. I appreciate your time and the opportunity to, again, talk about one of the issues that is impacting the mission readiness capability in Alaska with this proposal from the National Guard Bureau with regards to the AGR (Active Guard Reserve) due to technicians, I appreciate you looking into that, and really critically evaluating what that will mean to mission readiness.

We talked a lot about the assets that the Air Force is requiring to keep pace with what is happening in the world, and we cannot overlook that none of this happens without the men and women that are operating and maintaining.

I want to thank you, all three of you, for recently enacting the assignment incentive pay for extreme cold weather locations. That makes a difference in places like Minot, North Dakota, and in Eielson Air Force Base. Those people are very appreciative for that.

Mr. Secretary, I would like to just draw your attention to a couple more areas of concern. One is this BAH (Basic Allowance for Housing) situation in Eielson, you got a situation there where airmen and their families are paying anywhere between $500 and $1,000 a month for home—for utility cost. It is a fact that the BAH there barely covers the cost of rent in the region. I just ask you to have your team look into this situation so that we are not in a place where utility costs really consume everything that these families have. So I would like you to take a look at that.

The other thing that you and I had an opportunity to speak to was, the success of the Fly Back Program that we put into place just last year. We just got this survey back as of yesterday; I see it is good responses in the survey, in terms of how many participated in it, what the impact was to the Airmen who were able to take advantage of it. Basically, it is, on average, over $1,000 out of pocket to these individuals if they wanted to try to travel home. Nearly everyone says yes, save this program.

So, I am hoping that you, too, see the success of this Fly Back Program, and then the individual initiatives that are going on to make it even better. Sarah Riffer with our Alaska Arm Services Y has made it a personal mission to even improve on this by being able to provide family members who are able to use the program, to give them companion tickets so that their families can go home with them. So, every little thing that we can make a difference, particularly in cold and darker places, are things that we would like to ensure a focus on.

Let me ask a question to you, General Allvin. And this is with regards to the redesignation that we just saw up at Eielson, with the 18th Aggressor Squadron redesignated as the 18th Fighter Interceptor. One of the challenges I think you recognize is we are utilizing the F–16s there, they are nearly 50 years in age, very capable we do have the introduction of the F–15EXs which are great modern solutions here with greater payload.

My question to you is, can you share the future plan for our Interceptor Squadron as our F–16s continue to age out? I think you recognize, again, what a benefit this has been with this redesignation, but we do have aging aircraft.

General ALLVIN. Yes. Thank you, Senator, for that. And it has been a win-win, you know, by redesignating to the Fighter Interceptor Squadron, we have already seen improvements in the readiness of the F–22s, so that fifth-generation readiness is happening, and the team is doing a fantastic job in the Fighter Interceptor's Squad, it is sort of tailor-made for that mission.

To your point, though, about the aging aircraft, you know, the average F–16 is 33 years old, and I understand these in Alaska are older. So we are going to continue to manage that fleet. The F–16 is the most affordable in the Fighter Fleet, and so for the mission of Fighter Interceptor, it really is, really the ideal type of aircraft to do that at the right price point.

So we will continue to manage into the next decade to ensure that we have the right—the maintenance on that sustainability, and continue to make sure that we can maybe trade out the older ones for the newer F–16s, and manage that fleet through, because looking into the future, there may be a point in the next decade

or so where we start to leverage things like Collaborative Combat Aircraft, to be able to augment on the Fighter Interceptor Mission.

So long term, there may be a different Force design for doing the Fighter Interceptor Mission, but we will attempt to manage to ensure we have modern enough F–16s to do that job, primarily, because they are tailor-made for it.

Senator MURKOWSKI. Thank you.

Mr. Chairman, I know you indicated you were going to do another round, could I just do one more, quick question for General Saltzman? Thank you.

General, we know that the Air Force is proposing legislation to bypass existing law requiring it to obtain a Governor's consent before making changes to National Guard Unit, and to transfer 14 Air National Guard Space Units across seven states into the Space Force. Last year you testified that the Air National Guard makes up 30 percent of our Nation's Space Force capacity. What we understand, and this comes from a recent poll, of nearly 200 ANG (Air National Guard) Space operators, more than 50 percent said they would not transfer to the Active Duty Space Force.

So the concern here of course is that you are going to have an impact on the mission on our preparedness, it seems to me you are potentially taking on a lot of risk there. Wouldn't it be easier to transition these units and personnel to a Space National Guard? And if you disagree with that, can you explain how this proposal, your proposal, is not going to create a gap in our space capabilities?

General SALTZMAN. Thanks, Senator. The missions that are currently being performed in the Air National Guard are critical to our success, and I have been very clear about that in the past. The easiest way for me to manage it though, is for those missions to be performed in a single component. There is an added level of complexity if the Space Force is required to manage a second component like a Space National Guard. And I am trying to do my best to keep the administrative bureaucracy, the staffing levels of the Space Force as small as possible.

But in order to take care of those Airmen that are currently performing Space Mission, I would need to have some administrative increases in order to manage two retirement systems, two promotion systems, all of the necessary overhead that comes with a second component. We were very thankful for Congress for passing the Space Force Personnel Management Act, which gave us the authorities to manage both full-time and part-time in a single component. We think this is revolutionary, and it is going to have a real impact on retention and career flexibility. So we are looking to take advantage of those.

As far as the mission risk, here is the way I am thinking about it, almost every mission, in fact, every mission that is currently in the Space Force has come from another service or another military organization. And so all we have been doing for the last 4 years is managing that transition risk.

Now, a lot of it came from the Air Force and it wasn't nearly as hard, because a lot of the Guardians came from the Air Force. But recently, in the last 2 years the Army and the Navy have both given us satellite communications capabilities. The Army's given us

their Missile Warning JTAGS (Joint Tactical Ground Stations) capabilities.

All of those missions directed to the Space Force, came with no promise of personnel, so we simply had to plan and manage the risk that could be associated with it, but by deliberately planning it, managing our accessions' rates, and then phasing those transitions in over time, we have been able to perform those missions seamlessly without any gaps in capability.

Senator MURKOWSKI. Mr. Chairman, I am well over my time, but thank you.

Senator TESTER. Senator Capito.

Senator CAPITO. Thank you Mr. Chairman and thank you three gentlemen for being here with us today.

General Saltzman I would like to start with you, because we do know that space domain awareness is essential for our military operations in space, and for many operations rely on Space-based assets like our satellite communications, obviously, in the non-military space, cislunar space domain awareness has also increased in importance. How is the Space Force collaborating with private sector, academic, and interagency partners to leverage the space domain awareness arena and capabilities?

General SALTZMAN. Yes ma'am. Thank you. I can't emphasize this enough. Avoiding operational surprise in the space domain is one of our top priorities. The foundation of avoiding operational surprise is access to data that is collected by a number of sensors. We organically have many of those in the Space Force, but we rely on industry, commercial services, commercial data capabilities, we rely on allies, international partners. The more data you have on the space domain the better you are able to make sense of what is going on. And so, we spend money on it, we have it a part of our commercial space strategy to make sure we can incorporate that data, and we are committed to it.

Senator CAPITO. Is that an increasing capability that you—I mean it seems to me that would be ever expanding.

General SALTZMAN. You know, it is ever expanding, and so one of the things that I am starting to realize now is as we increase the amount of data that we are pulling in from other sensors, we have to be able to make sense of that data, and so now we are investing heavily in decision support software, data management tools, that help us rapidly pull together——

Senator CAPITO. Is that AI, is that what you are talking about?

General SALTZMAN. I don't think it even needs to rise to AI necessarily, but there are some elements of that. But it is automating, certainly, some of the more manpower-intensive activities that go on.

Senator CAPITO. Right. Right. Well, I understand too that there is some emerging cooperation between the Space Force and the Green Bank Observatory in West Virginia. So, I would like to stay in touch with you on those capabilities, and because of the radio astronomy that we have out there, and have out there for decades, so excited about those possibilities.

Secretary Kendall, nice to see you again, you wrote in your statement, something stuck out to me, it says, "The Air Force is accepting risk across the Service Modernization account—the Services'

modernization account, in order to maintain minimally accepted near-term operational readiness, this places additional risk on the Air Force's ability to deter and defeat any adversary going forward."

Obviously, what caught my eye, or ear on that, is the "minimally accepted"; is that the standard where we are now? And I think that is a minimally accepted standard. I can't even imagine that that is actually an accepted standard, the way you phrased it. So, could you explain that to me a little bit in more depth?

Secretary KENDALL. Thank you, Senator. The availability of our aircraft right now sits at around 60 percent, to me that is a minimally acceptable number.

Senator CAPITO. Um-hum.

Secretary KENDALL. It actually dipped a little below that. I have the most recent data here, in part, driven by the fact that the V–22 fleet is still not back in the air, it is in the process of getting back in the air, but nevertheless, this is driven by a number of things, it is driven largely by supply chain, driven by, you know, availability of Depot for throughput, but it is driven by money as much as anything.

So, we would like to be—and if you may remember General Jim Mattis when he was Secretary, tried to get all the fighter aircrafts up to an 80 percent availability, that effort failed. The resources just weren't there to do it. So, we are not where we would like to be in terms of availability, in terms of current readiness, but it is an acceptable level because we can meet our commitments around the world, we can do the things we anticipate that the Joint Force may be asked to do, and as far as the air component, particularly in the space components are concerned.

The point I am trying to make with what I said in the statement is, we can't go below that, we need to stay there.

Senator CAPITO. Right.

Secretary KENDALL. And that, you know, what happened to us in '25, in particular, was that our plans were scaled back a little bit because of the Fiscal Responsibility Act. You know, we support that Act. It is, again, acceptable to us, but we are not moving forward with this modernization under it as quickly as I would like to. But we are sustaining the current fleet at a level which is acceptable, we have our foundational accounts, weapon system sustainment, the care of our facilities, our flying hours, at levels which we could accept, and we could live with, but long term they would be problematic for us.

So, as we look out over the next few years, we are going to have to try to do better in some of those accounts, but it is acceptable for this year, for 2025. And we are moving forward with modernization at a rate which is as fast as our funding allows, and I would like to go faster there as well. So, anyway the bottom line is that that is what is behind my statement.

Senator CAPITO. Okay.

Secretary KENDALL. We have to take small cuts in procurement in order to sustain the research and development for the next generation, and again those are on the margins, and they are acceptable to us, but they are not where we would like to be.

Senator CAPITO. Let me ask just a quick follow-up question on that. So, I suppose when I was reading this, I was reading more on the manpower aspect of readiness.

Secretary KENDALL. Oh.

Senator CAPITO. As opposed to the operational readiness of the aircraft. Is that a dual problem, or is it mostly on the aircraft issues that you just explained to me?

Secretary KENDALL. They are all related. The availability of aircraft affects our ability to fly.

Senator CAPITO. Right.

Secretary KENDALL. And the ability of our pilots to train, it affects what our maintenance people can do. We have, I think it is well-known, a shortage in pilots right now, rated officers. And some of that is the throughput that our pilot training pipeline, if you will, can absorb. You know, and that is driven by—in part, by a similar training aircraft not being as available as we would like them to be, we just don't have the aircraft hours to train as quickly as we would like and get as many people through.

Overall, I think that the—and General Allvin and General Saltzman may want to comment on this—I am less concerned about the people side of this.

Senator CAPITO. Okay.

Secretary KENDALL. I think that our people are doing very well. They are getting the training that they need in general, we are talking about increasing the scale of some of our exercises to make them more realistic, we are trying to orient our training more towards what we call the pacing challenge. You know the threat that China in a conflict—and the conditions that people would experience in a conflict like that.

Senator CAPITO. Okay.

Secretary KENDALL. That is a new requirement for us. So, if we have the time, General Allvin, you maybe want to comment on that.

Senator CAPITO. Okay. Yes, General.

General ALLVIN. I couldn't agree with the Secretary more. It really is the platforms, but the platforms do drive crew proficiency, maintenance proficiency, and those sorts, so they are related but I also you know we can pick up things in the simulator, and those things that can help with some of the skills, we certainly would like to have more aircraft availability to increase the proficiency of our air crews, and our maintainers, and the like, but I think the first thing is to get those—get the platforms up to speed, and the aircrew, and maintainers will rapidly follow.

But we certainly—when the Secretary talks about redoing some of our exercises, we are trying to get the most out of every flying hour that we can. And that gives us combat readiness for the pacing challenge.

Senator CAPITO. Okay. Thank you. Thank you, Mr. Chair.

Senator TESTER. Thank you. I will submit my questions for the record, except for this one I want to ask it.

General Saltzman, you talked about additional duties that were coming from other branches of the military, your recommendation in this budget is for an end strength of about 9,800—the first question is, do you anticipate that you are going to get more duties, re-

sponsibilities, programs, whatever you want to call them, from either the Air Force or any other branch of Service, number one?

And then number two if that is the truth, does your end strength recommendations meet that challenge, and if it isn't the truth, does your end strength numbers meet those challenges?

General SALTZMAN. Thanks, Senator. We are in a period of managed growth, we are certainly getting new missions, we are developing our own missions. We are getting them from other services. The trick is, I don't want the manpower before I have the actual systems to operate. We talk about counterspace, the ability to hold at risk the adversary satellites that can perform space-enabled targeting against the Joint Force, those missions have yet to be realized because we are still developing the architectures to launch to put into place.

But as those get closer and closer to IOC (Initial Operational Capability), we will be building the squadrons that support those and fly those capabilities. And so, the trick is not asking for manpower before you need it, and then once you start to ask for it make sure you have the training pipeline, and the accessions pipeline to account for it. So, I am comfortable with the level of growth that we have asked for in this budget and I think that is going to be a continued managed growth over the next few years.

Senator TESTER. And excuse me, I just got to ask one more follow-up. And that is, when you are recruiting people to join the Space Force, are you recruiting people from other Service branches to join the Space Force, or do you have your own recruiting folks to recruit folks out of high school or college?

General SALTZMAN. So, it is both right now. We are using the Department of the Air Force's Air Force Recruiting Service as a part of the recruiting for the Space Force, so we bring people straight from high school straight from colleges for our officers on our own, but we are also still leveraging, because we need experienced people, senior people to fill out some of the staffs, once a year we ask for inter-service transfers. And so, a couple of hundred a year are coming from the other Services, but I suspect once we start to develop our own size at the field-grade ranks, we will need less and less of those inter-service transfers.

Senator TESTER. Okay. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

General Allvin, a September 2023 GAO (Government Accountability Office) Report found that the F–35 mission-capable rate across all the variants of the F–35 was only 55 percent that is far less than the program goal of 90 percent for the F–35A, as I am sure you know. We know that the aircraft can sustain a much higher mission-capable rate because the Israeli Air Force has been sustaining mission-capable rates that far exceed what GAO found for the U.S. fleet last fall.

Your unfunded priorities list includes $612 million for Fighter Force reoptimization to purchase spares and other equipment necessary to make up to 208 Fighter Aircraft operationally capable within the existing inventory. That strikes me as such a logical investment. I mean, if by just buying more spare parts we can put more than 200 aircraft back into commission, why was that not included in the budget itself?

General ALLVIN. Well, thank you Senator. Because I really want to—there are really two parts to that that I want to answer. First, of all to your point about increasing the mission-capable rate, the Joint Program Office is working very hard in trying to look at the degraders across all three variants, and so that is really happening through the Joint Program Office.

Your point about the Israelis is a very good one, because we want to make sure we learn the right lessons. They certainly are having a much higher mission-capable rate. We need to see which of that is transportable because obviously they have different sortie durations and different missions, but the point is made that they do have a very respectable mission-capable rate. So, the Joint Program Office is working on that from a purely mission capable.

The 612 million, is actually, it makes more aircraft available in this way, it is not so much that just getting more spare parts, but we are really adjusting the paradigm from how we traditionally have been deploying, and having spare support for our aircraft, for our squadrons. Traditionally, you have a squadron of, in the fighter world, 24, and you have a readiness spares kit that goes with that 24 in case they need to go deploy.

If you deploy 12 you still take that readiness spares kit, so now you have 12 aircraft forward and you have 12 aircraft back at home that are sort of tethered to the home base because they don't have an additional spares skit to go somewhere else, because a long time ago the paradigm was, those would fall in on the original in the same location.

We are not doing that anymore. So, we need to have the flexibility to have smaller units rather than units of 24, with a spares kit that will let them deploy organically. So, by having this 612 million, which applies to F–35, F–22, F–15, and F–16, by having those it will allow us to take a squadron of 24 and maybe deploy to two different locations and operate independently. Meaning, we can make more aircraft available to the combatant commander for the requirements they may have, or actually the ones who aren't deploying can actually train better to do the Agile Combat Employment and go to locations where they may have to disperse.

So, it is really upgrading our way of presenting Forces to the combatant commands and training for the high-end challenge, so that is what that additional capability made available to the combatant commanders, as others, because we can deploy more smaller units rather than just having to deploy units to one location.

Senator COLLINS. Thank you. Thank you, Mr. Chairman.

Senator TESTER. Yes. I want to thank the folks for their testimony here today. We are going to work very, very hard to get this budget out on time so our hearing times are going to be very compressed.

ADDITIONAL COMMITTEE QUESTIONS

Senators May submit additional questions. I would ask that you would answer them as quickly as possible, and as thoroughly as possible within a reasonable amount of time.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. FRANK KENDALL

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. Middle Tier Acquisition programs enable rapid prototyping of capabilities, and the fielding of new technologies. This is an authority granted to the military services to accelerate development and deployment of new capabilities considering the urgent threat. However, for at least the last three budget cycles, the Department of the Air Force has not fully funded some of these accelerated programs in its budget.

Secretary Kendall, what is the justification for not fully funding rapid acquisition programs? I would argue that this sends a message that the Air Force is not committed to the success of these programs. Additionally, we know that ramping up production of weapons systems on short notice is challenging. What is the feedback from the defense industrial base with respect to transitioning prototypes into large-scale production? Are the budgets sufficiently stable and predictable for industry to put skin in the game?

Answer. The Middle Tier Acquisition authority enables rapid prototyping, and we need to ensure we transition to a full program for capabilities the Department of the Air Force (DAF) determines are needed, cost effective, and affordable. The DAF is committed to working with industry to transition these programs into production to reach full capacity; however, our modernization plan is highly sensitive to changes in our topline and you are seeing the result of Fiscal Responsibility Act topline impacts in the decisions made in the Fiscal Year 2025 President's Budget request. The DAF is working within our budget to modernize while remaining compliant with restrictions related to the size of our force. My guidance to the DAF is that programs should be structured to field meaningful military capability as soon as possible.

Question. The Air Force is planning to buy fewer fighter jets this year than initially anticipated. It's no secret that the F–35 program continues to face development delays. I understand that right now, there are dozens of aircraft sitting on the factory floor that are not combat capable because software hasn't been delivered on time. These delays harm our readiness and limit the effectiveness of the Joint Force. Mr. Secretary, you have referred to the F–35 program as an example of "acquisition malpractice."

What lessons have you taken from the high-risk, concurrent development strategy? Given the pressure from the combatant commanders to field modernized capabilities now, how do we avoid rushing programs into production before they're ready? Is the Department of the Air Force planning to accept these aircraft? What is your plan to get the F–35 program back on track?

Answer. Over a decade ago, I referred to the decision to enter F–35 production well before the design was stable as "acquisition malpractice." The United States Air Force (USAF) faces key development, interoperability, sustainability, and affordability challenges to ensure combat ready aircraft are acquired, and that the existing F–35A fleet is upgraded, and retrofitted to ensure these aircraft are prepared to counter current and developing threats as quickly as possible within projected resource constraints. Current Block 3F F–35As are sufficient to counter the threats they were designed for but will be less effective against high-end threats identified in the National Defense Strategy. Block 4 modernization with Technical Refresh-3 hardware ensures F–35 relevance in a high-end fight against China or Russia. The FY25 President's Budget request provides funding to deliver Block 4 capability essential to F–35 relevance against peer/near peer adversaries by Lot 22, which delivers in Calendar Year (CY) 2030. Development remains Block 4?s most critical challenge. USAF supports the Joint Program Office efforts to "reimagine Block 4" which will focus on what industry can deliver across the Future Years Defense Program while applying more robust systems engineering in the Block 4 program to establish realistic cost, schedule, and performance targets for Block 4 capabilities.

Question. It was a little over a year ago that the Air Force approved a comprehensive Missile Community Cancer Study. This was after alarming reports that former missileers at Malmstrom Air Force Base in Montana are dying of Non-Hodgkin's Lymphoma at rates higher than the national average. Mr. Secretary, what is the status of this study and how are you coordinating with the VA? When can we expect the study's final findings and recommendations?

Answer. The researchers at the United States Air Force School of Aerospace Medicine (USAFSAM) completed Phase 1a of the epidemiological study and Phase 1b is underway. The epidemiological study is moving forward as expected. A detailed summary of Phase 1a can be found on the Missile Community Cancer Study website. Additionally, USAFSAM is executing the third and final round of Environ-

mental sampling at its three major installations. We anticipate completing all three phases of the epidemiological study and the environmental sampling results by late summer of 2024. A peer-reviewed paper with findings and recommendations is expected to publish on the MCCS website in the fall.

USAFSAM and Air Force Global Strike Command (AFGSC) teams worked closely with the Department of Veterans Affairs (VA) since the start of this study. The Air Force team (i.e. AFGSC Surgeon General, Air Force Medical Agency, and USAFSAM) conduct monthly phone calls with the VA and quarterly updates to the VA Military Environmental Exposure Sub-Council. Additionally, the VA created an informational website, linking to the Air Force Missile Community Cancer Study website. The Air Force provided research data to the VA to help determine the number of former missileers seeking care in the VA system. The Air Force study team is committed to its collaboration with VA medical and the research personnel and will continue to provide regular updates going forward. Lastly, the Air Force team briefed VA White House staffers and PACT Act leadership in January 2024.

Question. Secretary Kendall, you are leading an internal re-organization of the Air Force to ensure it's ready for the future fight. Tell us more about your plans, please. You have shared that this realignment will largely be resource neutral. Is that still your assessment? What steps did you take to understand the resource implications of this reorganization prior to its implementation?

Answer. At this point, reoptimizing for Great Power Competition (GPC) does not change the FY24 or FY25 Department of the Air Force (DAF) President's Budget request. The Department conducted a five-month effort focusing on developing needed high priority solutions to make the DAF more competitive for GPC. The effort included over 1,500 Airmen, Guardians, government civilians, and contractors from across the DAF, including the Major Commands and Field Commands. The Department is in the process of identifying any GPC-driven resource increases, which we intend to minimize. Near-term actions may require changes in budget execution, and we will work within our current budget authority. If the DAF identifies budget realignment requirements to implement near-term GPC efforts, we will work through the reprogramming process to seek funding flexibility from Congress.

Question. General Allvin, regarding internal re-organization of the Air Force, from your vantage point how do the proposed changes result in a more capable force? What are your concerns about potential impacts to our military and civilian workforce?

Answer. The proposed changes are designed to enhance United States Air Force (USAF) capabilities in a strategic environment defined by Great Power Competition. We anticipate no changes in end strength. These adaptations are crucial given the rapid evolution of threats that challenge traditional concepts of homeland sanctuary and U.S. military dominance.

The reorganization focuses on transforming USAF wings into combat units of action. To address vulnerabilities in current force presentation, doctrine, and command, control, and communications support systems, the USAF is adopting a structure that increases survivability and combat lethality. This is achieved through enhanced dispersion, flexibility, resiliency, redundancy, and agility to deter and, if necessary, prevail in conflict. By reorganizing its force structure and embracing new operational paradigms, the USAF aims to successfully navigate the complexities of Great Power Competition, thereby defending U.S. interests and maintaining global stability. We are reoptimizing how we present forces at the wing level to provide more effective combat capability through more coherent warfighting teams. The USAF also plans to implement changes centered on how we develop people, generate readiness, project power, and develop integrated capabilities. We will continue to update Congress as we reach key decision points.

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

Question. How does the President's Budget support the Air Force's air refueling mission?

Answer. Air refueling is required for power projection that delivers a decisive advantage. The FY25 President's Budget requests nearly $1.8 billion in the air refueling enterprise and approximately $17.4 billion across the FYDP. The priorities in the Air Force tanker portfolio are continuous recapitalization of our aging KC–135s and the acquisition of the NGAS system to provide survivable refueling in a highly contested environment. Tanker Recapitalization is the program to continue tanker replacement between the current procurement of the KC–46A and beginning of the Next Generation Air-refueling System. The Tanker Recapitalization Program will continue replacement of KC–135s (after delivery of the last KC–46A) to maintain

at least a 466-tanker fleet. The final acquisition strategy for the Tanker Recapitalization Program is pending and is expected in Quarter 3 of FY24.

Question. How does the FY25 budget help support PFAS clean up on Air Force bases and communities around bases? What resources do you need to help speed up clean-up efforts?

Answer. The $362 million requested in the FY25 President's Budget will continue to accelerate Department of the Air Force (DAF) perfluoroalkyl and polyfluoroalkyl substances (PFAS) response efforts. This request will apply $106 million toward cleanup related response actions; execute interim remedial actions to prevent further plume migration; sample drinking water wells where sampling was not previously required; expand sampling to where it is now required; and further PFAS investigation efforts.

The remaining $256 million will be used for actions in furtherance of Aqueous Film Forming Foam replacement, including with respect to procurement, transition activities, and disposal; on-base drinking water monitoring; and research, development, test, and evaluation, including with respect to PFAS destruction technologies.

Question. General Saltzman, can you provide an update on the Space Force Front Door Program? What resources are needed to ensure that the United States is keeping up with new technologies?

Answer. The Space Force Front Door was established in Calendar Year (CY) 22 and is the entry point for commercial industry to do business with the United States Space Force (USSF). In late CY23, we revamped its website to better evaluate capabilities, be more responsive to industry, and share information across the Department of Defense and Civil Government. Since its establishment, we on-boarded over 300 new companies.

Last year, Congress established a commercial service budget line, which enables the USSF Commercial Space Office to acquire new and emerging commercial technologies at the speed and with the agility needed to meet the pace of the commercial market. The Chief of Space Operations and Assistant Secretary of Air Force for Space Acquisition and Integration signed the first-ever Commercial Space Strategy, which frames the discussions, conditions, and processes necessary to accelerate purposeful pursuit of hybrid space architectures. For the United States to keep up with emerging technology, we need the necessary resources to onboard emerging technologies and provide investment opportunities that carry technologies across the "valley of death". The USSF will continue to work with partners to fund commercial technologies for mission areas consistent with the Commercial Space Strategy and look for opportunities to integrate, exercise, and operate commercial capabilities to ensure reliability and scalability across the spectrum of conflict.

QUESTIONS SUBMITTED BY SENATOR TAMMY BALDWIN

Question. I share the Air National Guard's concerns about the slow pace of fuel tanker recapitalization—the KC–46A replacing the KC–135 legacy platform that has remained in constant service since 1956. To maintain capacity to support contingency planning, the FY24 NDAA prohibited the Air Force from using FY24 funds to retire KC–135s from the reserve components and set a floor on air refueling inventory of 466 aircraft. Please outline the Air Force's strategy for modernizing the refueler inventory while providing sufficient capacity to support contingency operations. Is the FY25 President's budget request sufficient to realize this strategy? What is the Department's plan for the reserve component tanker inventory that is not recapitalized as part of the 15 KC–46A main operating bases?

Answer. Air refueling is required for power projection that delivers a decisive advantage in peer warfighting. In FY24, the Air Force retired KC–10s "1-for-1" as KC–46 aircraft delivered. The FY25 President's Budget requests nearly $1.8 billion in the air refueling enterprise and approximately $17.4 billion across the FYDP. The Air Force tanker plan for the Tanker portfolio remains the continuous recapitalization of our aging KC–135s. Tanker Recapitalization is the program to continue tanker replacement between the current procurement of the KC–46A and beginning of the Next Generation Air-refueling System. The Tanker Recapitalization Program will continue replacement of KC–135s (after delivery of the last KC–46A) to maintain at least a 466-tanker fleet. The final acquisition strategy for the Tanker Recapitalization Program is pending and is expected in Quarter 3 of FY24.

QUESTIONS SUBMITTED BY SENATOR JEANNE SHAHEEN

Question. The FY20 NDAA required the phase out of aqueous film-forming foam (AFFF) firefighting foam containing PFAS by October 1, 2024. Is the Air Force on

track to meet that deadline this year? Has the Air Force also provided the necessary resources to Air National Guard units to replace AFFF?

Answer. The Department of the Air Force took steps to cease using aqueous film-forming foam (AFFF) in all 567 facilities and is transitioning firefighting vehicles to Fluorine Free Foam. Only one hangar for Marine One at Joint Base Anacostia-Bolling and approximately 800 firefighting vehicles will require an extension to the FY20 NDAA deadline of October 1, 2024. The Office of the Secretary of Defense is developing extension request documentation for each of the two NDAA-permissible 1 year waivers that will apply to the entire DoD. Each Air Force component, including the Air National Guard, is securing funds to remove and dispose of AFFF associated tanks and distribution in facilities through a centralized contract with the United States Army Corps of Engineers. Each Air Force component is sourcing the new Fluorine Free Foam through a contract with the Defense Logistics Agency.

Question. Secretary Kendall, I enjoyed hosting you in New Hampshire at Pease Air National Guard Base to announce the Department's policy to increase transparency with affected communities from PFAS- contaminated sites across the country. My constituents in Portsmouth are concerned about a lack of transparency from the Air Force around PFAS clean-up efforts. Can you share an update on implementation of this new policy? When will this data be available to community members?

Answer. The Department of the Air Force (DAF) is committed to transparency at Pease Air National Guard Base (ANGB). To implement the new DoD policy, we are publishing reports that will contain all publicly releasable PFAS sampling data. To communicate this, the DAF convened a Restoration Advisory Board (RAB) meeting at Pease ANGB on April 9, 2024, and announced a comprehensive Informal Technical Information Report will be finalized in May 2024, and made available to the RAB and to community members on the RAB website.

The DAF has taken additional time to develop the report to ensure we carefully review the information and redact any personally identifiable information not consented for release by the landowner(s). The report will contain all sampling data collected during the ongoing PFAS Remedial Investigation and include comprehensive maps and figures that depict the nature and extent of PFAS releases on and off-site at Pease ANGB.

Question. On April 10, 2024, the Environmental Protection Agency (EPA) finalized a National Primary Drinking Water Regulation (NPDWR) establishing legally enforceable levels, called Maximum Contaminant Levels (MCLs), for six PFAS in drinking water. There are 11 private wells at Pease that, to date, were below New Hampshire's MCLs. Although these wells are now above the EPA's new standards. Please advise how, and on what timeline, the Air Force will address wells that fail to meet the new MCLs.

Answer. The Department of the Air Force (DAF) has been preparing to implement the EPA MCL final rule for both our on-base DoD drinking water systems and the response action sites within our cleanup program. Currently, the DAF does not have a specific timeline to address wells whose PFAS concentrations exceed the MCL limits set forth in the final rule, but we will keep Congress updated on our efforts at Pease Air National Guard Base. Overall, we remain committed to fulfilling our PFAS-related cleanup responsibilities expeditiously and will take necessary actions to implement the final rule at cleanup sites in accordance with the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). The DAF reviewed PFAS sampling results and will be expanding existing cleanup investigations, assessing "background" levels of PFAS, and providing drinking water treatment for impacted off-base wells. Since a significant number of additional off-base wells will require treatment in light of the final rule, the DAF will prioritize locations where known PFAS levels in drinking water attributable to the DAF are the highest. To expedite implementation of more enduring solutions, the DAF will focus on installing treatment systems, such as drinking water filters fitted for an entire home.

Question. The National Guard Bureau's decision to level Air National Guard units will have a large impact across the country, including at Pease Air National Guard Base in New Hampshire. I have a lot of concerns about the impact of this decision on Guard members' pay and benefit and on the ability of U.S. Transportation Command to utilize Pease and the Guard presence there to continue operations. Can you advise on your understood impacts that this decision will have on Air Force operations? Do you believe the Air Force was adequately consulted on this decision?

Answer. The Air National Guard full-time leveling process ensured all units with similar mission sets received the same funding percentages to meet mission requirements. Over the last 30 years, unit conversions and programmatic actions resulted in an imbalance of funded full-time percentages across like units funded under the

same program type. The National Guard has agreed to delay implementation in New Hampshire by 1 year to fully address concerns.

QUESTIONS SUBMITTED BY SENATOR CHRISTOPHER MURPHY

Question. First, I want to start at the outset by thanking you for the support reflected in your FY25 budget request for the F135 Engine Core Upgrade (ECU) for the F–35. Before last year's FY24 budget request, we all know that the Department of Defense deliberated thoroughly and carefully over options to improve the capability of the F135 engine to meet F–35 Block 4 requirements. The decision to move forward with the ECU to the F135 over trying to integrate AETP was deemed the most cost effective and safest solution for our servicemembers, and I thank you for keeping to that commitment in the FY25 request.

In this vein, I'm quite pleased by the progress made over the last year to advance the F–35's F135 ECU. As you know, ECU meets all the established requirements and is being designed to be compatible with any of the power and thermal management system (PTMS) options that are under development and could be chosen. Maintaining engine commonality across the full fleet of F–35s—in the U.S. military and across allied militaries—is one major benefit of the F135 ECU. For another, ECU will deliver $38 billion in life cycle cost savings key to the overall program and to ensuring funding is freed up to increase fleet sizes and weapons capacity in the future. In all these ways, ECU is good for the warfighter and for the taxpayer.

However, it's worth emphasizing that these benefits and savings are not realized until ECU enters service. To meet the timeline to deliver ECU by 2029, the acquisition strategy must stay sound, and the next development contract award must be made promptly. With that in mind, I'd like to hear an update from the Department's engagement on ECU, and specifically, the status of the ECU development contract. Are you committed to ensuring that the ECU development contract is awarded without delay to keep the program on track?

Answer. The F–35 Joint Program Office Business Case Analysis on propulsion modernization determined an F135 Engine Core Upgrade (ECU) restores engine life for all three F–35 variants at the lowest cost. These findings informed DoD's decision to move forward with the F135 ECU. The F–35 will require modernization to the power thermal management system beyond Lot 22 which delivers in Calendar Year 30. The Air Force is working with the other Services and the Joint Program Office to establish requirements to direct modernization development. ECU risk reduction design efforts have progressed, and service propulsion leaders are working closely with the Joint Program Office to develop and refine subsequent phases of the ECU acquisition strategy.

Question. Given the Sentinel program will be delayed for at least 2 years—and potentially longer—are there any new steps will be necessary to sustain the Minuteman III (MMIII) missiles to hedge against this increased risk? Is there an amount of delay in the Sentinel program beyond which there will be no choice but to take additional steps to sustain or extend the life of MMIII missiles?

Answer. The Air Force continues to invest in modernizing aging and obsolete components of the Minuteman III system to ensure the land leg of the nuclear triad is a ready and reliable nuclear deterrent. The FY25 President's Budget request allocates approximately $1 billion per year to Minuteman III sustainment activities (i.e. RDT&E, Procurement, O&M) and the Air Force will continue to identify additional sustainment efforts required in future budget requests.

In the FY25 President's Budget request, the Air Force is initiating four new Minuteman III sustainment programs, including Stage One Battery Replacement, Depot Reentry Support Equipment, Little Mountain Test Facility Updates, and Missile Transport Equipment.

The Sentinel schedule and alternatives are being considered as part of the ongoing Nunn-McCurdy assessment. It would be premature to provide a Sentinel or Minuteman III timeline prior to the conclusion of the Nunn-McCurdy review process.

Question. I understand you had to make difficult budget decisions in formulating the fiscal year 2025 budget request. But in my view, the ability to rescue our military personnel who come into harm's way has to remain a top priority, no matter the budgetary environment. It's a moral imperative in our military to "leave no one behind." We must be clear in our commitment to protecting the men and women who risk their lives to protect. This is why I remain concerned about the service's decision to terminate the Combat Rescue Helicopter program, which has been delivering much-needed modernized aircraft to replace the aging, worn-out UH–60G Pave Hawks.

The Pave Hawks have been in service since the early 1980s, and most are pushing well past their 7,000- hour service lives. With elevated maintenance demands and general functionality concerns, the HH–60G fleet is experiencing readiness rates half of what they should be—far below what's needed to support combat operations safely. In addition, the Air Force is retiring Pave Hawks significantly faster than current procurement of the new HH–60W. The upgraded "Whiskey" model offers a clear solution to this problem, delivering our search and rescue squadrons better fuel capacity, range, navigation tools, and defensive systems—all critical upgrades for making rescues safely and effectively.

With 10 Combat Rescue Helicopters added by Congress in the fiscal year 2024 defense bill, my understanding is that the Air Force is now set to field just 95 aircraft to accomplish a mission for which the original program of record required 113 aircraft. That's just over 80 percent of the original search and rescue mission requirement. And when we're talking about the lives of U.S. personnel stranded and in danger, I'm not comfortable with anything less than 100 percent preparation. Without a full, modernized combat rescue helicopter capability, how does the Air Force plan to address this looming shortfall in its search and rescue capability?

Answer. The Air Force remains committed to supporting the Joint Force by maintaining the only dedicated DoD Combat Search and Rescue force. However, the capability limitations of the HH–60W against current and future threats cannot be mitigated with additional capacity. With existing Air Force and Joint Force capacity for Personnel Recovery, the Air Force position is to terminate additional procurement for the HH–60W program. Procuring additional HH–60W aircraft diverts limited resources away from higher priority NDS-focused modernization needs.

Question. I've heard the arguments about the changing threat environment in Europe and the Pacific, as well as the challenges new air defenses pose to helicopters. I understand these concerns. But I still struggle to wrap my head around the Air Force's current plan not to fully equip itself for potential future combat rescue missions—in which stranded servicemembers' lives could hang in the balance.

Even though the demands on rescue and search squadrons are changing, the response shouldn't be throwing up our hands and abandoning our combat rescue capability. Instead, we should be committing to upgrading our capability to meet the changing environment and fully prepare those tasked with critical combat and rescue functions. To that end, I'm glad the Air Force has again requested funding to upgrade HH–60W capabilities, including protection from GPS jamming, expanding secure Satellite Communications, and improving the ability to operate in Degraded Visual Environments such as blowing dust, snow, sand, and fog.

Can you please speak to how these investments in CRH development will enable our combat and rescue missions to meet current, new, and emerging threats?

Answer. The HH–60G is currently being replaced by the new HH–60W aircraft coming off the production line. The HH–60W fleet will include meaningful upgrades to deliver capability to conduct day, night, and marginal weather Combat Search and Rescue (CSAR) operations to recover isolated personnel in hostile or permissive environments. The Air Force CSAR enterprise will rely on the HH–60W helicopter, HC–130J aircraft, and Guardian Angel teams for the foreseeable future.

At the currently planned procurement levels, Air Force can meet the demand for high-end CSAR capability within acceptable levels of risk. This will require Combatant Commanders to account for risk in highly contested environments and utilize other Joint assets in areas of responsibility that do not require dedicated high-end CSAR coverage, thereby preserving Air Force CSAR forces.

The Air Force remains committed to supporting the Joint Force by maintaining the only dedicated DoD CSAR force. As the lead Major Command, Air Combat Command funds modernization and upgrade efforts to improve the survivability and effectiveness of the current force to maximize existing capabilities until new assets and capabilities can be developed.

We are monitoring several joint efforts under the Future Vertical Lift program and anticipate an Air Force analysis of alternatives effort to start in FY30. Beyond recovery platforms, current investments in the Department of the Air Force's Operational Imperatives will modernize other essential components of the CSAR architecture by delivering Space and Cyber superiority, information and communications modernizations, and improvements in autonomous systems and force survivability.

Question. I appreciated the Department of Air Force's (DAF) and the Director of the Air National Guard's (DANG) strategic basing decision in September 2023 to select the 103rd Airlift Wing in Hartford, CT, as a preferred location to replace eight C–130H models with eight C–130J models. This decision stands to bolster the 103rd Wing's critical mission across humanitarian operations, domestic support, and deployments abroad.

That said, I understand that the Air Force and Air National Guard leadership are rolling out its sequential order for the basing of C–130Js, and I want to be sure the DAF and DANG are fully considering the advantages of basing C–130Js with the 103rd Airlift Wing as soon as possible. For one thing, my understanding is that the 103rd Airlift Wing is the only location of the four preferred locations selected in the fall that has zero initial costs for C–130J bed down, without any military construction requirements associated with the C–130J conversion.

Can you please share in as much detail as possible the DAF and DANG's analysis and rationale for its sequencing decisions for the Air National Guard (ANG) C–130H Recapitalization to C–130J Main Operating Base (MOB) 7–10? Can you please share in as much detail as possible the timeline for basing at MOB 7–10, according to the approved basing action?

Answer. The Department of the Air Force conducted analysis for the fielding of C–130J MOB 7–10 to maximize C–130J force presentation to Combatant Commanders with minimal disruption to Air Force Force Generation availability while minimizing upcoming C–130H weapons system sustainment costs. This phasing ensures C–130H units can convert to the C–130J and immediately cover scheduled taskings. The expected delivery dates are based on current production schedule. For Main Operating Base (MOB) 7, the first aircraft will arrive at the 120th Airlift Wing (Great Falls, MT) in Quarter (Q) 2 of Calendar Year (CY) 26 with the last aircraft arriving Q1 of CY27. For MOB 8, the first aircraft will arrive at the 182nd Airlift Wing (Peoria, IL) in Q2 CY26 with the last aircraft arriving Q1 CY27. For MOB 9, the first aircraft will arrive at the 133rd Airlift Wing (Minneapolis, MN) in Q2 CY27 with last aircraft arriving Q1 CY28. Lastly, for MOB 10, first aircraft will arrive at the 103rd Airlift Wing (Hartford, CT) in Q2 CY27 with the last aircraft arriving Q1 CY28.

Question. I understand there has been some pressure on the Air Force to reduce the size of the total force C–130 fleet, which has reportedly raised questions about the need to reduce the size of the Air National Guard's C–130 units' primary aircraft authorized (PAA) from eight aircraft to six aircraft. This would leave Air National Guard units, in Connecticut and across the country, ill-equipped to meet their requirement of being able to project a lead four-ship Unit Type Code (UTC) into the overseas operational environment and be able to meet domestic response and homeland defense requirements. Can you please describe the Air Force's thinking on this issue? Is the Air Force committed to ensuring Air National Guard units preserve eight PAA and their ability to meet their mission requirements?

Answer. There is no pressure to reduce inventory and the Department of the Air Force (DAF) plans to maintain a fleet of 271 C–130 aircraft through 2029 and each Air National Guard unit will remain at eight Primary Aerospace Vehicles Authorized. The Air Force does not support additional procurement of C–130J aircraft in the FY25 FYDP. Given remaining C–130H fleet service life of more than 25 years, further recapitalization of C–130H aircraft with C–130J aircraft is unnecessary and not desired. Retaining additional C–130H aircraft or further congressionally driven recapitalization with C–130J diverts limited resources away from higher priority NDS-focused modernization needs, impacts DAF's ability to adapt technological advances for intra-theater lift, and could jeopardize U.S. victory in future conflict.

Question. We have seen a significant increase of activity by our adversaries in space in recent times, including a Russian satellite spawning other satellites and a significant increase in missions from China to include being the first to land on the far side of the moon. What efforts do we have in place to monitor this? To that end what are we doing to monitor and obtain data generated from the science community that may provide beneficial data to the DoD, specifically on the far side of the moon?

Answer. The United States Space Force operates and leverages the world's most extensive and capable space surveillance network. This network is primarily focused on our primary operating environment, up to and including Geosynchronous Earth Orbit. With that said, there are 16 DAF efforts that have partial funding across a range of efforts to enhance our current capabilities and expand our space domain awareness into the cislunar region, a volume of space that is more than 2,700 times larger than the volume in which DoD traditionally operates. The near-term focus is improving cislunar situational awareness capabilities by enhancing and integrating existing ground sensors.

The Air Force Research Laboratory plans to undertake a series of space flight pathfinder demonstrations advancing the technologies for improving awareness in cislunar space to include propulsion technologies, mobility, navigation and timing, and space domain awareness strategies. The Space Force will continue to investigate opportunities for future focused investments in line with the National Defense Strategy, as well as DoD and Space Force strategies.

QUESTIONS SUBMITTED BY SENATOR CHRISTOPHER A. COONS

Question. The Delaware Air National Guard does critical work in supporting Delaware, and C–130Js are a critical means of supporting the Guard's work. Delaware is one of four units that have yet to receive J-models. Does the Air Force support the continued procurement of C–130J models for the Air National Guard until all qualifying Air Guard units are equipped?

Answer. The Department of the Air Force (DAF) plans to maintain a fleet of 271 C–130 aircraft through 2029. The Air Force does not support additional procurement of C–130J aircraft in the FY25 FYDP. Given remaining C–130H fleet service life of more than 25 years, further recapitalization of C–130H aircraft with C–130J aircraft is unnecessary and undesired. Retaining additional C–130H aircraft or further congressionally driven recapitalization with C–130J diverts limited resources away from higher priority NDS-focused modernization needs, impacts DAF's ability to adapt technological advances for intra- theater lift, and could jeopardize U.S. victory in future conflict.

Question. A key focus of mine remains FLIGHT Act implementation, which aims to increase the number of diverse U.S. military pilots by supplementing flight training costs for ROTC members enrolled at HBCUs. I have worked hard each year since the FLIGHT Act's passage to ensure this subcommittee provides resources to implement this law. I understand that the FLIGHT Act spend plan includes funding for at least 60 ROTC cadets to receive reimbursement for flight training each year, but that much less have received funding. Can you provide updates on FLIGHT Act implementation and details on your plan to get more FLIGHT Act funding to a greater number of cadets at HBCUs?

Answer. In FY23, the Department of the Air Force (DAF) secured Office of the Secretary of Defense approval for a five-year, $25 million implementation plan which, if fully executed, will directly support approximately 1,700 Air Force ROTC cadets across 274 minority serving institutions. This pilot program establishes additional flight awareness, training, certification, and professional pilot scholarship initiatives.

Continuing resolutions in FY23 and FY24 prevented the DAF from fully executing the program. In FY23, we were able to execute approximately $2.3 million. We anticipate similar execution in FY24, which will enable us to fund the "You Can Certify" Program—100 Cadets, "You Can Fly" Program—1,024 Cadets, and FLIGHT Act Reimbursement Costs—Reimbursed as Requested (four cadets to date).

We value continued Congressional support for this program. A more defined four-to-five-year funding commitment would help us create professional pilot scholarships. This, combined with timely appropriations, will allow us to implement the program to full effect.

Question. The Delaware Congressional delegation is very proud of Dover Air Force Base's work, including through Bedrock Innovation Lab. How is the Air Force working to expand programs like the Bedrock Innovation Lab around the country, and how can Congress support your efforts?

Answer. Bedrock Innovation Lab is one of the leading SPARK Cells for Air Mobility Command. The Air Force supports 14 other Innovation Scaling Cells specifically designed to build innovation networks at operational levels. There are also over 105 SPARK Cells at tactical levels, supporting networks at the wing and base levels. Data and innovation from these activities are shared, scaled, and incorporated across the Department of the Air Force (DAF). SPARK Cells inform progressively larger investments with Airmen and Guardian innovators as they show promise and demonstrate success, mitigate risk, and control costs. Workforce development (e.g., fellowships, internships, training) activities are also used to support transition to the warfighter, increasing impact to the DAF writ large. The DAF plans to continue to support Bedrock and other SPARK Cells using Squadron Innovation Funds through the Air Force O&M account.

QUESTIONS SUBMITTED BY SENATOR SUSAN M. COLLINS

Question. Secretary Kendall has said the Department of the Air Force was forced to make hard choices under the Fiscal Responsibility Act top line set for the Department in fiscal year 2025. For example, twelve fighter aircraft were cut from the FY25 budget at a time when the Air Force is already retiring more aircraft than it is buying. The Air Force has up to 514 aircraft grounded at any given time due to a lack of spare parts, and funding to address that problem was identified as an unfunded priority rather than included in the budget request. General Allvin, please describe the area or capability where you feel that you are accepting the most risk given the top-line constraints this year.

Answer. The budget request balances current and future risk. Both are of concern. The greatest risk is maintaining legacy force structure while simultaneously pursuing modernization which forces reductions in previously planned procurement and minimally acceptable readiness accounts. We are stretched thin, and you are seeing the result of the Fiscal Responsibility Act topline impacts in the decisions that were made in the FY25 President's Budget request. The Air Force Foundational Accounts that our current readiness rests upon (i.e. Weapon System Sustainment, Flying Hour Program, and Military Construction) are funded at lower rates than we would prefer. We are forced to work within our budget to modernize while also remaining compliant with statutory restrictions related to the size of our force. This results in the reduced procurement such as F–15EX and MH–139 aircraft are lower than desired foundational account funding.

Question. Secretary Kendall has said the Department of the Air Force was forced to make hard choices under the Fiscal Responsibility Act top line set for the Department in fiscal year 2025. General Saltzman, please describe the area or capability where you feel that you are accepting the most risk given the top-line constraints this year.

Answer. Given the rapid advance of adversary space capabilities, our greatest concern is time. We have added risk by delaying or reducing capabilities across several capability areas, particularly counterspace. We must have resilient assets that will survive an attack and provide the services that are so important to the rest of the Joint Force, as well as protect the rest of the Joint Force from space-enabled attacks. We made hard choices which impacted our ability to pursue comprehensive SATCOM resiliency initiatives and critical kill-chain architecture efforts. The additional risk delays efforts to provide system resiliency, deterrence, and critical space capabilities to gain and maintain U.S. space superiority for the foreseeable future.

QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

Question. Secretary Kendall, a few years ago you attributed the Air Force's decision to reduce its acquisition of HH–60W's to the changing threat environment, as the service looks toward more advanced adversaries like Russia and China. While I understand that a conflict with China would look drastically different than our operations in the middle east over the past 20 years, 1) rescues will still be required and 2) we must also be prepared for potential conflicts elsewhere that consist of a similar environment to that of the recent past.

Mr. Secretary, by the Air Force reducing its rescue capacity, does the service run the risk of being caught flat footed as it relates to the ability to rescue our servicemembers in harm's way? Are there any plans to increase capacity through additional acquisition? It doesn't appear to be addressed in the FY25 budget submission.

Answer. At the currently planned procurement levels, the Air Force can meet demand for high-end Combat Search and Rescue (CSAR) capability within acceptable levels of risk. This will require Combatant Commanders to account for risk in highly contested environments and utilize other Joint assets in areas of responsibility that do not require dedicated high-end CSAR coverage, thereby preserving Air Force CSAR forces.

The Air Force continues to invest in modernizing the currently fielded force, Isolated Personnel survivability, communications architecture, and integration with Allies and Partners. Investments in the Operational Imperatives will modernize other essential components of the CSAR architecture by delivering Space and Cyber superiority, information and communications modernizations, and improvements in autonomous systems and force survivability.

Question. As part of the acquisition strategy for Phase 3 of the National Security Space Launch (NSSL) program, Lane 2 will include annual Launch Service Support (LSS) funding to cover National Security Space-unique costs. These costs include fleet surveillance, support to Government mission assurance, NSS-unique infrastructure, and complex security and integration requirements. The FY25 President Budget requests $476 million for LSS within NSSL Procurement, up from $291 million requested and appropriated in FY24. This increase appears to support the inclusion of a third launch provider into Lane 2.

Secretary Kendall, what details can you share about how you intend to allocate these LSS funds in FY25? If three providers are awarded in Lane 2 of NSSL Phase 3, do you intend to equally allocate the LSS funding equally among the awarded providers? Why is the $185 million increase from FY24 to FY25 so important to preserve?

Answer. The FY25 Launch Service Support (LSS) request is based on the government's estimate and will be updated based on final LSS allocation in the awarded Phase 3, Lane 2 contracts. The difference between FY24 and FY25 LSS budget requests is largely driven by transition from Phase 2 to Phase 3 launch procurement, increased launch rates, associated systems engineering/integration, mission assurance, and Phase 3 award fees.

Question. you know, the Air National Guard has proposed a leveling process to reconfigure the manning of its units across the country. The updated unit manning documents reduced Active Guard and Reservists (AGRs) positions that support Ballistic Missile Defense, Air Sovereignty, Search and Rescue, and Aerospace Alert missions in Alaska. Can you explain why having certain Air National Guard positions staffed with AGRs is critical to enable the active-duty Air Force's efforts to power project into the Indo-Pacific and defend the homeland?

Answer. The Air National Guard (ANG) full-time leveling process ensured all units with similar mission sets received the same funding percentages to meet mission requirements. Over the last 30 years, unit conversions and programmatic actions resulted in an imbalance of funded full-time percentages across like units funded under the same program type. No resources were moved out of the Ballistic Missile Defense, Air Sovereignty, Search and Rescue, and Aerospace Alert mission sets. The resources were realigned within the same missions, providing funding equity across those same areas across the ANG enterprise. The National Guard has agreed to delay implementation in Alaska by 1 year to fully address concerns.

Question. Can you explain why having certain Air National Guard positions staffed with AGRs is critical to enable the Space Force's efforts to defend the homeland?

Answer. The Air National Guard in Alaska performs a space mission requiring continuous 24/7 operations which requires a particular type of duty status to defend the homeland. The National Guard has agreed to delay full-time leveling implementation in Alaska by 1 year to fully address these concerns.

Question. There is a $815 million increase for NGAD development is in your most recent budget submission, with a total commitment of just about $28.5 billion over the next 5 years. Understandably so, most if not all of this is for development and test of the air vehicle and mission systems themselves, to include Collaborative Combat Aircraft. But there will likely be infrastructure costs required for basing as well, as Alaska experienced and embraced when ramping up for the arrival of the F–35s at Eielson in the 2016–2020 timeframe. General Allvin, could you speak a little bit to the infrastructure considerations and costs that might be associated with and required for NGAD basing?

Answer. In general terms, infrastructure required for fighter missions include squadron operations facilities, simulator buildings, maintenance hangars, back shops, weather shelters, ramps space, and munitions storage. Overall costs are assessed during the Department of the Air Force strategic basing process, which takes into consideration existing facilities, the ability to accommodate new requirements through renovations, optimization of space, and quality of life factors, as well as any new construction to fulfill unmet requirements for the new mission. Additional details on the basing requirements for NGAD, including funding profiles, can be provided in the appropriate classification setting.

Question. We maintain competitive advantages in many aspects of conflict, but less so in hypersonics. As we begin to shift focus from pure development to rigorous field testing, we understand that testing requires an extensive range, with the ability to track and record data over 1,000+ miles. These ranges are difficult to find, as you don't want to test missiles overpopulated regions, for obvious reasons. Alaska provides the only location capable of supporting both short- and long-range hypersonic weapons testing within the United States, with the ability to track weapons over long distances using ground-based stations along the Aleutian Test Range, vs more costly tracking methods utilizing ships and aircraft to track flight test data. General Allvin, can you speak a little more to the environmental requirements for hypersonic testing, what the Air Force looks for when selecting test ranges for hypersonics, and whether the Air Force has evaluated the Pacific?

Answer. The Air Force, along with the Office of the Secretary of Defense (OSD) Test Resource Management Center (TRMC), notionally examines key criteria including weather/meteorology/atmospherics, terrain, sea state, capabilities for telemetry/tracking, safety, end-game scoring, operational security, cost, impact to commercial aviation, treaty impacts, and range availability during selection of a test range for hypersonics. OSD TRMC, which falls under the OSD Research and Engineering Enterprise, is the DoD lead with oversight over all DoD hypersonics test infrastructure investments in the Department. The TRMC hypersonics investment strategy identified cost and schedule efficiencies from using mobile, relocatable instrumentation to

enable the Department to rapidly test hypersonics at multiple locations, including the Pacific. The Air Force leverages TRMC as the DoD hypersonics test investment lead and is aligning our test investment plans to the TRMC strategy by investing in terminal weaponineering, mobile telemetry, and overhead tracking systems so we can quickly and affordably test hypersonics in remote operational scenarios.

Question. This committee was successful in securing over $200 million in additional FY24 funding for radar upgrades and sustainment in Alaska; radars that, as mentioned previously, serve to detect adversarial threats, and protect the homeland. We are extremely proud of the work our Space Force Guardians do in Alaska as they monitor the horizons from Clear Space Force Station. General Saltzman, what are some of the Space Force's highest priorities for operations in Alaska, and the Arctic as a whole? Please touch on one to two of the highest priorities.

Answer. The Space Force priorities for the Arctic include maintaining or upgrading ground-based radars to protect the homeland. For Alaska, this includes Long Range Discrimination Radar as it transfers from the Missile Defense Agency to the Space Force in FY25, Upgraded Early Warning Radar (UEWR) at Clear Space Force Station, and maintaining Cobra Dane as a capability in transition.

In the greater Arctic region, Space Force priority capabilities include the Pituffik UEWR and providing secure communication in the Arctic region with Enhanced Polar Systems-Recapitalization to extend satellite communications for U.S. polar forces. Other priorities include augmenting the aging Defense Meteorological Satellite Program with Weather System Follow-on-Microwave, environmental Monitoring of the Arctic, in which much of Alaska resides, and measuring sea ice and the warming of the Arctic region, subsequently protecting new/emerging shipping lanes/access to the region.

Question. The United States Space Force recently stood up the Operational Test and Training Infrastructure (OTTI) Program Executive Office in Space Systems Command. With the increase of adversarial space capabilities, training our guardians has never been more important and being able to truly measure our performance in how our systems operate in various scenarios. However, as a nation, we do not have a "space range" for training like other services do. How is the Space Force planning for and prioritizing a space range?

Answer. Although co-located with Space Systems Command, the Operational Test and Training Infrastructure (OTTI) Program Executive Officer (PEO) and the supporting Integrated Program Office report directly to the Space Acquisition Executive. It is the OTTI PEO responsibility to acquire and sustain the test and training infrastructure necessary for combat credible force readiness in a contested environment. This generally includes modeling and simulation equipment, ranges, and weapon system training devices.

In 2022, the Space Force established the National Space Test and Training Complex (NSTTC) in Colorado Springs, CO, to unify operations of the Electromagnetic Range, Orbital Warfare Range, Cyber Warfare Range, and Digital Warfare Environment.

Each of the ranges and the digital environment are operated by units dedicated to providing customers with a safe and secure environment supporting test, training, exercise, and experimental activities in the varied space and cyber domains. Some units were established as early as 2004 and others were recently established to meet emerging and/or more mature threats as the space domain was no longer a sanctuary for US operations. Current initiatives include new or modernized range environments, equipment and instrumentation enabling high end, advanced testing of new capabilities.

As the DoD's only space ranges, the NSTTC supports customers from all services and many agencies, enhancing specialized service and joint all-domain training.

Question. The Space Situation Awareness program, received $372.8 million in FY24 and then a $110.7 million program increase for $483.6 million in the president's FY25 budget request. However, the space-based Space Domain Awareness (SDA) project received $115.6 million in FY24, only a $62.4 million program increase in the president's FY25 budget request for a project total of $178.1 million. Given growing adversarial space-based threats and an influx of resident space objects, and the commercial satellite industry's growing in-space SDA capabilities, how is the Space Force prioritizing the acquisition of in- space SDA capabilities?

Answer. Acquiring a resilient Space Situational/Domain Awareness architecture comprised of space-based (i.e., in- space), ground-based, and commercial capabilities is a priority to the Space Force. The Space Force leverages ground and space-based systems to discover, track, characterize, warn, and fuse information within the space domain. In FY25, we are investing $1.19B (4.1% of our total budget) in these critical Space Domain Awareness (SDA) capabilities.

Space Force SDA architecture leverages partnerships and data across the national security space enterprise and commercial sources to ensure we have a resilient, integrated, and diverse sensor architecture. The partnerships will invest in efforts such as the Joint Commercial Office, the Commercial Space Operations Office, and the SDA Technology Accelerator Program laboratory, consistent with the recently published Space Force Commercial Space Strategy.

The Space Situation Awareness Program Element consists of three acquisitions: the Deep Space Advanced Radar Capability (DARC), the Ground-Based Optical Sensor System (GBOSS), and SILENTBARKER. However, the Space Situation Awareness Program does not contain all Space Situational Awareness and Space Domain Awareness capabilities. DARC and GBOSS are ground-based systems that will track objects in deep space. SILENTBARKER is a Space Force-National Reconnaissance Office (NRO) space-based SDA program which aims to improve satellite threat intelligence and space situational awareness and its investment is shared between the Space Force and NRO. Therefore, the NRO portion of the investment is not included in the Space Situation Awareness Program Element.

QUESTIONS SUBMITTED BY SENATOR LINDSEY GRAHAM

Question. It has come to my attention that the Reserve Component and the Active Component are struggling to agree on a plan to allocate funds to procure and maintain F–16 simulators for the Air National Guard. The South Carolina Air National Guard, which is stationed at McEntire Joint National Guard Base, is in the process of building a four-ship F–16 Mission Training Center to support the 169th Fighter Squadron. This specific $9.8 million MILCON project was requested in the FY22 budget and funded in the FY22 Omni. The indecision on how the funding of simulators will proceed could cause significant readiness impacts for both the Active and Reserve Components and result in wasted taxpayer dollars with the construction of an empty building.

Do you commit to ensuring that taxpayer dollars will be well spent, and that readiness will be maintained by ensuring that F–16 simulators will be purchased and installed upon completion of the MILCON project at McEntire Joint National Guard Base and guarantee maintenance of these simulators for the future?

Answer. Currently, the Air Force does not have plans to buy additional new simulators for McEntire.

QUESTIONS SUBMITTED BY SENATOR JERRY MORAN

Question. The Air Force was expected to request funding for the final aircraft in the BACN program of record in FY25. The FY24 President's budget request projected $66.4 million for the aircraft plus $102 million for modifications. However, the FY25 President's budget requests $0 for the aircraft and $82.9 million for modifications.

Did the operational requirement change since the FY24 budget was released? If so, please provide the analysis which led to this determination. How many airframes are required to meet the current operational requirement? What options exist to increase the operational availability and employment of the BACN platform?

Answer. The Department of the Air Force (DAF) meets the current operational requirement of one BACN orbit in CENTCOM. Our final inventory objective is seven E–11A aircraft. We have three deployed aircraft and three aircraft stationed at Robins Air Force Base for training. To increase operational availability, the training mission is to receive an augmented flight simulator. At any given time, one aircraft is expected to be undergoing maintenance on a rotational basis.

QUESTIONS SUBMITTED BY SENATOR SHELLEY MOORE CAPITO

Question. In a response that was provided to my office regarding the Block 8.1 upgrades for C–130J units in June 2023, the Air Force noted that the Mobility Air Force fielding plan, approved in 2015, would upgrade one unit at a time. Are you confident in the Air Force's ability to operate in a potential conflict in a contested environment with 25 percent of the fleet missing this upgrade for another five to 8 years? Would the Air Force consider updating the fielding plan to incorporate National Guard and Reserve aircraft into the modification timeline?

Answer. The Block 8.1 modification includes Tactical Datalink (Link-16) and many other upgrades. Block 8.1 is incorporated in aircraft production lines. All Air Force aircraft starting with FY20 Congressional adds will be delivered in a Block 8.1 con-

figuration. The 165th Airlift Wing received C–130Js in Block 8.1 configuration from the production line in January 2024. There are 48 congressionally added C–130J aircraft between FY20 and FY23. The Air National Guard (ANG) is expected to receive 40 Block 8.1 C–130Js directly off the production line by Q2 FY28.

The Air Force is confident our fielding plan for Block 8.1 installations will meet the needed capacity for operations in a contested environment. In FY25, 14 additional Active-Duty C–130Js will upgrade with Block 8.1, bringing the fleet total to 79 Block 8.1 aircraft by the end of FY25. Older C–130Js in the Air Force Reserve and ANG are projected to begin upgrade in FY28.

Question. Only 60% of the Air National Guard's C–17 fleet has been modernized with the Extended Range Fuel Tank. Would the Air Force consider reassignment of some extended range C–17A aircraft from the C–17 training schoolhouse to units flying operational missions in support of Air Mobility Command that require extended range capability?

Answer. The Formal Training Unit trains and educates students across the Active Duty, Air National Guard (ANG), and Air Force Reserve (AFR). The Schoolhouse aircraft are rotated based on flying hours within the Active-Duty fleet. Extended Range (ER) aircraft are required at the schoolhouse to complete aircrew training and exposure/familiarization with the systems on ER aircraft.

Only 164 of the 222 Air Force C–17s have ER fuel tanks, including four of the eight (50%) West Virginia ANG aircraft, 31 of the 50 (62%) total ANG aircraft, 69% total AFR aircraft, and 79% total Active-Duty aircraft.

The Air Force attempts to manage the C–17 fleet with a Total Force lens, with Air Mobility Command (AMC) serving as the lead command for fleet management. Currently, neither Air Force Reserve Command (ARC) nor the ANG participate in the C–17 fleet management program, severely limiting AMC's ability to project fleet needs.

As the lead command for the C–17 fleet, AMC must retain a requisite percentage of ER aircraft within Active-Duty units to accomplish daily training and operational missions, both planned and unplanned. The Air Force attempts to fill operational missions with Active Duty first, then ARC with participation. For this reason, the Air Force requires a higher ratio of ER tails in Active Duty versus ARC. From a Total Force perspective, we cannot transfer aircraft between components until we fleet manage as a Total Force enterprise.

Question. Why has the Department of the Air Force submitted a legislative proposal to Congress that would relocate Air National Guard billets to the single component Space Force without notification to Governors as required under Title 32, Section 104 of U.S. Code?

Answer. Section 924 of the FY24 NDAA directed a review of multiple courses of action with respect to the potential disposition of space functions currently executed by Air National Guard (ANG) units. During the review, the Office of Management and Budget (OMB) requested that, along with the final report, the Department provide a legislative proposal that would implement the recommended course of action.

Additionally, during the interim briefing to the Congressional Armed Services Committees required by Section 924, committee staff requested technical drafting assistance in support of transferring ANG units with space functions into the Space Force. At the time of these requests, the legislative proposal was being finalized and staffed within the Office of the Secretary of Defense (OSD) as part of the DoD Legislative Proposal Process. The proposal was forwarded to OMB, who after reviewing the proposal, authorized OSD to transmit it to the committees on behalf of the administration.

The Section 924 report transmitted to Congress explains the relative costs, benefits, and risks of each course of action. The Department will comply with all applicable legislation prior to the execution of any decision, as directed by Congress. Consultations with governors are now taking place.

Question. Is it the opinion of the Department of the Air Force that, to allow current Air National Guard space operators to remain in the Reserve Component, new and separate systems for promotion, retirement, and personnel only serving the Space Force must be created? If yes, why must these processes that already exist in the Air National Guard be recreated?

Answer. The FY24 NDAA Space Force Personnel Management Act (SFPMA) authorized the Space Force to develop an innovative personnel management system integrating Active-Duty Guardians and Air Force Reserve space professionals into a unified Service, offering full-time and part-time service options without establishing a traditional reserve component.

Current Department of the Air Force human resource systems managing full-time members are not integrated with systems managing part-time members and require new personnel management processes and integrated systems. One of the efforts of

SFPMA will be a systems evaluation for better integration of existing personnel processes and systems for part-time and full-time members within the Space Force.

Should Congress make the determination to transfer covered space functions from Air National Guard (ANG) to the Space Force, the management of ANG personnel who voluntarily transfer would be managed the same way that the Space Force is currently managing the integration of the Air Force Reserve space professionals: primarily focusing on full-time participation/opportunities and then opening a transfer window for part-time opportunities. The new authorities granted by SFPMA will allow the service to talent manage to the individual, based on the Space Force needs.

Question. Air National Guard data shows that most Air National Guard space operators do not intend to transfer to the single component Space Force. How does the Air Force intend to re-mission personnel who do not transfer within their states if space missions are relocated from the Air National Guard? What are the projected costs associated with that re-training?

Answer. The United States Space Force (USSF) has not approached any Air National Guard (ANG) servicemembers nor presupposed Congressional decision on the future of these units, so it is premature to speculate on what ANG servicemembers would be offered and what their final decision would be regarding any voluntary transfers to the Space Force. As with all planning options, the Department of the Air Force would look at all aspects of the issue to ensure mitigation strategies and measures are in place to incentivize desired outcomes. The USSF is already largely responsible for the training and sustainment of the identified ANG units. While servicemember expertise is valuable, the USSF can and will manage transition risk, leveraging the experience to date as it already has with transitions from the other active duty Services (i.e. Air Force, Army, and Navy) based on Congressional direction. Additionally, the USSF experience with Air Force Reserve transfers is that, when given a choice, 80% of servicemembers are transitioning.

SUBCOMMITTEE RECESS

Senator TESTER. We will convene again, hearing from the Navy on April 16 at 10 a.m.

The subcommittee stands in recess. We are adjourned.

[Whereupon, at 11:22 a.m., Tuesday, April 9, the subcommittee was recessed, to reconvene at 10 a.m., Tuesday, April 16.]

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2025

TUESDAY, APRIL 16, 2024

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Jon Tester (chairman) presiding.

Present: Senators Tester, Murray, Collins, Murkowski, Graham, Moran, Hoeven, and Boozman.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE NAVY

OFFICE OF THE SECRETARY

STATEMENT OF HON. CARLOS DEL TORO, SECRETARY

OPENING STATEMENT OF SENATOR JON TESTER

Senator TESTER. I want to call this hearing to order.

Good morning, everybody. Today we welcome Secretary Del Toro, Admiral Franchetti, and General Smith. Thank you for serving our Nation and for leading our Navy and Marine Corps. I look forward to discussing the 2025 budget priorities today.

Admiral Franchetti, this is your first appearance before this subcommittee. I have enjoyed getting to know you over the recent months and we look forward to working with you throughout this process and moving forward.

General Smith, this is also your first appearance in front of this committee. It is great to see you and I want to thank you for your service and I want to thank you for being here today.

The fiscal year 2025 budget request of the Navy and Marine Corps is at $252.3 billion, excluding funds for military construction. This represents a 1.4 percent increase above fiscal year 2024-enacted levels.

You received your fiscal year 2024 funding only a couple weeks ago, 6 months late, because Congress didn't do its job and get its work done on time. In my opinion, this is a disgrace. Our Nation continues to face real threats from China and Russia and Iran and terrorist groups.

As we saw just this past weekend when Iran brazenly attacked Israel with hundreds of missiles, the world doesn't follow any congressional calendar.

The Senate-passed national security supplemental includes $2.4 billion for the operations in the U.S. Central Command Area of Operations. That includes funds to replace interceptors fired in defense of our ships and of our allies in the region.

It is long past time to get these funds signed into law. I believe the Supplemental was sent out in August of last year. We have allies and they're friends of ours. We've got countries that are fighting for democracy. Yet we have soldiers' lives that are at risk in the region. Yet we continue to fiddle and do Putin's bidding.

It is long past time to get these funds signed into law and like I said, I would like the witnesses today to explain the impact of having to cash flow these operations from existing budgets.

But as challenging as the Middle East situation is, the Number 1 threat to our freedom, the pacing threat remains to be China, and as I said before, China doesn't operate on continuing resolutions. So notwithstanding political headwinds and budget constraints, we will continue to work with my good friend Susan Collins and Chairman Murray to end this disastrous trend of CRs (continuing resolutions) and insert some certainty back into our budget cycle.

To be clear, we have our work cut out for us. The bipartisan fiscal responsibility is the law of the land. It caps spending for both defense and non-defense programs. Last year, despite our efforts, we were not able to convince our colleagues to change those budget caps.

Given the pressures on the budget, such as the impact of inflation, we need to modernize the nuclear Triad, rising personnel costs, and near and present global threats, and I might say and I've said it before, so this is not breaking news, I think we're in a more perilous time than has ever been in my lifetime, maybe with the exception of the Cuban missile crisis.

It is imperative that we invest these dollars that we do have in a way that gets results that we want.

I want to highlight a few areas that we need further discussion. The first is our people, our sailors, Marines, and civilians. The subcommittee had worked with the department to provide additional funds in recruitment and increase suicide prevention efforts. I would love to hear an update on that.

Second is shipbuilding. Secretary Del Toro, you recently concluded a 45-day shipbuilding review and documented serious scheduling delays. The results are damning and I understand additional studies are now ongoing. I would love to hear about that.

Third, the volatile global security environment that has driven a great sense of urgency and DOD (Department of Defense) attempt to field innovative technologies and solutions at scale as quickly as possible.

We're always open to working with the Department of Defense to ensure the warfighter has the tools it needs to be effective. However, it cannot be ignored that programs initiated with expedited expedition authorities apparently suffer from the same costs, schedule, and technical issues as traditional programs do.

The Navy is no exception. For example, the extra-large unmanned undersea vehicle is intended to fill an urgent requirement. Despite fabrication starting in 2019, here we are in 2024 with no

operational assets. Icing on the cake, I now hear that the Navy is planning to sole source the follow-on effort and that begs the question of what message does that send?

So before we entertain enacting the new budget acquisition authorities, I want to know how the Navy's going to improve its performance to ensure the capabilities we invest in actually reaches the hands of the warfighter without wasting taxpayer dollars.

It is the role of Congress to ensure the taxpayer dollars are used in the most effective way possible to maintain American superiority and I look forward to continuing to work with you to make that possible.

Once again, I want to thank you, all of you for your service to this country, but before your opening statements, I want to turn it over to Senator Collins for any remarks she would like to make.

Senator Collins.

STATEMENT OF SENATOR SUSAN M. COLLINS

Senator COLLINS. Thank you, Mr. Chairman.

Let me begin my remarks by saying that I can't imagine a more timely hearing than this one, given Iran's deliberate attack against the sovereign nation of Israel with more than 300 drones and ballistic missiles over the weekend and the Navy's truly heroic response in assisting Israel and our other allies.

Impressively with the assistance of the United States, England and France and certain Arab states, Israel intercepted 99 percent of these missiles. That includes more than 80 incoming drones and at least six ballistic missiles that were taken down by American forces, including the crews of two Bath-built destroyers, the USS Carney, and the USS Arleigh Burke.

Keep in mind that this is the same USS Carney that has been protecting U.S. and allied shipping in the Red Sea and has an amazing record of shooting down incoming missiles and drones fired by the Houthis. In fact, the U.S. Navy has thwarted numerous attacks from Iran's terrorist proxies and I do think we should remember the role of Iran in all of this, whether it is arming and equipping the Houthis, Hamas, Hezbollah. If you trace back, it always comes back to Iran.

We place and appropriately so a lot of emphasis on China in our hearings as being the pacing threat, but we cannot forget, as the Chairman indicated, how dangerous the world is today and how many adversaries we have and Iran is certainly among them, and I think we need to remember that less than 1 percent of the weapons reached their targets this weekend in Israel does not in any way reflect a lack of effort or maligned intent by Iran.

Rather, it is a testament to the service members who successfully deployed modern missile defense capabilities, capabilities that were developed over decades at the cost of billions of dollars, but we should never take for granted what it took to make this defense of Israel possible.

If ever the naysayers had any doubt about the value of today's surface Navy, those doubts should be eliminated by the events of the last 6 months.

Shifting to the budget focus of today's hearings, I will start by echoing the Chairman's comments by saying how great it is to see

General Smith back and healthy with us today. I look forward to continuing to work together, although it appears that amphibious ships may not be quite as much work this year as they did last year, and I imagine that you're quite okay with that.

To Secretary Del Toro and to Admiral Franchetti, thank you also for your extraordinary leadership and service.

I also want to recognize the service and sacrifice of our Marines, our sailors, and their families. I'm proud also that so many Mainers have chosen to support the Navy through their critical work at Bath Ironworks, the Portsmouth Naval Shipyard, the plant run by Pratt and Whitney, the Naval Computers and Telecommunications Center in Cutler, and other locations and facilities around our State.

There are many challenges confronting the Navy today but three are at the forefront of my mind. First, there are not enough sailors reporting for duty at sea. Second, shipbuilding is nowhere close to keeping pace with China's growing Navy, and third, the funding for the Navy's next generation fighter aircraft that is central to the Air Wing of the future has been delayed considerably in this budget request.

Let me comment briefly on each of those comments. Last month the Navy reported a sea duty shortfall of nearly 22,000 personnel. On average, 13 out of every hundred jobs on a ship are unfilled. These gaps at sea are growing worse. So I look forward to your assessment of the impact of the empty sea duty billets on operational readiness and on retention and recruitment.

China's Navy continues its explosive growth from more than 370 ships today to 435 by the year 2030 while this budget request results in only 294 U.S. Navy ships in the same timeframe, merely a single ship more than today's current fleet.

In total, the request includes only six new ships for fiscal year 2025. The last time the Navy requested so few ships was more than 15 years ago.

It's worth pointing out, as the Chairman has, that the bipartisan National Security Supplemental that the Senate passed more than 2 months ago includes more than $3 billion to bolster the submarine industrial base to help address the lengthy delays in both submarine programs.

I would also add that the Supplemental includes $2.4 billion to reimburse for the direct costs being incurred by U.S. military units in harm's way in Central Command for 6 months. Those were costs that could not have been anticipated and that is yet another reason we need to get this Supplemental to the President and signed into law.

Navy sailors and service members of the other branches of the military have answered the call, doing everything asked of them and more. We need to pass the Supplemental so that these missions can continue and the necessary investments in the shipbuilding industrial base can be made.

Therefore, we also need to mark up and pass the fiscal year 2025 Defense Appropriations bill as soon as possible that defers conflict by providing the Navy and the Marine Corps with the ships, aircraft, munitions, and other capabilities necessary to keep our coun-

try and our allies safe during this extraordinarily difficult and dangerous time.

Thank you, Mr. Chairman.

Senator TESTER. Thank you, Senator Collins.

Now I'll have opening statements and please know that your full opening statement will be a part of the record.

We'll start with you, Secretary Del Toro.

SUMMARY STATEMENT OF HON. CARLOS DEL TORO

Secretary DEL TORO. Chairman Tester, Vice Chair Collins, Distinguished Members of the Committee, it's an honor to appear before you this morning to discuss the posture of the Department of the Navy.

First and foremost, I do also want to thank General Smith and Admiral Franchetti for answering the call of our Nation time and time again. They, like all who devote their careers and in some cases even sacrifice their 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, and sacrifices made by our families, and as we gather here this morning, thousands of our sailors, Marines, civilians and their families are either stationed or deployed all over the world, making the same sacrifices, 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.

Across Europe we, in cooperation with our NATO (North Atlantic Treaty Organization) 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 enters now its third year, and I also urge Congress to pass the National Security Supplemental without further delay in support of our Ukrainian partners as they fight to restore peace in their homeland in defense of democracy for all free nations, not just Ukraine.

In the Red Sea, our sailors and Marines have encountered hundreds of missiles and drones launched by the Houthis the past 6 months targeting merchant shipping and the warships of both the United States and international allies and partners as you have stated.

We are confronting an adversary supported by Iran. All roads lead to Iran. It has no respect for the innocent lives and 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 just this past weekend, as you have stated, USS Carney and 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 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, for your partnership and your commitment in ensuring that the nearly one million sailors and Marines and civilians of the Department of the Navy that we lead are ready on all fronts at all times.

While the Fiscal Responsibility Act of 2023 forced us to make very hard choices, the $257.6 billion in the President's budget request for fiscal year 2025 for our department adaptly 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.

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

We are investing billions of dollars in the industrial base that supports us while encouraging them to invest more in themselves at the same time.

As responsible stewards of taxpayer funds, we will enforce accountability to ensure that our sailors and Marines have the platforms and capabilities they need to deliver on time and on budget.

Above all else, we are taking care of our personnel and 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 our Nation faces today in the maritime domain, both commercial and naval, and 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 is an honor to appear before you this morning and to lead the most powerful lethal and flexible Navy and Marine Corps team in the world and we look forward to discussing with you how best to deliver the Navy and Marine Corps that our Nation requires.

Thank you.

[The statement follows:]

PREPARED STATEMENT OF CARLOS DEL TORO

INTRODUCTION

Chairman Tester, Ranking Member Collins, 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, including the passage of the national security supplemental bill before Congress. As President Biden stated: "History is watching. The failure to support Ukraine at this critical moment will not be forgotten. Now is the time for us to stand strong with Ukraine and stand united with our allies and partners. Now is the time to prove that the United States stands up for freedom and bows down to no one."

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 3 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 con-

tract, 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 FISCAL YEAR 2025 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 unauditable 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 3 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 2 years are better spent elsewhere in support of our amphibious fleet. I will also highlight for the committee that retiring USS *Germantown* 1 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. Earlier this month, 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 interagency 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 ca-

pabilities 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 (UARCs), 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 decisionmaking 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 6 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 10 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 relicensure 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 healthcare, 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 im-

portance 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 1 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.

Senator TESTER. Secretary Del Toro, thank you. Thank you for the statement.

Next, we will have Admiral Franchetti. Admiral.

STATEMENT OF ADMIRAL LISA FRANCHETTI, CHIEF OF NAVAL OPERATIONS

Admiral FRANCHETTI. Chairman Tester, Vice Chair Collins, 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 all 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/Marine Corps team in the Indo-Pacific, in the Mediterranean, in the Red Sea, and beyond underscore the enduring importance of American naval power.

With an average of a 110 ships and 70,000 sailors and Marines deployed 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, the acute threat of Russia, and other persistent threats, like the Democratic People's Republic of Korea, Iran, and violent extremist organizations.

Given the discretionary spending caps prescribed by the Fiscal Responsibility Act and the 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 and future capabilities.

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

It provides funds for six battle force ships and incremental funding for two Ford Class Carriers in fiscal year 2025 and continues our support for Marine Corps Force Design by maintaining 31 am-

phibious ships, procuring three LPDs (landing platform, dock) , one LHA (landing helicopter assault), and eight Medium Landing ships. In total, the budget request procures 57 ships across the FY DP.

This budget request prioritizes warfighting by funding our operations training and readiness accounts. It continues our strong commitment to our warfighters and our families through pay raises for our sailors and Navy civilians and investments in quality of service initiatives, such as unaccompanied housing, education, childcare, and sailor resiliency, and 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.

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 skills, tools, training, and mindset to defend our nation's security and prosperity wherever and whenever it is threatened.

I thank the committee for your leadership and your partnership in ensuring the world's premiere 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 statement follows:]

PREPARED STATEMENT OF ADMIRAL LISA MARIE FRANCHETTI

INTRODUCTION

Chairman Tester, Ranking Member Collins, 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 healthcare. 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 healthcare. 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 10 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 envi-

ronmental 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, deters 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.

Senator TESTER. Thank you, Admiral. We appreciate your testimony.

You're up General Smith.

STATEMENT OF GENERAL ERIC M. SMITH, COMMANDANT OF THE MARINE CORPS

General SMITH. Good morning. Chairman Tester, Vice Chair Collins, 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 first to fight.

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

Whether deterring, responding to crisis, or in conflict, it will be the Navy and Marine Corps Expeditionary Forces who make first contact with partners seeking help or adversaries seeking a fight. Our partnership, collaboration, and integration is a decisive advantage.

Last week I published 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 the Marine Corps must continue to strike a balance between the 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 our mission without ever diminishing our standards.

Additionally, our top performing Marines are re-enlisting at record rates and we must sustain this trend.

Fourth, we must maximize the capabilities of our Reserves to ensure that our Nation has the ready bench of warriors they have relied on since the founding of 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 pursuing these priorities, I commit to you that our Corps will always be frugal and accountable with the resources you and the American people provide. I'm proud of my Marines and civilian Marines who enable 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 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 maintains a global presence and keeps maligned 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.

I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF GENERAL ERIC M. SMITH

Chair, Ranking Member, 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 (OAIs), 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. Em-

ploying 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 Un-

manned 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 rap-

idly 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 2 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 6 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 2 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 in-

stallation 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 Enlist-

ment 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.

Senator TESTER. Thank you for your statement, General. We appreciate you being here as well as the entire panel.

I'm going to start with you with rounds of questions here.

Secretary Del Toro, this past weekend U.S. forces stationed in the Middle East defended Israel from Iran's barrage of missiles. This is just the latest in a series of actions U.S. forces have taken in the area to defend assets and assets of our allies.

Secretary Del Toro, so far you're paying for these operations out of your existing budget, even though the Senate-passed National Security Supplemental contains $2.4 billion to cover these costs, including replacing the missiles.

Can you please explain the impact of having to cover these costs without the Supplemental funds that the Senate has already passed, by the way?

Secretary DEL TORO. Well, thank you, Mr. Chairman, and thank you both for actually recognizing the bravery and the courage of our sailors and Marines who've been now operating in both the Mediterranean and the Red Sea over the course of the last 6 months, first the Ford Carrier Strike Group, then followed by the Bataan Amphibious Readiness Group, as well, too, and, of course, now the Eisenhower Carrier Strike Group with additional ships that are being provided for in the Mediterranean.

Over the course of the last 6 months we have actually encountered over a 130 direct attacks on U.S. Navy ships and merchant ships. The munitions that are critical to these counter strikes are extremely important to the Department of the Navy. We currently have approaching $1 billion in munitions that we need to replenish at some point in time.

So, therefore, over $2 billion that's provided for in the Supplemental is direly critical to our Navy and Marine Corps to be able to replenish those munitions and continue to provide the types of defensive measures that we have this past six and a half months now.

Senator TESTER. Thank you.

Admiral Franchetti, I know that ship maintenance is a priority for you and addressing that.

What is the impact of extended operations and deployment on the force?

Admiral FRANCHETTI. Ship maintenance is one of my biggest priorities.

Senator TESTER. I don't know that your mic is on. Go ahead. Sorry.

Admiral FRANCHETTI. Okay. On?

Secretary DEL TORO. It's on now.

Senator TESTER. Yes. There you go.

Admiral FRANCHETTI. Ship maintenance is one of my very biggest priorities. When I talk about getting more players on the field, you know, one way to do that, of course, is to procure new ships, but the other one is to get them in and out of maintenance on time.

So we're very focused as we are looking at the ships that are already underway, several of which have been extended, making sure that we work with our shipyards and our planning to be able to get them in and out of maintenance as quickly as they come back.

I think more broadly, we're very focused on improving our processes that are related to shipyard maintenance in general. Some of that is making sure that we get our packages locked in about 6 months ahead of time before the ships come back so we can plan the work ahead of time so we don't have as much growth work or new work once the ship is in the actual availability.

The other one is putting in place basically a surface readiness group. It's going to be led by a second tour, a sequential command captain at the 06 level, who will have a team of folks that are very experienced in shipyard maintenance to bring the ships through, help provide that expertise and oversight along with our NAVSEA (Naval Sea Systems Command) counterparts that will be doing that.

So, again, I think we're starting to see some big improvements in shipyard maintenance for our surface ships and look forward to continuing that progress. We can't take our foot off the gas and I'm very focused on this.

Senator TESTER. Thank you.

Secretary Del Toro, you had a 45-day review of Navy shipbuilding, documented a 3-year delay in the new Frigate Program, 2-year delay in the latest aircraft carrier, 2-to-3-year delay in the Virginia Class Attack submarines, 12-to-16-month delay in the Columbia Class submarine.

This is despite unprecedented support by Congress. Headlines and delays like this should constitute a full-blown emergency for the Navy and the shipbuilding industry.

I know there's no quick fixes, but I have yet to see what either party is prepared to do about it and to be specific, who's being held accountable.

Now, look, we do studies and we do surveys. I'm talking about we being the Senate and that's exactly what they end up being. I think your review has shown that we've got a problem, a major problem and a problem that puts our national security at risk.

So the question is, is how do we hold these folks accountable? What do we need to do to make sure these folks understand that profitability in the shipbuilding industry isn't your Number 1 responsibility? It's to get these ships out and submarines and equipment out on time, on budget the way we need them to keep this country safe.

Secretary DEL TORO. That's exactly right, Mr. Chairman, and when I was confirmed, I committed to you that I'd be honest, transparent, and committed to making a difference and that's my intent. That was my intent in asking for the 45-day review, which reviewed over 10 shipbuilding programs for the purpose of providing the assessment of national and local causes of shipbuilding challenges.

In that regard, the contributing factors that were discovered in that review are lead ship issues, design maturity, first of class challenges faced by the shipyards, as well, transition of production,

design workforce, and other shortage of blue collar labor across the country, as well.

It was also determined that shipyards simply aren't making enough of a contribution on their own to increasing their own production rates at their own shipyards which is also critical.

I mean, it's just one example, Mr. Chairman. We're making a $15 billion investment over the course of the next 5 years, money that's the taxpayers' money, and at the same time many of these shipyards are actually making stock buyback programs where they're buying back stocks to the tune of $4 billion and upwards of that. That's unforgivable.

We need them to invest in their own shipyards just as much as the American taxpayer is investing in the budget to get these production lines back up.

Senator TESTER. Well, I would just say that, you know, Eisenhower warned of the military industrial complex. The fact of the matter is, is that they're an important partner for us. They're an important part of the equation and I get it that excuses are many, whether it's workforce or whatever it is, but the fact that some of these corporations are using the money to buy stocks back without building capacity first is incredibly irresponsible and I hope they're listening because, quite frankly, we will do whatever we can do to make sure they have a workforce, but, dammit, they gotta step up to plate and in many cases I have not seen that happen.

Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Admiral, I want to follow up on the Chairman's question to you about maintenance and delays. You addressed it from surface ships. I want to talk to you about submarines.

The Shipyard Infrastructure Optimization Program, SIOP, and the Ship Depot Maintenance Line Item are both well resourced in the budget request. I support these needed investments in the Portsmouth Naval Shipyard in Kittery, Maine and in our other shipyards because during the past decade fewer than one-third of the Navy's attack submarines have completed maintenance on time.

Last year Navy officials conceded that there were nearly twice as many non-deployable submarines as were anticipated because of maintenance or other issues. This is the trend that we simply have to reverse.

To what extent we make the investments in the budget can we expect that the submarine maintenance backlog will decline?

Admiral FRANCHETTI. Thank you, Senator, and as you know, our submarines are a true advantage and we really do need to improve on our overall submarine maintenance.

I think two things that you mentioned there. So the Shipyard Infrastructure Optimization Program, you know, this isn't a once in a generation, really once in a 100 year overhaul of our four public shipyards. We really appreciate the investments in those shipyards because they are so critical to that maintenance that you're talking about and this is recapitalization of the dry docks. It is a reorganization of the shipyard to ensure that the flow of the work across the shipyard will be effective and more efficient as we're doing that

maintenance and then, of course, upgrading the equipment that is part of that.

It's all part of the Shipyard Optimization Program that we're putting in place, and I think you will really see those investments pay off over many years. These are long projects and again we appreciate the investment in that.

As far as getting our submarines out of the shipyard on time, you know, we've made a lot of progress in putting in place processes that help us look at the data analytics so we can better understand where the choke points, what are the barriers to getting our submarines out of maintenance on time, and then working to implement the corrections.

We've put the Head of our Submarine Force in charge of that overall process last year to really drive the operational demand and understand the sense of urgency that we need in each one of our shipyards to be able to get them out on time.

One of the other things we've found was that a shortage of supply parts and rotatable pool would be a way. So we put that in our budget for last year. We're looking forward to getting those all on contract now, a little bit delayed, about 6 months delayed, but we will get that in there and then expect to see positive results of having those spare parts and long lead time materials in place ahead of time to expedite that maintenance.

So, again, we're starting to see some good progress out in Pearl Harbor Naval Shipyard. We have two submarines, the Minnesota and the Illinois, that are currently on track for their maintenance availabilities, and we look to take the learning that they're doing out in Pearl Harbor and bring that to our other shipyards, as well.

Senator COLLINS. Well, the Portsmouth Naval Shipyard in Kittery, Maine, is the gold standard, just to get that on the record, but obviously I visited there many times and the physical constraints are a real barrier and that's why the SIOP Program has been absolutely critical.

General Smith, I want to talk to you about an unfunded priority that you've submitted and that's for the procurement of four F–35 engines and engine-powered modules to alleviate potential logistical problems associated with transporting engines to ships and the time that it takes to replace an engine at sea.

Could you comment on how funding additional F–35C spare engines and power modules would improve F–35 readiness and better support our operational commanders?

General SMITH. Senator, I can, and thank you for the question.

Those four engines enable us to do repairs at sea which are incredibly difficult when we're deployed aboard our amphibious landing ships, our LHAs, LHDs, and when we have the appropriate number of spares, we can in stride swap an engine out. We have the maintainers and the tools to do that at sea but we need the spare engines to do so and that increases our readiness dramatically.

So those four engines are vital as we have encountered, I would say, higher than expected degradation in our engines.

Senator COLLINS. Thank you.

I couldn't help but notice this morning that sitting next to our highly-decorated Marine are two former commanders or captains of

the Arleigh Burke destroyers and I appreciate the fact that you understand that they are truly the workhorse of the fleet and have been there for more than 3 decades.

Mr. Secretary, could you describe for the members of the committee who may be less familiar what the important role played by our destroyers, how important they have been both in protecting the shipping lanes in the Red Sea and in the defense of Israel this past weekend?

Secretary DEL TORO. Well, thank you, Madam Vice Chair.

Without question, the Arleigh Burke destroyer is a multi-mission platform that conducts numerous missions, especially including air defense and ballistic missile, defense for U.S. forces and our allies and partners has been critically important to the defense of the Red Sea over the course of the last 6 months, and they really have operated extraordinarily well.

It's a testament to the investments that have been made by the Department of the Navy and the Congress specifically over the course of the last several decades, investments in the Aegis Combat System and the weapons systems and the munitions that actually go on those ships to be able to effectively defend our national security interests.

As you know, over 90 percent of the world's trade actually travels on the water and we also have undersea cables that carry up to 10 trillion financial transactions every single day.

So the protections of those seas and those undersea cables is incredibly important and it is actually the Arleigh Burke destroyer and hopefully in the future the Constellation Class frigate, as well, too, that will provide that defense to our national security.

Senator COLLINS [presiding.] Thank you.

Madam Chair, welcome.

Senator MURRAY. Thank you. Thank you very much to our Vice Chair and to Chair Tester, thank you all to our witnesses for joining us and thank you for your service to our country.

At a time when we know some of our adversaries are making significant investment in their Navies, we have to keep pace and maintain strong investments for our Navy and Marine Corps and that doesn't mean just equipment. We have to invest in our men and women in uniform, getting them adequate training and equipment and making sure their families have support, like childcare, mental health care, safe quality housing, and a lot more.

And while we discuss what's needed for the Navy and Marine Corps in fiscal year 2025, I can't neglect to mention that we must also finish the job on fiscal year 2024 by passing the National Security Supplemental ASAP.

Iran's attacks over the weekend are a very stark reminder of the precarious moment that we're in, the pressing challenges we and our allies face across the globe, including the risk of further escalation of hostilities in the Middle East, and of the urgent need to pass the National Security Supplemental.

It is critical we act, that we stand with our allies that we deter escalation and more conflict, and, of course, we know that Americans support turning the tide for the war in Ukraine.

For months I've been insisting we pass a comprehensive and bipartisan national securities supplemental I wrote with many of you

who are here in this room. So I'm glad the Speaker now seems to be moving in that direction. I look forward to working with Chairman Cole, Vice Chair Collins, Ranking Member DeLauro to make this a reality.

After so many months of needless delay from House Republicans, we've got to get this done. We need to get it right, as everyone in the room knows, the details matter, and show the world that there is bipartisan support to stand with our allies.

Having said that, let me turn to questions for our witnesses.

Mr. Secretary, last week reporting from military.com reveals deeply disturbing accounts of child abuse by child development center employees at Navy installations. The investigation found that Navy rules prioritized protecting the institution, keep parents in the dark and have minimal safeguards to guarantee accountability.

According to the reporting, base commanders and military police units often don't know who is responsible for reporting and investigating abuse at CDCs (Child Development Centers) and in one case it took a full year before workers responsible for abuse were charged in a civilian court.

The reporters interviewed a dozen families with similar stories of not being told when their child was injured and in many cases parents shouldered hefty legal bills to force the military branches to tell them what happened.

I cannot emphasize enough how concerning and unacceptable that is.

So, Mr. Secretary, I want to know, what is the Navy doing to investigate these reports and ensure that those responsible are held accountable?

Secretary DEL TORO. Well, Senator, first and foremost, thank you for the concern that you display for our service members and their families, as well, too.

I had four children growing up, many of them actually were in childcare development centers, and there is no greater priority than the safety of our service men and women in uniform and the civilians that actually use those CDCs, as well, too.

I'm quite familiar with the details actually from the 2022 case of this child development center, but there are inaccuracies, as well, too, in the reporting of those facts. In fact, law enforcement officials were informed on the very first day that they were discovered and they were actually brought to bear.

Unfortunately, we sometimes can't control how long it takes for civilian investigations to be followed through and for the burdens that are placed on families in having to demonstrate facts, as well, too, throughout those investigations. But that's no excuse obviously for trying to move as quickly as possible.

The director of that childcare center was actually fired. There were actually seven other employees that were fired along with it and I assure you that moving forward we have learned the lessons from that case, from both those cases, and ensuring the highest levels of standards for security and care for our CDCs throughout the entire Department of the Navy and Marine Corps.

Senator MURRAY. So what are you doing to make sure this never happens again?

Secretary DEL TORO. Well, we've actually learned those lessons and we've applied those lessons throughout all child development centers from 2 years ago. There were numerous policy violations that were not adhered to, as well, too. So we've conducted training across all those CDCs and——

Senator MURRAY. Is that training——

Secretary DEL TORO [continuing]. Those trainings have been conducted and applied across all CDCs in the Navy and Marine Corps today.

Senator MURRAY. Okay. Well, I'm going to be following this very closely and I expect this to be investigated and addressed swiftly and report back to us so our men——

Secretary DEL TORO. Already have, Senator. We'd be happy to make those facts available to your office.

Senator MURRAY. Okay. I would appreciate that. Men and women in uniform can only do their jobs if they know their kids are okay.

Secretary DEL TORO. Couldn't agree with you more, ma'am.

Senator MURRAY. Okay. In 2022 the Defense Health Agency removed labor and delivery services from naval hospitals, Bremerton and Kitsap Counties in my State, and it forced service members and their families to then seek care in the community or travel over 2 hours to Madigan Army Medical Center.

Kitsap County already has a medical provider shortage and the reduction of services at the Bremerton Hospital has really increased the strain on the system.

The Navy predicts that the USS Reagan is going to bring an additional 3,500 additional crew members and families to the Puget Sound Naval Shipyard.

Talk to me about how you are going to adjust healthcare capacity to address the needs as that increase in population comes there.

Secretary DEL TORO. Senator, as much of a concern as this is to you, it's as much a concern to me, as well, too, especially in the Pacific Northwest where we are facing significant challenges in terms of medical care providers not just in the military service but also in the civilian sector, as well, too.

We are working very closely with the DHA (Defense Health Agency). I myself have discussed this situation with the Under Secretary for Health, trying to work with DHA in providing them as much of support as we can from the military side, from the operational medical side to provide additional staff to the MTFs (Military Treatment Facility) themselves so that we can beef them up.

I have actually visited numerous clinics in the Pacific Northwest and I'm aware of some of the shortages and the great work that they're doing despite the shortages, as well.

We will continue to work with the Office of the Secretary of Defense and the DHA and the Deputy Secretary of Defense to provide the necessary support from operational Navy medical resources basically, but that also creates a challenge in terms of ensuring that the standards of proficiency that are required in operational medical readiness are also adhered to should we ever have to go into a conflict.

Senator MURRAY. Okay. Well, let's stay in touch on that and keep us informed.

Secretary DEL TORO. Yes, ma'am.

Senator MURRAY. And I'm out of time, but I did want to mention Congress approved a $195 million to address the electrical bone of the Puget Sound Naval Shipyard and provided a $130 million over the President's budget request to address the seismic concerns at PSNS (Puget Sound Naval Shipyard). Those projects are essential for the Navy SIOP and its Ford Class Aircraft Modernization Projects.

So if you could provide an update to us or my staff on the Navy's work to address the seismic issues and I would really appreciate it.

Secretary DEL TORO. I'd be happy to do so and I cannot thank the support of the communities in the Pacific Northwest, state government, and local government working with the Department of the Navy as we actually worked through those challenges last year.

Senator MURRAY. Thank you.

Secretary DEL TORO. It really was a case study in how it can be effectively executed when everybody is working together as one team.

Senator MURRAY. Okay. Great. Thank you.

Senator COLLINS. Thank you, Chair Murray.

Senator Hoeven.

Senator HOEVEN. Thank you, Ranking Member Collins. I guess Acting Chair now, huh?

Senator COLLINS. Yes. I like that.

Senator HOEVEN. Yes. Me, too.

[Laughter.]

Senator HOEVEN. Thanks to all of you for being here and for your service.

Secretary Del Toro, there's been a drawdown in airborne ISR (intelligence, surveillance, and reconnaissance) and I know that there's a sense that we're going to do a lot of it from space which we are, but at the same time, you know, we're hearing from combatant commanders and everybody else that they need that airborne ISR.

How important is it that we not only maintain our ISR capabilities but that we continue to have the best ISR globally, for example, for things like survivability of the fleet?

Secretary DEL TORO. Senator, I couldn't agree with you more. There just simply aren't enough ISR assets throughout the entire department and there will always be a need for more of them, especially as we get into the realm of countering unmanned aerial threats, as well, too, not just to our forces at sea but to our installations commands, as well, too.

Although I can't get into the details of some of the major investments that we've made to counter those threats and be happy to do so in closed session, there is a high demand for those assets and we need to continue and invest more in our budgets moving forward.

Senator HOEVEN. Thank you, Secretary.

Admiral Franchetti, do you have enough capacity against missile threats not only in the Mid East, let's start there, obviously what we saw recently with the attack from Iran on Israel, but also in Europe and East Asia?

Admiral FRANCHETTI. Thank you.

You know, this is one of the critical things that we provide every day, air defense, missile defense, and, you know, we really need to continue to invest in our weapons industrial base as well as we're making investments in the broader defense industrial base, so continuing to invest in our weapons industrial base is really important.

I think the Navy really about 2 years ago, we started investing in all of our critical munitions that we needed, including those we need for air defense, and we want to continue those investments.

We're looking at that as an enterprise investment, one that in the past munitions were a little bit of a bill payer for some of our other capabilities and we have changed that that we are working to invest in those munitions that we need.

We're also partnering with Missile Defense Agency, of course, for ballistic missile defense and look forward to that continued partnership and getting exactly what we need to defend our Nation.

Senator HOEVEN. So your capacity status right now is adequate, inadequate?

Admiral FRANCHETTI. So it is adequate for what we have now. As you'll see in our budget, we have requested additional funds for continued improvement in those investments for munitions as well as in the Supplemental to replenish what we've been using already in the Red Sea.

Secretary DEL TORO. Senator, may I just quickly add to that?

Senator HOEVEN. Sure.

Secretary DEL TORO. I would argue that the President's budget numbers are adequate but that's also prior to the attacks that we've just had this weekend alone, for example.

So we are now closely approaching a billion dollars on expenditures for munitions that we need paid back by the Supplemental which is why it's critical for Congress to pass the Supplemental this week so that we can actually get the additional resources to be able to supplement those munitions that will be critical moving forward.

Senator HOEVEN. Which is important to understand that a lot of the funding in the Supplemental goes to restoring our weapons as well as strengthening our military industrial base to produce more of those new sophisticated weapons rapidly, whether it's airborne assets or whether it's missile defense, the things that we need now and going forward, right?

Secretary DEL TORO. That's exactly right, Senator. I mean, we've been firing SM(standard missile)-2s. We've been firing SM–6s and just over the weekend SM–3s to actually counter the ballistic missile threat that's come from Iran.So we need this Supplemental to pass this week.

Senator HOEVEN. Yes. So it really does go to our arsenal and our defenses.

Secretary DEL TORO. Yes, sir. These are investments in our industrial base. There's no question about it.

Senator HOEVEN. Right. Then for either one of you or both of you on the nuclear deterrent commitment of the Triad and whether, you know, we're tracking both in terms of the Columbia Program

and, you know, your commitment to that modernization of the nuclear Triad, starting with you, Secretary.

Secretary DEL TORO. Absolutely, Senator. I mean, the Navy's investment in the Columbia Class submarine has been enormous. It is our Number 1 acquisition priority and it will continue to be our Number 1 acquisition priority moving forward.

We've also, as I came in to this role, made the decision in my first month as Secretary to assess the possible extensions of Ohio Class submarines, as well, recognizing that there could potentially be a gap in the Columbia Program as it's turning out to be accurate now and so we have actually assessed five SSBNs (Ship, Submersible, Ballistic, Nuclear), Ohio Class SSBNs now that can be extended for another deployment, and we will continue those efforts until we close any gap that might exist in the Nuclear Triad.

Senator HOEVEN. Very good. Admiral, anything to add there?

Admiral FRANCHETTI. Yes, Columbia is our Number 1 investment priority.

Senator HOEVEN. Okay. Thanks to both of you.

General Smith, again, same thing on ISR unmanned aircraft. You're actually working very hard to upgrade, modify, strengthen, enhance, you know, your ability to deploy and be that rapid reactionary force globally and I know you're looking at how do you do that in the modern age with new technologies.

Address your need for airborne UAS in the battlefield.

General SMITH. Senator, we're focused on the MQ9. The MQ9 is a vital platform for us. We're focused on the training and the procurement of that platform and what we call the TSOR pod, which they're a different classification level I'd be happy to come brief you on, but it can detect at great ranges adversary movements and it can seamlessly complete the kill chain for our long-range fire missile systems. So the MQ9 is vital to our future.

Senator HOEVEN. Both in terms of getting it but also the school, the development, the training, and so forth.

General SMITH. Absolutely.

Senator HOEVEN. That capacity as well?

General SMITH. Absolutely. We are currently working with the Air Force to train dually, but we need to stand up a schoolhouse, as well, to pull some of that pressure off the Air Force.

Senator HOEVEN. Where do you see other modifications and how do you think you make that expeditionary force more effective? What else can the committee do to help you in that process?

General SMITH. Senator, I would say steady procurement for our amphibs is actually the most vital thing for our expeditionary warfighting capability. We need steady funding for our LHAs on 4 year centers and our LPDs on 2 year centers because we are an expeditionary warfighting organization. We live to deploy——

Senator HOEVEN. Right.

General SMITH [continuing]. And that is the Number 1 thing for us, Senator.

Senator HOEVEN. Thank you. Again, thanks to all three of you.

Thank you, Mr. Chair.

Senator TESTER [presiding.] Senator Boozman.

Senator BOOZMAN. Thank you, Mr. Chairman, and thank you all for being here. We appreciate the great work that you do ensuring

the services not only have the resources to accomplish the mission but also taking care of the men and women that serve and sacrifice and their families. It certainly is a family affair.

General Smith, the Marines Force Design 2030 requires forward deployed Marine sailors as a standing force. I understand the medium-range intercept capability system will be critical to support the standing force.

Is this program funded at the level it needs to be in fiscal year 2025 and, if not, where do you need the funding to go? How will this help our allies in the Middle East?

General SMITH. Senator, the system you're describing, the medium-range intercept capability, is an Israeli-built Tamir missile combined with the TPS–80 gator radar and that gives us an incredible advantage in detection and action against inbound enemy air threats.

We are on path to procure that. The current budget supports it, and it is really just a matter of time to build the arsenal of TPS–80s and the Tamir missiles that are required to be able to fully engage this system.

Senator BOOZMAN. So we're funded up and you've got the resources you need?

General SMITH. We do, Senator.

Senator BOOZMAN. Very good. Tell me, Admiral Franchetti, again the idea that we're in a situation where we have the issue of expenditure, you know, the idea of shooting a $2 million missile at a $200,000 or less drone. What are we doing to solve that problem?

Admiral FRANCHETTI. Well, first, I couldn't be more proud of our Navy team, our investments have really made over the last 10 years to make sure that our surface ships would have the weapon systems they need, the training, and the confidence in those systems to be able to operate them the way that they are doing that in the Red Sea and, you know, you cannot put a price tag on the 300 sailors that are on each one of those ships and we are defending in-depth and using all of those capabilities that we put in place over really the last 10 years of investment.

You know, I think we are working hard across the entire Joint Force to look as we see this changing character of war and the use of unmanned aerial systems. You saw it in our media in Azerbaijan. You're seeing it in Ukraine and Russia. You're seeing it here in the Red Sea, that we know we need to develop additional capabilities to counter those UASs (Unmanned Aircraft Systems), whether they're kinetic or non-kinetic, as quickly as possible, working with industry and the innovation base to bring to bear some technologies that are out there and we're hoping to get those on to our platforms as quickly as possible.

Senator BOOZMAN. So you feel like we're doing a good job of balancing near-term with the again investments that we need to go forward to actually counter? Does that make sense?

Admiral FRANCHETTI. I do. We're testing out a laser called the Helios System right now, but all of the services right now are testing out different types of capabilities to get there and I'd like to be able to work together with them to marinize some of those and again share lessons learned so we can get after this challenge because we know that it will be with us for the foreseeable future.

Senator BOOZMAN. Right. Thank you.

Mr. Secretary, the Navy's $1 billion investment in unaccompanied housing is much needed to improve quality of life. We also know that there is more work to be done.

Mr. Secretary, can you speak to how quality of life investments and to the value proposition of service, especially as the Navy continues as all the services do with recruiting?

Secretary DEL TORO. Thank you, Senator. Thank you for your commitment to quality of service for our Marines and our sailors. I've been committed to it the entire time that I've been Secretary as has the Secretary of Defense, as well, too, and I think those commitments are really paying out.

We're seeing the highest retention rates in the Navy and Marine Corps today that we've seen in a very long time and I do believe it's fundamentally because of those quality of service investments, starting with increase in pay, 5.2 percent last year, 4.5 percent in this presidential budget. Combined it's the highest pay increase that we've seen in a long, long time.

That's been compounded by a long-term commitment to improving family housing on the part of the Congress and the part of the department for over the last 20 years.

However, I think we've fallen short when it comes to our commitment to unaccompanied housing and we're now correcting the record on that. For example, in the Marine Corps, the Commandant can talk to it, we've just surveyed all our Marine Corps housing. We essentially have 40,000 units basically that have been surveyed. We have 60,000 Marines living in those. 17,000 have fallen short.

We need to continue to make the infrastructure investments in our unaccompanied housing both in the Marine Corps and in the Navy moving forward.

Part of the solution in my humble opinion is actually moving some of those barracks to privatize housing. When you take a look at the gold standard of housing in the Navy, for example, out in San Diego, that should be the standard basically for housing and so just this past year alone I made the decision to move six, and I'm glad the White House agreed with me, to move six of those additional housing units to that gold standard. More has to be done and certainly I will.

I would welcome one of my service chiefs to comment on that, as well.

Admiral FRANCHETTI. I think it's also, in addition to the housing, it's also opportunities that folks have, for example, to cook their own food in the housing, to have access to fitness centers that are nearby, and, of course, making sure that the unaccompanied housing is not only new or modernized, it's also maintained properly. So we've put in place QR (Quick Response) codes that people can report their maintenance and, you know, really making strong investments in the FSRM (Facilities Sustainment, Restoration and Modernization) accounts and appreciate all the appropriations from the committee to be able to improve that.

General SMITH. I would echo the Secretary and my shipmate that the FSRM accounts are vital, the Facilities Sustainment Restoration and Modernization funds, to modernize the barracks that we

do intend to keep and then the construction to build the new barracks that we intend to tear down and build new because the Marines deserve a quiet healthy place, climate-controlled, to live and to recuperate after a hard day's work.

Senator BOOZMAN. Very good. Well, thank you all. We really do appreciate your service in so many different ways.

Thank you, Mr. Chairman.

Senator TESTER. Senator Graham.

Senator GRAHAM. Thank you, Mr. Chairman. Appreciate each of you for your service to our country.

I want to try to keep this as simple as possible, so simple an Air Force person could understand what we're talking about when it comes to the Navy.

There was a report done in June of last year called The Battle Force BFSAR. Are any of you familiar with that, Admiral?

Admiral FRANCHETTI. Yes.

Senator GRAHAM. Okay.

Admiral FRANCHETTI. Battle Force Structure Assessment.

Senator GRAHAM. There you go. We got one acronym down and many to go, I'm sure.

It said we needed 381 manned ships and a 150 unmanned platforms for a total of 515, is that accurate?

Admiral FRANCHETTI. Yes. That's accurate and really every study since 2016 has said that we need——

Senator GRAHAM. Okay.

Admiral FRANCHETTI. [continuing]. A larger Navy.

Senator GRAHAM We need 515. How many do we have now in terms of ships?

Admiral FRANCHETTI. We have 293 ships today.

Senator GRAHAM. Okay.

Admiral FRANCHETTI. And we are continuing to——

Senator GRAHAM. How many will we have under this budget in 2030?

Admiral FRANCHETTI. In 2030, we will——

Senator GRAHAM. Have 294 ships.

Admiral FRANCHETTI. [continuing]. Have 294 ships, yes.

Senator GRAHAM. Okay. We're going to have one more ship than we have today in 2030. We got a long way to go to get to 373.

What does it take to build out this 515 platform Navy in terms of spending?

Admiral FRANCHETTI. So, first of all, on the numbers, it's not only about the numbers, Senator Graham, it's also about the capabilities——

Senator GRAHAM. Now wait a minute.

Admiral FRANCHETTI [continuing]. That we need.

Senator GRAHAM. No, no, no, no, no. You said numbers. You didn't—the report said 515. It said 381 manned ships and a 150 unmanned. Are those numbers right?

Admiral FRANCHETTI. Yes, those numbers are correct.

Senator GRAHAM. Apart from capability? Don't put out a report that's false. If these numbers are not accurate cause we have capability to do it with half of that, I need to know right now.

Secretary DEL TORO. Senator, the ships——

Senator GRAHAM. I'm not talking to you.

Admiral FRANCHETTI. Yes, that is our analysis and it was done last year. That reported that out in the Battle Force Strategy——

Senator GRAHAM. Okay. So you stick by these numbers, right?

Admiral FRANCHETTI. We will continue to do that——

Senator GRAHAM. Okay. All right. You're telling us what you think you need.

Admiral FRANCHETTI. Yes.

Senator GRAHAM. So we got a budget that gets us to 294 in 2030. Now, Mr. Secretary, you support this budget?

Secretary DEL TORO. I do support this budget and I——

Senator GRAHAM. Do you support the plan to get to 515 ships?

Secretary DEL TORO. By 2043, sir.

Senator GRAHAM. You support that plan?

Secretary DEL TORO. I do support the profile. The Number 1 profile that we submitted in the shipbuilding plan——

Senator GRAHAM. Okay. So how in the hell do we get there? If——

Secretary DEL TORO. Well,——

Senator GRAHAM [continuing]. You support——

Secretary DEL TORO. I'll be happy to——

Senator GRAHAM. I'll get right to you. I'm talking to——

Secretary DEL TORO. Let me explain how we get there, sir.

Senator GRAHAM. Huh?

Secretary DEL TORO. I'd be happy to explain how we get there.

Senator GRAHAM. Okay. How do we get there real quick?

Secretary DEL TORO. We get there by having continued support from the Congress basically without——

Senator GRAHAM. How much money do you need——

Secretary DEL TORO. The Fiscal Responsibility Act has made it difficult this year to be able to invest——

Senator GRAHAM. Admiral Gidley said——

Secretary DEL TORO. However, but if I can——

Senator GRAHAM. I am talking.

Secretary DEL TORO. Okay.

Senator GRAHAM. Admiral Gidley said last year you need 5 percent above inflation to get there according to this plan.

Secretary DEL TORO. And the Congress passed the Fiscal Responsibility Act.

Senator GRAHAM. Yes. Well, I'm not saying we're not at fault.

Secretary DEL TORO. The budget——

Senator GRAHAM. So we're 1 percent above last year's numbers, right?

Secretary DEL TORO. Correct.

Senator GRAHAM. Okay. Last year's numbers were 1 percent above. We're still below inflation.

Secretary DEL TORO. Now last year's numbers actually were quite significantly higher than——

Senator GRAHAM. We're 1 percent over last year's number because of the Fiscal Accountability Act. You don't agree with that?

Secretary DEL TORO. That's correct.

Senator GRAHAM. Okay. Well, what's inflation?

Secretary DEL TORO. Inflation runs at about 3.4 percent right now.

Senator GRAHAM. So we're spending below inflation. Can we agree on that?

Secretary DEL TORO. That's correct.

Senator GRAHAM. Okay. So if it takes 5 percent over inflation to get to this magic number, this year we're spending below inflation and when you project it out, the number shifts we'll have an inventory. We're not the enemy here. It goes to 294.

Where does China go by 2030, Admiral? How many ships will China have?

Admiral FRANCHETTI. It's projected to have about 430 ships.

Senator GRAHAM. Yes. How many do they have now? 390 what?

Admiral FRANCHETTI. 370.

Senator GRAHAM. Okay. They have 395 now. That's what this chart says. Maybe it's 370. Let's say it's 370. They have 435, we think, by 2030. We're going up one ship, they're going up like a bunch. There is no plan to the public out there. I trust you about the 515. I'm not arguing with you.

I think you know what the hell you're talking about. I'm not arguing with you that we should have more money. I'm just saying we're saying one thing and doing another. The responsibility falls on elected officials, but I would like you all to echo what I'm saying. I'd like you all to legitimatize that my concerns are real. I'm just not making this shit up, that we talk about a Navy to confront threats that are growing and our budgets do not meet the needs of this country by a factor of a bunch, and it's going to take bipartisan effort to get with the program.

What I want the country to know is that we're on course to shrink the Navy as China is increasing the Navy. The budgets we have do not get us anywhere near where the experts say we need.

So what you can do for this country, I think all of you, is just tell us the truth that we're on track not to meet our goals, is that true, Admiral?

Admiral FRANCHETTI. Sir, we have about 86 ships on contract right now, 55 under construction. There's 57 in this budget.

One of the things that we need to do as a Nation is invest in our shipbuilding——

Senator GRAHAM. How many are we going to retire?

Admiral FRANCHETTI. We are retiring 19.

Senator GRAHAM. Well, so in 2030, if we're at 294 today, we're 293, we just gained one ship, is that right?

Admiral FRANCHETTI. Yes. That is correct.

Senator GRAHAM. Okay. Well, that's my point. By 2030, we have like one more ship than we have today and we need 380 something of these things and we're going backward, not forward.

So I'm going to—will you work with me, Admiral, Mr. Secretary,—haven't talked about the Marines, you got off because I didn't even get to you. Will you work with me to come up with a realistic plan that would allow us as elected officials to get to where we need to go?

It's up to us to get us there, but I would like a plan if you would help me to submit that would get us on track to getting to the ships we need unmanned and manned 515 by 2043. Will you work with me to do that?

Admiral FRANCHETTI. We're continuing to work to invest in the industrial base and——

Senator GRAHAM. That's not my question. I meant will you work with me.

Secretary DEL TORO. Senator, we will continue——

Admiral FRANCHETTI. We will continue——

Senator GRAHAM. The answer is——

Secretary DEL TORO. We will continue to work with you to get——

Senator GRAHAM. Good, good, cause we got a long way to go. Thank you.

Senator TESTER. Thank you, Senator. You're exactly right, but we got a much bigger problem on this side of the dais than we do on the other side truthfully.

Senator GRAHAM. We've got problems and I want to work with you to fix them and I think you want to fix them.

Senator TESTER. I do want to fix them and we need to make sure we're increasing the industrial base so that they can meet these goals because right now they can't even meet the goals that we're funding.

Senator GRAHAM. That's what they said, too.

Senator TESTER. That's right. And so I don't think there's a lot of argument that this is a very dangerous time and you know that serving on the Armed Services, but we need to beat the hell out of one another first.

Senator GRAHAM. Fair enough.

Senator TESTER. Senator Murkowski.

Senator MURKOWSKI. Count me amongst those that are worried about our shipbuilding capacity and our infrastructure and it's not just how many ships we're funding but we know we've got a serious problem when it comes to the workforce that's out there and, Admiral, we've had an opportunity to talk about this and I don't know if there's a grand plan there to work more on that, but I've been focusing on what we're trying to do to build out these Polar Security Cutters and help Coast Guard with their shipbuilding.

We're told it all comes down to workforce, comes down to workforce, but it also comes to the funding of the vessels themselves.

I want to thank both of you for making the trip to the Arctic. Secretary, it was good to travel with you and, Admiral, I know you went the week following with Senator Coons.

I hope that you had an opportunity to meet with the female submariner who wanted to talk about integration of women submariners into that. I thought she had a very compelling message there.

The point that I would like to reinforce, we have challenges again on the submarine side. We've got challenges with all of our shipbuilding, but I've been trying to get Coast Guard moving with the Polar Security Cutters and have been frustrated on many, many turns here.

We try to underscore how far behind we are and people say we get the fact that Russia has 55, we don't even have two. I don't even think we have barely one anymore, but the Navy's the contract agent for the ongoing effort to build out the additional icebreakers. The Coast Guard, of course, owns and operates and

maintains, but I need to know and I'd like your commitment, Admiral, that the Navy as the contract agent for this effort is proactively supporting the Coast Guard and their acquisition of additional icebreakers.

Working through this past appropriations process was a huge struggle to keep in place any kind of funding going forward for the acquisition line. We took a rescission. It didn't kill it, but it doesn't help that in the President's budget there's nothing for the PCS, Polar Security Cutters for fiscal year 2025.

So I'm just nervous on all levels about the commitment that we have to ensuring that we have the assets in the Arctic and those assets are the things that can break the ice and we can't hope that our submarines are going to be able to pop a hole through and maybe that allows for ships to move through. That's not how it works.

We've got to do more and I'd like your commitment here as we're working with the folks at Coast Guard to ensure that Navy's role in all of this as the contract agent is really robust and engaged.

Admiral FRANCHETTI. Thank you, Senator Murkowski, and thank you for your time the other day.

After our meeting, I did go and talk with our folks. I made sure that they are fully committed and they are providing that robust support that you asked for to support the Coast Guard in the design and the procurement of that Polar Security cutter.

So we are very focused on it and you have my commitment I will continue to watch that and, yes, I did meet with the submariner when I was onboard the Indiana, as well.

Senator MURKOWSKI. Good. Thank you for that.

Secretary DEL TORO. Senator, equally so, you have my commitment, as well. As we've discussed, I'm one of the few Secretaries of the Navy that has actually argued for more Coast Guard funding because I think it's important and the relationship between the Coast Guard and the Navy just continues to get stronger and stronger as evidenced by our contracting actions on this program.

Senator MURKOWSKI. We need to keep leaning in and it's going to take all of us.

Still sticking with the Arctic, as you know, we're moving forward with the first deep water Arctic port, the Port of Nome. It's going to be incredibly important to our national defense interests. We are, as you know, not fully funded with that project yet, likely not going to receive MILCON (Military Construction) funding despite the clear national security nexus here.

So I would ask, Admiral, that you articulate support for this project to the White House, to OMB (Office of Management and Budget), as we're moving forward. The Navy will benefit greatly. I think you know that. You recognize that. So we just need a little bit of support here on the infrastructure shoreside, as well. Head nod means yes, correct?

Secretary DEL TORO. Yes, ma'am.

Admiral FRANCHETTI. Yes, ma'am.

Senator MURKOWSKI. Thank you.

General Smith, sticking again with the Arctic because I like this theme here this morning, we have not only expanded the training opportunities in the Arctic with the Joint JPARK Training Facility,

got a training center. We got the Northern Warfare Training Center. Marines have been participating in exercises like Arctic Edge as well as Nordic Response in Europe, but I look at the Marines' role in Arctic Ops as absolutely necessary.

There's a great read in the Washington Post from just about a week ago about the Navy Seals as well as the Green Berets that were training. The Seals were down in Kodiak. The Green Berets were up in Fairbanks. It's 40 below, but the commander from the Seal Unit said that the Arctic is the most rugged and extreme place for any military to operate, even the most routine functions can be an existential threat.

Seems to me that if you're a real Marine, by God that's where you want to go train. It's the toughest of the tough and the hope is, is that in this kind of extreme environment you can get training, if you can live through that, by gosh, you can do just about anything else.

So I'm asking you to speak to whether or not you see an increased role for the Marine Corps there in the Arctic in terms of training and other exercises.

General SMITH. Well, Senator, thanks for that question, and I wholeheartedly agree that the cold makes cowards of us all.

Senator MURKOWSKI. Well, we're cowardly up there. We embraced it.

General SMITH. It is a vital piece of our training as Marines who fight in any clime and place and so we are committed to training in Alaska. We're committed to Northern Edge. We're committed to operating our F–35s from Alaska through the Aleutians, and we're committed to our ground forces operating in Alaska.

We also have Bridgeport in California. That's our Northern Warfare Training Center, but we are fully committed——

Senator MURKOWSKI. You realize how odd that sounds that our Northern Warfare Training Center is in California?

General SMITH. Yes, ma'am. It's up in the Sierra Nevadas.

Senator MURKOWSKI. Okay.

General SMITH. It's cold.

Senator MURKOWSKI. Okay. Good.

General SMITH. It's not as cold as Alaska is, but, yes, ma'am, we're fully committed to being able to operate in any clime and place and that includes Alaska.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Senator TESTER. Senator Moran.

Senator MORAN. Chairman, thank you.

Commandant, let me begin with you. Would you describe for me and this subcommittee the importance of the CH–53K and its support for mobility for the Marine Corps and how its increased capabilities will meet the needs of our national defense?

General SMITH. Senator, I can. Thank you for the question.

The CH–53K is unique in the DOD inventory in that it can lift itself. It can lift 36,000 pounds external, plus its internal load. It has in-flight refueling and it can conduct operations at great ranges.

So being able to sling load 36,000 pounds means it literally can lift itself and it is vital to our work in the Pacific and our inter-island campaign.

Senator MORAN. Admiral, let me ask you a similar question. The multi-domain environment in which we now live as the National Defense Strategy laid out, the integration of platforms to support the warfighter's ability to make rapid and informed decisions in fleet architecture, the Navy is enabling our autonomous fleet with artificial intelligence from Kansas.

How does the integration of commercially available platforms support ongoing Navy efforts like Project Unicorn to deliver multi-source intelligence battle space preparedness?

Admiral FRANCHETTI. Thank you, Senator Moran.

Senator MORAN. Complicated. The way I described it sounded pretty complicated but maybe you can highlight for me the importance.

Admiral FRANCHETTI. Certainly. You know, as we look to the future and the evolution of both unmanned and autonomous platforms, it's really important to have that backbone, the architecture through which we can communicate with them.

So we are continuing to work through our Project Overmatch to develop those opportunities as well as with our Disruptive Capabilities Office.

I think if you look to the commercial space and in the innovation base, a lot of that technology and the work being done is out in the commercial sector in the innovation space.

So we stood up under the Secretary's leadership a Disruptive Capabilities Office which really helps connect us to all the people that are developing those technologies in the innovation area so we can more rapidly get those into the hands of the warfighter.

So that office's job is essentially to go out and work with commercial industry to see what is already out there that can solve challenges that we have and again bring those rapidly to bear.

Senator MORAN. And is it working?

Admiral FRANCHETTI. It is working. It's a great pipeline and I'm really excited about it.

Senator MORAN. Great. Mr. Secretary, last year I asked you about the status of the Navy's efforts in regard to Camp Lejeune. Your staff and others have provided us with information in preparation for expecting my question today.

I think they've answered much of what I want to know. I would tell you that my staff has been told there's a 190,500 claims that have been received, 551 have evidence to support a settlement. I don't know what about the other.

Have all 190,000 been evaluated or those are still in the works?

Secretary DEL TORO. No, sir. Actually, a 190,500 have been——

Senator MORAN. Thank you for saying it correctly.

Secretary DEL TORO [continuing]. Submitted on the online portal. Of those 190,500, only 551 claims have actually submitted all the information that's necessary to be able to determine evaluation on those claims. 63 currently qualify for a settlement offer. Of those 63, offers have been made to all 63 of those claimants. Of those 63 claimants who've completed their files, they've been made an offer basically. They qualify for an offer. 29 of the 63 were actually accepted, two were declined, and the remaining offers still await a decision. The total value of the 29 settlement offers that were already made is $7,500,000 and we remain deeply committed to

working with all of these claimants for the expeditious resolution of their claims once all the information is submitted on the portal.

Senator MORAN. So, Mr. Secretary, the question I'm looking for an answer for is what of the other 190,500—what's happened to those other claims, other than the 551?

Secretary DEL TORO. They're essentially gathering their paperwork and all the necessary medical evidence that's necessary to be able to submit it on to the portal.

Senator MORAN. So a significant number of claims still are pending?

Secretary DEL TORO. That's correct, sir.

Senator MORAN. And my final question, Mr. Chairman, is the Supplemental that I hope that we receive in the Senate this week.

Can you explain to the committee why this Supplemental package is critical to preserving peace and stability in the Indo-Pacific and assuring our allies and partners? This is not a throw-away question. It seems somewhat self-evident to me, but there's been some talk about separating the variety of the package into separate segments.

I think it's a package that's important all together and I would love to know from your department if that's true and why.

Secretary DEL TORO. Senator, you couldn't be more accurate with your assessment of how important I think it is to keep these packages together.

As we continue to now look at 3 years of warfare on the Ukrainian battlefield, we have an obligation to support our sisters and brothers in Ukraine who are fighting not just for their own democracy but the democracy of all nations an if we fail to support them as we have committed to doing so, then without question I think that there will be a future where we have to make even greater investments into the defense of Europe in the future. So that's point Number 1.

There's no question in my mind that as the situation continues to evolve on the battlefield in Ukraine that President Xi is also looking intently at our commitment and our reactions and if we don't meet our requirements and our commitments in Ukraine and Ukraine falls, there's no question in my mind that he will be emboldened actually in his intent towards Taiwan in the future, as well, too, and equally important obviously is the defense of Israel. The defense of free trade in the Red Sea and throughout the Middle East is incredibly important and so all of the investments that the American taxpayers are making and hopefully will be making in defense of Israel and defense of our Ukrainian brothers and sisters in deterring China are critically important and they're all interrelated, as well, and as I said earlier today, many roads lead to Iran, as well, too.

So we need the investments in munitions and operations and O&M money to continue to support operations in the Red Sea collectively and that's why I think all these packages are together, in addition to the other parts of the Supplemental that are also being considered.

Senator MORAN. Is it fair to say that failure to invest broadly with the challenges we face around the world, invest in all of them results in greater challenges to come in each component?

Secretary DEL TORO. Without question, Senator.

Senator MORAN. And you cannot single out one without causing consequences elsewhere, including the security of the United States of America.

Secretary DEL TORO. That is correct, Senator. I agree.

Senator MORAN. Thank you.

Senator TESTER. Thank you for that question, Senator Moran, because the truth is, is that those additional investments also include people's lives if we don't do what we need to do today.

ADDITIONAL COMMITTEE QUESTIONS

So thank you guys. We appreciate your testimony, all of you across the board. We appreciate the people you represent in the Navy and the Marine Corps. We appreciate what you do.

Senators may submit additional written questions. We ask that you respond to them in a reasonable amount of time.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. CARLOS DEL TORO

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. This Subcommittee has been very supportive of the submarine industrial base. But despite repeated investments, we don't see submarines being delivered on cost and schedule—just the opposite, as the 45-day shipbuilding review shows. As a result, this year's budget requests only one Virginia Class submarine, and instead proposes $3.9 billion in Submarine Industrial Base investments to increase shipbuilders' health and supply chains.

Secretary Del Toro, in addition to $3.9 billion for the submarine industrial base in this budget, the National Security Supplemental includes $3 billion for the submarine industrial base. How are you going to ensure that these funds get to the right parts of the industrial base for a meaningful impact, particularly the sub-tier suppliers?

Answer. Removal of the second VIRGINIA class submarine in FY25 was a difficult choice, but the Navy is optimistic it provides an opportunity to recover the backlog within the production line and for the Submarine Industrial Base (SIB) investments to take greater effect. The Navy estimates, with SIB investments requested in the PB25 budget, that the Navy and industry will get back to a two-per-year VIRGINIA production cadence by the end of FY28.

SIB investments proposed in the PB25 budget submission expand upon the foundational investments made in PB23 and PB24. These investments were made based on studies done jointly by the Navy and the Office of the Secretary of Defense Cost Analysis and Program Evaluation (OSD CAPE). Investments across the sub-tier suppliers were assessed as part of the study, and the Navy will continuously evaluate the need for supplier investment based on gaps in capability and capacity in meeting production of one COLUMBIA plus two VIRGINIA Class submarines per year. Approximately 85% of the funding provided to date (FY18–24) has been for sub-tier suppliers.

Question. Last year, Congress approved multi-year purchases for several missiles that are very important to our ability to fight and win a war if we have to. This will provide funding stability and predicted quantities for several years to come. In return, reflecting that stability, we expect to see cost savings and investments from industry. However, according to your request for this year, we will get 17 fewer Long Range Anti-ship Missiles, and 31 fewer Advanced Medium Air to Air Missiles that what you planned last year.

Secretary Del Toro, are we going to get the savings, stability, and industry contributions we expected?

Answer. I would like to thank the Committees for supporting the Department's multi-year munition procurement strategy. FY24 appropriations provided for Economic Order Quantity, Advanced Procurement and Industrial Base Facilitization investments that will enable the purchase of long lead time materials and production

capacity increases required for the successful implementation of the multi-year awards planned for FY25 and beyond. Although we continue to be affected by the increasing impacts of inflation on our buying power, we expect the strategies to yield savings in line with OSD/CAPE projections. Further, the duration of these procurements, combined with the significant production capacity increases being implemented and growing demand from the other Services and partner nations, are expected to provide needed stability in this sector. Finally, while we have seen some of our prime contractors and sub-vendors contribute to ongoing capital expenditures, we will continue to encourage their increased investments in these endeavors.

Question. I want to commend the Navy for establishing Quality of Service in response to the very tragic spike of Sailor suicides. We included $30 million in last year's bill for suicide prevention efforts including training and wellness programs, and high speed connectivity for Sailors to stay in touch with their loved ones and not feel isolated.

Secretary Del Toro, what level of funding is included in the President's budget request for Quality of Service? How is this funding split between prevention and policy reforms, mental health, and infrastructure improvements?

Answer. First, I thank the Congress for your support and partnership in taking care of our people and building a culture of warfighting excellence. Quality of Service (QoS) remains a high priority in the FY 2025 President's Budget with a total Navy QoS request of $1.35 billion in FY25. Of this total, $531 million supports prevention and policy reforms, including sexual assault and harassment prevention and response, and manpower information technology transformation. $374 million supports mental health, including embedded mental health providers, warrior toughness training, suicide prevention, and morale and wellness programs. And $448 million supports infrastructure, including unaccompanied and off-base housing, berthing barges, galleys, and additional parking.

QUESTIONS SUBMITTED BY SENATOR BRIAN SCHATZ

Question. Joint Task Force—Red Hill has officially transferred closure duties to Navy Closure Task Force. Over $477 million remain unspent from the Red Hill Recovery Fund.

How is the Navy planning to utilize these funds to support environmental and health remediation efforts impacted by the Red Hill spill?

Answer. Remaining funds are slated to be applied to specific planned future actions necessary to address RH closure tasks. The Department of the Navy (DON) and Defense Logistics Agency (DLA) have planned for full expenditures of available funding and are engaged in award activities to complete the expenditure. The current distribution of funds is as follows: Tranche #2 distributes $457.8M from the Red Hill Recovery Fund of which Operation & Maintenance, Navy receives $168.8M. The Joint Task Force accounts for $14.2M to support the Line of Effort (LOE) 2: Defueling Operations. The remaining $154.6M allocated to Navy will support LOE 1: Community Response, and LOE 3: Tank Closure Requirements, including: Granular Activated Carbon (GAC) treatment system operations and maintenance, Site Assessment Field Work, and Strategic Engagement and Communications. An additional $41.1M fulfills the Fiscal Year (FY) requirements associated with Drinking Water Long-Term Monitoring (LTM) Sampling and Administrative Consent Order (ACO) Compliance.

Question. Does the Navy, along with its partners in the Red Hill closure effort, believe that the remaining funds are enough to conduct the closure mission?

Answer. The remaining funds are not enough to complete the effort. Funding provided to date addresses physical tank closure activities including defueling, tank cleaning and pipeline removal, as well as community response activities. Several lines of effort are underway to investigate and remediate prior fuel releases that will continue beyond FY25 that will require the Navy to identify additional resource requirements. Final actions to meet remediation and long-term tank closure requirements depend on the results of studies that can only be completed after defueling and tank cleaning, and will incorporate regulatory requirements for remediation and long-term maintenance.

Question. How does the Navy plan to assess what environmental and health damages from Red Hill will require remediation?

Answer. Remediation requirements are established by the State of Hawai'i through the Emergency Order, 2015 AOC and 2023 ACO, along with underground storage tank (UST) closure requirements from the Hawai'i Administrative Rules (HAR). Efforts to investigate and remediate specific known releases from the RHBFSF have been underway since 2015, and a Site Assessment to assess the en-

tirety of the RHBFSF facility is ongoing. This Assessment will form the basis of further Site Investigation (SI) efforts to determine the nature and extent of releases at the RHBFSF. Remedial efforts will follow the SI and continue until the regulatory criteria for environmental closure of the RHBFSF are satisfied. Remediation activities are specific to the site, media (soil/groundwater) and quantity and type of released material. The Navy continues to work closely with the State of Hawaii Department of Health and the U.S. Environmental Protection Agency to identify efforts required for the environmental restoration of Red Hill.

Question. How is the Navy selecting how to fund projects to address remediation issues?

Answer. Projects are being developed and funded according to a master schedule to ensure that remedial actions are implemented as early as feasible, provided that viable remedial pathways are identified. Funding for remediation projects is divided between Defense Logistics Agency (DLA) and Navy. DLA is responsible for funding environmental remediation requirements that are not associated with the water system. The Navy, through CNIC, is responsible for funding requirements associated with the water system. The Navy's project selection and funding process follows the three steps of future years planning, stakeholder meetings, and annual programming for compliance and remediation. During future years planning, Navy reviews large scale projects including military construction and special projects over a multiyear period, and refines during planning and design to ensure regulatory requirements are incorporated. For the stakeholder meetings step, Navy meets weekly with regulators to identify requirements and determine projects to comply. During the annual programming step, Navy identifies a detailed allocation of resources to meet requirements.

Question. Does the Navy suspect it will need additional appropriations to support environmental and health remediation projects?

Answer. Navy will need to allocate additional resources to these projects. Navy will continue to support environmental remediation projects through the Operation and Maintenance, Navy appropriation. At this time, the known remediation projects are funded, but as ongoing investigations progress and regulatory requirements for compliance and remediation increase, the Navy will identify additional resource requirements.

Question. The Department of Defense (DoD) has referred to the U.S. Indo-Pacific Command (INDOPACOM) area of responsibility (AOR) as the "priority theatre." Regional threats from the People's Republic of China (PRC), Russia, and North Korea have exacerbated the need for continued investments in maintenance and readiness for our forces.

How is the Navy prioritizing specific Shipyard Infrastructure Optimization Program (SIOP) investments across U.S. public shipyards to produce and maintain surface vessels and submarines?

Answer. Thank you for the question, Senator Schatz. The Navy agrees that to ensure deterrence of our near peer adversaries, prioritizing specific Shipyard Infrastructure Optimization Program (SIOP) investments for our Virginia and Ford Class ships, as well as our entire fleet, is paramount in maintaining a ready force. The Navy has deliberately prioritized drydocks and back-bone infrastructure investments, such as utilities, at our public shipyards to enable the Fleet in the fight to be the most ready.

The Navy continues to prioritize Pearl Harbor Naval Shipyard (PHNS) with $3.37B in construction under contract. The program has completed $23.8M worth of construction ranging from dry dock repairs to shop consolidation and funded $124M of new industrial plant equipment. Moving into the future, the PHNS area development plan will guide the execution of SIOP priorities of returning ships to the Fleet and maximizing shipyard efficiency.

The Navy remains committed to SIOP by investing in drydocks that support current and planned classes of nuclear-powered warships, optimizing workflow through significant changes to the public shipyards' physical layout, and replacing obsolete capital equipment with modern technology that increases productivity and safety.

Question. The Department of Defense (DoD) has referred to the U.S. Indo-Pacific Command (INDOPACOM) area of responsibility (AOR) as the "priority theatre". Regional threats from the People's Republic of China (PRC), Russia, and North Korea have exacerbated the need for continued investments in maintenance and readiness for our forces.

How is Navy incorporating climate risk assessments when assessing investments in Navy infrastructure, including in projects the Navy approves for support through sustainment, restoration, and maintenance funds?

Answer. The Department of the Navy is currently implementing requirements in 10 USC 2864 to address military installation resilience by adding climate resilience

components to each installation's master plan. These climate resilience components assess multiple climate hazards, and develop recommended course of action to address validated deficiencies. The Navy and Marine Corps uses these recommendations to develop both Operations & Maintenance (O&M) and Military Construction (MILCON) projects. ICRPs currently underway in INDOPACOM include: Joint Base Pearl Harbor-Hickam, Marine Corps Base Camp Blaz, Naval Base Guam, and Commander, Fleet Activities Yokosuka.

More broadly throughout the AOR, the Department is investing in both built and natural infrastructure with a resilience focus. At Pacific Missile Range Facility, the Department of the Navy, in partnership with the local utility, has built the DoD's largest clean energy microgrid, ensuring our ability to operate this critical facility in the face of extreme weather or other disruptions. In Guam, we are partnering with the community to restore native forests, protecting Guam's aquifer, and enhancing climate adaptation efforts. We are also undertaking major infrastructure projects like the Shipyard Infrastructure Optimization Program (SIOP) at Pearl Harbor Naval Shipyard and the build-up on Guam as we focus on building in a climate informed way. For SIOP, for example, we are integrating climate resilience considerations throughout the planning process, and have included the requirement that the shipyard be able to operate for 14 days off the electric grid and independent of local water supplies.

As the Department's Chief Sustainability Officer, I have issued a series of memoranda, directing the Navy and Marine Corps to achieve key resilience and sustainability objectives. The very first memoranda I issued was on infrastructure, setting a course to ensure that our standard facility designs are electrified, sustainable, energy efficient, and resilient. My team is also working with the Department of Defense and other Services to develop standard thresholds and approaches to tracking impacts from extreme weather so we can better track infrastructure damage and more effectively target resilience investments to guard against future impacts.

Question. Earlier this month, the DoD Inspector General released its report entitled, "Review of the Navy and Marine Corps Policies Covering Sexual Harassment Complaint Process." This report points out that the Navy and Marine Corps have the highest rates of sexual harassment among the Services. The IG found gaps in the Navy and Marine Corps' policies relating to the documentation of complaints, investigations of severe allegations, training of investigating officers, and tracking the status of complaints. The IG indicates that while the Navy and Marine Corps are working to resolve some of these gaps, more needs to be done.

What is your response to the IG's report? Will the prevention workforce help implement some of the recommended policy changes?

Answer. The recommendations from the Department of Defense Inspector General's (DoDIG) "Review of the Navy and Marine Corps Policies Covering Sexual Harassment Complaint Process" report align with current Department of the Navy (DON) efforts to implement significant reforms in the response to sexual assault and sexual harassment as required by provisions from Fiscal Years 2022 (FY22) and 2023 (FY23) National Defense Authorization Act (NDAA) as well as recommendations from the 2021 Independent Review Commission on Sexual Assault in the Military report. As such, the DON is addressing policy and process updates to improve the documentation of sexual harassment complaints, investigations of severe allegations, training of investigating officers, and collecting data to track the status of complaints.

The DON's progress to date include:

Issuances of the No Wrong Door Policy to ensure victims of sexual assault, sexual harassment, and domestic violence receive needed care and quality of service with minimal delays (June 2022).

Expanding available resources for victims of sexual harassment including eligibility to receive the full range of support services available to victims of sexual assault (DON Policy Regarding Support Services for Victims of Sexual Harassment. June 2023).

DON has developed a Misconduct Report Incident Trucking (MRIT) case management system to centralize data collection for all Navy and Marine Corps Military Equal Opportunity (MEO) cases. MRIT is currently in a testing phase to ensure accessibility across the force to include cases being entered from ships and submarines. Features of this system align with DoDIG recommended elements to include when notifications have been made to the next highest-level commander and when cases have been withdrawn, downgraded, or dismissed.

Naval Criminal Instigative Services (NCIS) has been designated as the DoN's primary investigative body for all formal sexual harassment complaints. In accordance with FY23 NDAA Sec. 54 l(b), all formal complaints of sexual harassment will be

investigated by NCIS and reviewed by the Navy or Marine Corps Offices of Special Trial Counsel.

The DON is establishing the Integrated Primary Prevention Workforce (IPPW) that will focus on preventing harmful behaviors, addressing systematic issues, and improving climate and culture. The DON, Navy, and Marine Corps are actively hiring personnel to combat harmful behaviors, including those that fall within the MEO Portfolio. Additionally, the IPPW will be taking a holistic approach to prevention with a renewed focus on improving climate and culture across the DON. As the workforce continues to grow, is trained, and operationalized, the DON will be able to better assess the positive impacts the IPPW has in preventing harmful behaviors, to include sexual harassment.

QUESTIONS SUBMITTED BY SENATOR TAMMY BALDWIN

Question. Mr. Secretary, I noted with concern that your 45-day shipbuilding review assessed the Frigate program to be delayed by 36 months.

What is your assessment of whether the Navy carries responsibility for any part of the delays to the Frigate program? If you do identify responsibility on the part of the Navy, what actions are you taking to rectify them?

Answer. Ongoing Functional and Detailed Design efforts are driven in large part by challenges in both the engineering workforce and industry-wide blue collar hiring and retention, combined with issues the shipbuilder has encountered in adapting the parent design to meet the requirements that were reflected in the system specification used in the competition.

There have been limited changes to the contract after award that were negotiated and agreed to with the shipbuilder. However, the Navy does not consider the negotiated changes to be a primary driver of functional or detailed design schedule delays.

To mitigate ongoing delays in the schedule, the Navy and Fincantieri Marinette Marine (FMM) are jointly pursing program-wide process improvements and mitigations across multiple program risk areas.

Question. Would additional funding for the Frigate industrial base help put this program on a path to success?

Answer. The Navy is very appreciative of the industrial base funding that Congress has given the Frigate program: $50 million in FY23 and $50 million in FY24. The Program has identified key risks (workforce, first-time Prime Contractor, first of class issues, etc.) impacting FFG 62 and follow delivery schedules for which Surface Combatant Industrial Base (SCIB) funding is critical to execute mitigation efforts. Near-term investments target understanding FMM workforce challenges related especially to recruitment, retention, and training, with development of corresponding initiatives. FMM plans to continue working with regional governments and stakeholders to ensure a robust Frigate Industrial Base through mid- and long-term activities associated with housing, expansion of talent pipelines, school outreach, and other community-based initiatives.

The Navy fully supports the President's FY25 budget request.

Question. The Navy took approximately 15 months to obligate the FY23 Frigate industrial base funding. What are the Navy's plans for improving the effective and timely execution of this funding?

Answer. The program office received its first funding allocation related to the Industrial Base with the FY23 SCIB funding. This became available on March 21, 2023, after the conclusion of the FY23 Continuing Resolution when the remainder of allocated SCN funding was received. After Collaboration with the shipbuilder regarding priorities and return on investment, the Navy obligated the FY23 SCIB funding on August 15, 2023.

While executing the FY23 SCIB funding, the Navy has engaged the industrial base, primarily focused on design maturation acceleration and workforce retention, with well-defined and established contract vehicles; industrial base funding for these efforts will be executed with increased proficiency.

Question. Mr. Secretary, I am troubled by the selection of an untested engine for the T–AGOS program. There already exists a suitable diesel engine in production for Navy service that is already undergoing the necessary rigorous Navy testing. In fact, the Navy contributed millions of dollars of investment in building the test stand for this engine. The current plan for the forthcoming T–AGOS program includes selection of a locomotive engine that has not proven endurance in Navy service and has yet to begin Navy testing.

Can you explain the anticipated extra costs and time delays to the T–AGOS program that will result from selecting a commercial and untested engine over a technically compliant lower cost engine solution?

Answer. The prime shipbuilding contractor (Austal) for the T–AGOS program conducted internal industry studies and selected an engine that they determined best met the requirements of the contract. There is no anticipated extra cost or time delays to the T–AGOS program because of Austal's selected engine.

QUESTIONS SUBMITTED BY SENATOR JEANNE SHAHEEN

Question. Secretary Del Toro, I'm pleased to report that Granite State Manufacturing, a subcontractor in New Hampshire, has been able to expand their capacity to support the Virginia and Columbia class programs as a direct result of receiving Supplier Development Funding (SDF). They added an additional 70,000 square foot manufacturing plant and created a partnership with local community colleges to train and hire additional skilled workers to support the build effort. Thank you to the Navy for heeding Congress's call and ensuring that these funds go beyond just the prime contractors.

Can you please advise on how other small and non-prime businesses may be able to take advantage of SDF?

Answer. Submarine industrial base suppliers at any level of the supply chain, as well as companies interested in joining the submarine industrial base are invited to submit proposals for Supplier Development Funding projects. Proposals can be submitted to both prime submarine shipbuilders, General Dynamics Electric Boat (GDEB) or Newport News Shipbuilding (NNS), or to the Navy Submarine Industrial Base (SIB). Proposals are reviewed by the joint Navy-Shipbuilder team, and prioritized based on project Return on Investment (ROI), impact to submarine production, supplier and market segment health assessments, and risk analyses.

Supplier Development Funding is specifically allocated to support industrial base suppliers, rather than prime shipyards, to add capability and capacity to the supply base, improving manufacturing quality, and reducing risk posed by single and sole-source suppliers. Since FY 2018, the Navy has funded more than $1.7B to execute hundreds of supplier projects to support the nuclear shipbuilding enterprise.

The Navy partners with Granite State Manufacturing in their recently launched partnership with Manchester Community College to provide a rapid, 12-week welding boot camp training program with student costs fully covered. Programs like this are critical to meeting the demand for key skilled trades across the submarine industrial base.

Question. Secretary Del Toro, I'm concerned about the waterborne security barriers that the Navy depends on to protect our ports, installations, and ships. My understanding is that the existing marine barriers have a primary function of performing as marine gates, yet in the existing installations, this function has caused delays in ship movements, and require a complex arrangement of contractors and service boats to operate them. As the Naval Sea Systems Command pursues a full and open competition for next generation waterborne security barriers:

—Will the procurement become an ACAT level Program of Record? What level?

—Will the Navy perform a review by OPTEVFOR for the proposed equipment?

—What improvements will be made to enable better performance of the marine gate function?

Answer. The Navy plans to initiate the procurement process of planning and preparing for the replacement of the waterborne security barriers after Fiscal Year 2026. The Navy has not requested funding for the Next Generation Waterborne Security Barriers and requirements remain under development. As a result, the path forward for the program including the ACAT level (if any), any OPTEVFOR review requirements, and any marine gate improvements have not yet been determined.

QUESTIONS SUBMITTED BY SENATOR CHRISTOPHER MURPHY

Question. Connecticut is home to Electric Boat and hundreds of downstream suppliers who support Electric Boat's operations. Collectively, these companies employ thousands of workers who are leading the effort to restore our submarine production to full operating capacity. The shift to one Virginia Class threatens to set back recent rapid advances made in Connecticut that support submarine production.

Secretary Del Toro (or CNO Franchetti), how is the Navy's request for one Virginia Class submarine in FY25 anything but a step back for our submarine industrial base, which has been making progress that needs to continue full speed ahead?

Answer. Virginia production is currently below the two per year rate. Removal of the second ship in FY25 was a difficult choice, but the Navy is optimistic it provides an opportunity to recover the backlog within the production line and for Submarine Industrial Base investments to take greater effect. Procuring one VIRGINIA Class submarine in FY2025 enables workforce efforts, manufacturing, outfitting, assembly, and delivery efforts to all be synchronized and efficiently functioning, thereby ensuring that the ramp to "1+2" is executable and can be achieved in CY28. The Navy is mindful of the criticality of stability within the vendor base and despite removal of a ship, retained advance procurement (AP) and economic order quantity (EOQ) values in the budget.

Question. How does the FY25 request keep existing suppliers—and not just advanced procurement suppliers—fully funded and active in the submarine industrial base?

Answer. There is significant funding across the submarine enterprise associated with material procurements. With retention of FY25 AP and EOQ funding in the budget, coupled with VIRGINIA Class material funding across the FY24 and all Block VI (FY25–29) ships, as well as significant COLUMBIA Class Build II material, the Navy will work with the shipbuilders to ensure stability throughout the industrial base.

Question. The FY25 budget does push for significant investment in the submarine industrial base—with $4 billion requested for supplier and workforce development support. This is of course on top of the key $3.3B in the National Security Supplemental. Can you outline in greater detail for us the plan for these critical submarine industrial funds? How have you seen investments in recent years go to work for our suppliers and workers, and how do you plan to invest this funding to keep this momentum in the fiscal year ahead?

Answer. The submarine industrial base (SIB) investments in the FY24 supplemental and the FY25 budget requests build upon the foundational investments made in PB23 and PB24 and continue targeted efforts in the next tranche of supplier development, infrastructure, strategic sourcing, workforce development, government oversight and technology opportunities. Investments in recent years have helped work to address the capability and capacity within the industrial base. These investments coupled with the previous FY18–22 funding have funded over 200 supplier development projects across 34 states, invested in almost 300 sequence critical materials and have provided significant resources in single/sole source suppliers. Additionally, training opportunities exist at local, regional, state and national levels to attract workers into the SIB. Future investments will continue to drive to achieve production rate of one COLUMBIA Class and two VIRGINIA Class submarines per year in CY28.

Question. In April 2022, Seaman Recruit Xavier Sandor took his own life with his service- issued firearm while standing watch on the USS George Washington, due to a combination of stress, lack of sleep, and failure to recognize a sailor going through crisis. Seaman Sandor was one of three suicides aboard the GW in that single week. Thanks to the passage of my bill, the Seaman Xavier Sandor Support for Sailors Act, these sailors will now receive basic allowance for housing during maintenance.

With this in mind, Secretary Del Toro (or CNO Franchetti), would you provide an update on the extension of basic allowance for housing to better support sailors during lengthy maintenance periods, as required by the Seaman Xavier Sandor Support for Sailors Act?

Answer. We are doing all that we can to minimize situations where Sailors have to reside onboard ships. Members not already on BAH are lodged in government unaccompanied housing or government leased housing.

Unaccompanied and government leased housing are preferred as they come furnished and the member does not have to arrange utilities.

Question. What further authorities or resources does the Navy need to better support our sailors and ensure situations like Seaman Sandor's never arise again?

Answer. Culture of Excellence (COE) 2.0 was officially launched this year ensuring every member of the Navy Team thrives under a Great People, Great Leaders, and Great Teams construct. We have also issued a Mental Health Playbook which is designed to assist leaders in preventing, mitigating, and addressing mental health issues within the commands. Every suicide is a tragedy, and one is too many. Suicide prevention is an all-hands effort that requires ongoing efforts to create a culture of safety, to take proactive steps toward maintaining mental wellness, and to foster connectedness with those around us so we are prepared to fight and win in combat. The Navy needs timely and sustained funding for Quality of Life improvements across the Fleet and funding for wellness programs that build a Sailor's resiliency through mind, body, and spirit needs.

Question. In April 2022, Seaman Recruit Xavier Sandor took his own life with his service- issued firearm while standing watch on the USS George Washington, due to a combination of stress, lack of sleep, and failure to recognize a sailor going through crisis. Seaman Sandor was one of three suicides aboard the GW in that single week. Thanks to the passage of my bill, the Seaman Xavier Sandor Support for Sailors Act, these sailors will now receive basic allowance for housing during maintenance.

Another key finding of last year's investigation was that the USS George Washington lacked sufficient mental health resources. What is the Navy doing to ensure our sailors have access to mental health support they need?

Answer. The Navy is committed to ensuring access to the full continuum of mental health resources for our Sailors and Families, while aiming to utilize the right care, at the right level, at the right time. Mental health and behavioral health services are available worldwide from Navy installation counseling centers, on the waterfront, in operational units through embedded mental health (EMH) providers, at military medical treatment facilities, and via virtual health platforms. Non- medical services are available through Fleet and Family Support Centers, Military and Family Life Counseling, Military OneSource, and Navy Chaplains.

In FY23, the Navy published a Mental Health Playbook, implemented the Brandon Act, and coordinated with OSD on recommendations from the Suicide Prevention and Response Independent Review Committee Report. Also in FY23, the Navy Installation Director of Psychological Health program was enacted to ensure that all 81 Navy installations world-wide have an identified licensed mental health provider to serve as consultant to the installation commander regarding psychological health for service members and families. Relatedly, EMH remains vital for mental wellness by placing Mental Health professionals as far forward as possible: 43% of active-duty mental health providers and 38% of behavioral health technicians are assigned to EMH billets. Finally, in FY24, mental health billets on aircraft carriers were doubled and now include a psychologist, a licensed clinical social worker, and two behavioral health technicians.

Question. The Navy's unmanned efforts seem to be primarily focused on air and surface assets, but it's worth noting that capable uncrewed surface vessels (USV) can host acoustic sensing systems that in many cases can provide more persistent, wider-area surveillance in support of maritime domain awareness and anti-submarine warfare. The committee appropriated $20 million in fiscal year 2022 for the Navy to for work on this type of technology, supporting testing and deployment of four Outpost persistent, passive acoustic surveillance systems developed by Thayer Mahan in Groton, CT. These systems were successfully deployed to the Western Pacific where they identified and monitored adversary navy operations. Earlier this year, Johns Hopkins University's Applied Research Lab, on behalf of the Office of Naval Research, completed a study that showed the Outpost system met all Navy requirements for subsurface acoustic monitoring in many important maritime areas around the world.

How does the Navy understand the potential for USV-based acoustic sensing systems to improve its surveillance abilities and maritime domain awareness?

Answer. ThayerMahan (TM) operational deployment assessment is ongoing and has not completed final assessment. The Navy will continue to evaluate the S&T and commercial technology base to support the wide area surveillance gaps.

Question. Why did the Navy's not include funding for this type of technology in its fiscal year 2025 budget?

Answer. PB25 supported validated, technically mature, higher priority wide-area surveillance program of record (POR) associated with Fixed, Mobile, and Deployable Surveillance Systems (FSS, MSS, DSS). PB25 did include funding for DSS Deep Water Active as part of the transition from DARPA's KRAKEN into the beginning stages of Middle Tier Acquisition (MTA) Rapid Prototyping and Fielding phase. However, PB25 did not include TM Outpost technology because the technology at this time is not sufficient to fit DSS gaps.

Question. What is the Navy's strategy to increase its development and use of USVs that employ capable passive acoustic surveillance technologies?

Answer. The Navy's DSS Deep Water Passive (DWP) MTA FY19–FY24 POR is finalizing the Quick Reaction Assessment (QRA) which includes the unmanned surface communications relay node. These lessons learned, along with the Navy's unmanned vehicle history, will be incorporated and matured during the Rapid Prototyping phase of the DSS DWA program of record.

QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

Question. Mr. Secretary, in 1882, the Navy, who at the time had been appointed to administer the territory of Alaska, conducted military operations against the Alaska Native village of Angoon. The result of this operation was significant loss of life during the bombardment, followed by the loss of an untold number of lives in the subsequent winter. In a September 14,1982 letter to Charlie Jim Sr., Vice Chairman, Kootznoowoo Heritage Foundation, John S. Herrington (Assistant Secretary of the Navy, Manpower and Reserve Affairs) officially acknowledged the Navy's involvement in the affair saying, "The destruction of Angoon should never have happened, and it was an unfortunate event in our history." But the U.S. government has never formally apologized for the shelling of Angoon. Angoon was not the only Alaska Native village in Southeast Alaska shelled by the military. In 1869, the U.S. military destroyed villages near the present-day cities of Wrangell and Kake. I have been asking the Navy to issue a formal apology to Angoon and to these other Alaska Native villages for some time now. And there have been meetings with the Communities and the Navy and with myself and Senator Sullivan since 2020 and we are always told: "It's coming, we are close."

What is the status of this apology?

Answer. The Department of the Navy (DON) is committed to issuing a formal apology to the Alaska Native villages of Angoon and Kake, which were affected by Navy actions. The Navy has initiated discussions with the affected clans in Angoon. We are in contact with the village of Kake to discuss with the affected clans there. Our Navy Region Northwest Commander has been actively and enthusiastically engaged with clan leaders by participating in Tribal events in Alaska, establishing stronger relationships and earning the trust of the clan leaders. We will continue to work with the clans on a culturally appropriate and respectful apology, and our goal is to issue an apology in the Fall of 2024.

Question. Mr. Secretary, in its Defense Overview for the FY25 Budget Request, OSD notes that, and I quote: "In the Arctic, the Department will continue developing a monitor-and-respond approach." In an area that is becoming more and more accessible as temperatures increase, with new routes becoming available each year that we have never seen before, new routes that can be exploited by our adversaries with bad intentions, this sounds like an unacceptably passive strategy to me.

Mr. Secretary, could you please expand on the Navy's strategy in the Arctic?

Answer. The National Defense Strategy's monitor-and-respond approach to the Arctic—with which the Department of the Navy is fully aligned and integrated—is not a strategy of passivity. The Department of the Navy, in particular, maintains an active and important role in the security of the Arctic region, by regularly exercising and operating in and around the Arctic region both Jointly and with our Allies and partners. Navy ships and aircraft, along with Marine aircraft, vehicles and personnel in the region are pre-positioned or operate forward to strengthen homeland defense, safeguard U.S. interests, and improve interoperability with Allies and partners while preserving the Department's focus on the pacing threat.

The DON continues to pursue capabilities that increase our ability to monitor and respond in the high north consistent with the National Security Strategy and the National Defense Strategy, including the Persistent Arctic Surveillance System, Polar Over the Horizon Radar, new environmental prediction capabilities, and sea ice analysis and forecasting capabilities. We also have an active role in the International Cooperative Engagement Program for Polar Research, an international agreement to help advance polar science and technology, where current working groups are focused on the environment, human performance factors, platforms, and situational awareness. Our regular exercises in the region, including ICE CAMP this year, allow us to test and hone our abilities, tactics, and equipment while operating with Allies and Partners.

The Secretary of the Navy directed an update to the Arctic Blueprint, which will soon be released. The updated strategic guidance will reinforce the Navy and Marine Corps roles in defending the homeland and protecting American and Allied interests to ensure a stable Artic region with internationally recognized norms and rules.

QUESTIONS SUBMITTED BY SENATOR JERRY MORAN

Question. Did the Department of Justice consult with the Navy before finalizing the elective option?

I have heard from constituents who are only able to receive a settlement for one claim via the elective option process.

Answer. Yes, the Department of Justice consulted with the Department of the Navy before finalizing the elective option.

Question. How does this process impact claimants which submit multiple claims?

Answer. A claimant may only submit one claim under the Camp Lejeune Justice Act, though they may allege multiple injuries under that one claim. The elective option provides an expedited pathway to a settlement offer for a Camp Lejune Justice Act claim. Every Camp Lejune Justice Act claim filed with the Department of the Navy will be evaluated to determine whether the claim is eligible for a settlement offer under the Elective Option. No additional action by claimants is necessary.

Question. Are they able to receive a settlement for both claims?

Answer. Claimants are able to receive a settlement for multiple injuries under one claim.

Question. Based on your testimony, I understand that of 190,561 claims received by the Navy only 551 (0.29%) contain all the evidence needed to support a settlement determination.

Please outline all required documentation needed to support a claim.

Answer. Before the Camp Lejeune Claims Unit can adjudicate a claim, the filer must submit sufficient evidence to enable the Department of the Navy to investigate the factual basis for the claim. For any claim submission to be considered properly presented, the file must initially include, at a minimum, the following information in writing:

(a) Name of the injured person/claimant;

(b) The basis of the claim (basic description of harm/injury as a result of presence at Camp Lejeune);

(c) The demand of the claim stated as a "sum certain";

(d) If an agent/representative files on behalf of the injured person, the basis of the filer's authority to act on behalf of the injured person; and

(e) Signature of the individual filing the claim.

Once properly presented, the claimant bears the burden of proof to substantiate the claim (provide the required documentation to prove the allegations set forth in the claim). The Camp Lejeune Justice Act sets forth the eligibility requirements for an individual to recover damages as a result of exposure to contaminated water at Camp Lejeune during a specified timeframe. In order to adjudicate a claim, the Department of the Navy must first determine if a claimant meets those eligibility requirements. This includes, but is not limited to, documentation showing when and for how long a claimant was exposed to water at Camp Lejeune and what harm or injury, if any, the claimant sustained as a result. The Camp Lejeune Clams Unit may request documentation from claimants to substantiate a Camp Lejeune Justice Act claim, but such documentation is not required to file a claim.

Question. Which documentation is most commonly missing from a claim?

Answer. The Camp Lejeune Justice Act claims currently pending review most frequently lack documentation showing when the claimant was present on Camp Lejeune and/or medical documentation containing a diagnosed injury.

Question. What is the Navy's process for providing feedback to claimants which did not submit all required documentation?

Answer. The Camp Lejeune Claims Unit provides detailed instructions to claimants filing claims using the online claims portal. These instructions provide examples of documentation that may support a Camp Lejeune Justice Act claim. The Department of the Navy and the Department of Justice also published public guidance that details the evidentiary requirements for claimants to support their Camp Lejeune Justice Act claim. Additionally, the Camp Lejeune Claims Unit is committed to notify every filer to identify any additional information required to support their Camp Lejeune Justice Act claim. Filers will be able to securely upload all necessary documentation to support their claim directly through the Claims Management Portal. Alternatively, claimants may mail their supporting documentation to the Camp Lejeune Claims Unit at the address listed on the Camp Lejeune Claims Unit website—https://www.navy.mil/clja/.

Question. Are all 190,010 claimants with incomplete submissions aware of exactly what their pending claim is missing?

Answer. The Camp Lejeune Claims Unit is currently working through every Camp Lejeune Justice Act claim pending review to inform each claimant of additional documentation necessary to process their claim. While the Camp Lejeune Claims Unit continues that effort, filers are encouraged to review the Required Documentation section of Individual Claim filing instructions published on the Navy JAG Corps Claims Management Portal. The Claims Management Portal is accessible at https://clclaims.jag.navy.mil/CLJAC/CLIC/#Required%20Documentation.

*Question.*Last year the Navy estimated $31 million is needed to support the establishment of a Camp Lejeune Claims Task Force.

Do you have all of the resources needed to stand up this task force?

Answer. Yes, the Camp Lejeune Claims Unit is approaching its full staffing level of approximately 140 personnel. The Camp Lejeune Claims Unit is also nearing full implementation of its purpose-built Claims Management System which is expected to facilitate and expedite review and processing of the unprecedented volume of Camp Lejeune Justice Act claims.

Question. What percentage of the manning requirement is met within the task force?

Answer. The Camp Lejeune Claims Unit is currently 62% staffed with Federal civilian employees. The remaining 38% is currently staffed with contracted support personnel. All contracted support personnel will be backfilled with Federal civilian employees who are onboarding over the next several months.

QUESTIONS SUBMITTED BY SENATOR JOHN BOOZMAN

Question. I understand that the Navy has expressed their interest in funding multiple solid rocket motor producers and plans to leverage budget resources to fund these new companies. I expect this effort to provide a fair and open competitive developmental and procurement process that does not result in an unfair advantage to those who have invested their own resources improving existing production capacity for solid rocket motors (SRMs).

Specifically, the FY24 Consolidated Appropriations Act included $50M in funding to establish a second source SRM for the Standard Missile 6 (SM6) program. The report accompanying the Act included language requiring additional funding increases to be competitively awarded, I request additional details on how you will ensure a competitive environment for this funding.

When will the Navy announce its plans for a competition for a second source SRM for its SM6 program?

Answer. The Navy solicited competitive proposals through a prototype project Other Transaction Authority (OTA) for four solid rocket motor (SRM) efforts using a targeted FY23 Office of the Secretary of Defense (OSD) budget increase, including the redesign of the Mk 72 Booster and redesign of the Mk 104 Dual Thrust Rocket Motor (DTRM). Six companies provided submissions and two companies were selected for each effort. FY24 funds will be used to further mature the second source designs. Continued design maturity and prototyping OTAs will be competitively awarded through the Naval Energetic Systems and Technologies Consortium.

Question. Will this competition use existing qualifications for the SRM's or will changes be made?

Answer. All SRM development efforts leverage new designs for motors that meet the same specifications as the current motors manufactured by Aerojet Rocketdyne. Therefore, the new motors will require qualification prior to use.

Question. Has an analysis been done on supply chain impact that could result from a different SRM provider?

Answer. Demand for rocket motors exceeds the current capacity with Aerojet Rocketdyne. Additional suppliers provide significant increases in overall capacity for both production stability and increased future needs. Aerojet Rocketdyne will remain a supplier for Mk 72 and Mk 104 rocket motors.

Question. By what date does the Navy expect a second source SRM to be qualified?

Answer. The Navy expects second source SRMs to be qualified by FY27.

Question. What is the estimated cost of qualifying this second SRM supplier?

Answer. The expected qualification cost per SRM is $40M–$75M. The cost of qualification is highly dependent on design changes from the currently qualified motors.

QUESTIONS SUBMITTED BY SENATOR SHELLEY MOORE CAPITO

Question. Naval Sea Systems Command has included a Next Generation Waterborne Barrier Procurement in its long-range procurement planning. Please provide an update on the Navy's timeline for initiating this procurement process.

Does the Department of the Navy plan to initiate procurement for this new barrier in or after Fiscal Year 2026?

Answer. Yes, the Navy plans to initiate the procurement process of planning and preparing for the replacement of the waterborne security barriers after Fiscal Year 2026.

Question. Given increasing threats to U.S. Navy ships, if additional funding was provided, could procurement planning or preparation work for the eventual procurement of replacement systems be accelerated?

Answer. The Department of the Navy supports the President's Budget submission for fiscal year 2025 (PB25) as the best balance of resources needed to strengthen maritime dominance, build a culture of warfighter excellence, enhance strategic partnerships, and maritime state craft vision. The Navy's Unfunded Priority List (UPL), submitted in March of this year, serves as a complement to the critical investments requested in the PB25 and primarily focuses on ways to accelerate capabilities to the Fleet. Should Congress make the decision to appropriate funds to the Navy above the PB25 level, the UPL represents the requirements the service needs the most.

QUESTIONS SUBMITTED TO ADMIRAL LISA FRANCHETTI

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. This Subcommittee has been very supportive of the submarine industrial base. But despite repeated investments, we don't see submarines being delivered on cost and schedule—just the opposite, as the 45-day shipbuilding review shows. As a result, this year's budget requests only one Virginia Class submarine, and instead proposes $3.9 billion in Submarine Industrial Base investments to increase shipbuilders' health and supply chains.

Admiral Franchetti, the Navy has fewer submarines than it tells us it needs, yet you're proposing to reduce procurement. What is the operational risk associated with that decision, and How do we explain that to the warfighter?

Answer. Given the current backlog, and delivery rate that has consistently lagged the procurement rate, removal of the second FY25 SSN does not result in an immediate impact to operations as we have 15 SSNs on contract and 13 in construction. It also does not result in an immediate impact to force structure as the SSN procured in FY26 will start in its place.

Attempting to procure another submarine this year would take longer to build, cost the Navy more, and risk further complications in the Submarine Industrial Base (SIB), as compared to allowing our PB–25 investments to yield the efficiencies we need. The Navy's decision to remove the second Virginia Class SSN (VCS) in FY25 provides an opportunity for the shipbuilders to balance production for VCS Block VI construction starting in FY25 and serial Columbia production starting in FY26 and allows for maturation of improvements in manufacturing, outfitting and assembly as well as industrial base investments.

The Navy's ability to reach and maintain a production cadence of 1 Columbia Class Submarine and 2 VCS per year ("1+2"), sustain the existing submarine fleet, and ramp up to meet the AUKUS trilateral agreement is dependent upon SIB capacity. The PB–25 budget reflects a prioritization in undersea warfare capabilities, with increased investment in SIB. The removal of the second FY25 SSN was a hard but necessary decision to not add to the current backlog and give industry time to be able to produce the ships and submarines we need on a pace at which we need them.

Question. According to the Navy budget documents, the Fiscal Year 2025 enlisted Sailor end strength is "substantial below requirement." In addition, there are currently over 18,000 gaps in operational sea billets, a number that has grown steadily. I have concerns about the workload strain this is putting on Navy leaders and Sailors at sea. The last thing anyone wants is to have more deadly accidents like the USS Fitzgerald and USS McCain.

Admiral Franchetti, What do these gaps at sea mean operationally for the Navy? How do you plan to address this problem?

Answer. As of 25 April 2024, the Fleet has experienced 18,524 enlisted gaps in operational sea duty. These gaps are most apparent at the Apprentice level, with 18,304, or 98% of the total gaps at sea. The Journeyman level has 380 operational sea duty gaps, while the Supervisor level is above target by 160. Balancing operational demands with limited Sailor inventory is not a new problem. While continued inventory shortfalls occur, we routinely take actions to ensure safe and effective operations. Collaboration between the Fleet, Type Commanders (TYCOM), and distribution is essential to minimizing operational impact.

The MyNavy HR Force Management enterprise, specifically enlisted distribution, continues to work closely with U.S. Fleet Forces (USFF) and the Pacific Fleet (PACFLT) at the start of each detailing cycle to offer the highest priority jobs to Sailors for application within the MyNavy Assignments (MNA) cycle. Additionally, Navy Personnel Command is supporting TYCOM secondary manning actions that move Sailors between units to fill operational billets that could not be filled through the normal MNA cycle, and so far, we are successfully mitigating gaps at sea.

From an accessions standpoint, we took what we missed in FY23 and added it to what we needed to do this year for a mission of 40,600. We recognize it is not just about end strength, it is about work requirements in the Fleet that we need to maintain so we can build out of that trough. We are doing everything we can to increase our recruiting and achieve the FY24 mission, while we continue to maintain historically high retention of our Sailors. First, we are improving the efficiency of our recruiting enterprise by appointing a two-star admiral as Navy Recruiting Command, standing up a Recruiting Operations Center, and increasing manning of our recruiting stations and centers with the help of Selected Reserve Sailors. Second, we are expanding the pool of applicants who can join our team through various programs and policies such as:

—Increasing the age for applicants to be able to join up until their 42nd birthday.
—Implementing the Future Sailor Prep Course (FSPC), modeled after the Army's Future Soldier Prep Course, to improve academics and physical fitness and provide more opportunities to future Sailors.
—Accepting applicants that do not have education credentials, if they have an Armed Forces Qualification Test (AFQT) score of 50 or higher.
—Allowing recruits to participate in alternate cardio options on the Physical Fitness Assessment, to align with Fleet standards.
—Establishing Every Sailor a Recruiter, a program for currently serving Sailors to share their experience and provide leads of interested applicants.
—Utilizing a category IV pilot, which allows for up to 20% of total accessions who attain an AFQT score of 10–30 to join, as long as they meet line score requirements for their rating. We have vacancies in less complex ratings that these future Sailors can fill, allowing those more qualified to earn ratings that more closely match their skillset.
—Leveraging the additional enlistment bonus authorities from Congress to attract high-quality recruits to fill high demand rates. Future Sailors can earn up to $140k in bonuses (up to $75k in enlistment bonus + up to $65k in loan repayment).

With these and other initiatives, the Navy constantly explores and evaluates new methods for bringing in qualified, motivated and capable applicants from every zip code. We continue to build pathways of opportunities for all qualified individuals who want to serve.

Question. I want to commend the Navy for establishing Quality of Service in response to the very tragic spike of Sailor suicides. We included $30 million in last year's bill for suicide prevention efforts including training and wellness programs, and high speed connectivity for Sailors to stay in touch with their loved ones and not feel isolated.

Admiral Franchetti, How have Sailors responded to Quality of Service and in particular, those in leadership?

Answer. The Navy is committed to improving Quality of Service (QoS), and even though the feedback from Sailors to Navy leadership on the QoS initiatives and improvements to date has been positive, we recognize we have much more work to do. The Navy continues to take our Sailors' concerns very seriously and we are making concerted efforts to address issues to support a better quality of life (QoL) and quality of work for them and their families. There is ongoing dialogue between our Sailors and leadership at every level to ensure we are actively addressing these concerns and improving conditions for our members.

In December 2023, we conducted a survey at Newport News Shipbuilding (NNS) by polling Sailors and measuring the impacts and improvements across all ranks of the Navy. Of the 522 Sailors who completed the survey, about a quarter of respondents reported QoL at Newport News to be significantly or somewhat better. Additionally, survey results showed 71% believe leadership is providing adequate information on QoS updates in Newport News (i.e., food options, fitness facilities, medical care, and recreation opportunities). The main stressors continue to be parking/transportation, quality of food options and access to fitness centers which leadership is working to address. At NNS, we continue to make improvements through recent contracts and programs that specifically address QoS issues, to include expanded access to food with the opening of an additional micromart, increased access to medical care, upgrades to exercise equipment and the opening of the Armed Forces Wellness Center, and in the modernization of Huntington Hall. We are committed to improving QoS for our Sailors and intend to revisit our Newport News Sailor population with a survey in June 2024 to continue measuring Sailor satisfaction. Finally, the Navy continues to work with the city of Newport News to review PPV housing and create an option for expansion as part of our effort to improve QoL for our Sailors and their families.

QUESTIONS SUBMITTED BY SENATOR BRIAN SCHATZ

Question. The Department of Defense (DoD) has referred to the U.S. Indo-Pacific Command (INDOPACOM) area of responsibility (AOR) as the "priority theatre". Regional threats from the People's Republic of China (PRC), Russia, and North Korea have exacerbated the need for continued investments in maintenance and readiness for our forces.

What is the current backlog for maintaining and repairing submarines?

Answer. When it comes to the number of operational SSNs, the Navy is not where it needs to be. Sustainment challenges have resulted in a total of 17 SSNs in depot availabilities or idle versus a public/private shipyard repair capacity of 13.

Due to this imbalance between shipyard repair capacity and demand, the Navy expects operational availability to remain at 62–66% through FY 2026 and then ramp to approximately 80% in FY 2028 based on improvement efforts. This length of time is required because many of the improvement efforts (material, workforce, etc.) take time for their benefits to be realized.

Our submarines are our true asymmetric advantage, and we need to improve on our overall submarine maintenance. We appreciate congressional investments in our shipyards because they are critical to that effort and recapitalization of the dry docks. Those investments will help ensure the flow of work across the shipyards will be effective and more efficient. We have made progress toward putting in place processes that help us look at the data analytics so we can better understand the choke points and barriers are to getting our submarines out of maintenance on time.

Question. The U.S. military is moving to incorporate artificial intelligence (AI) in more aspects of its platforms and operations. While AI can help improve military efficiency and effectiveness, significant concerns exist over its uses, including through lethal autonomous weapons systems (LAWS).

Given the global rules on military AI are yet to be written, does the Navy believe AI guardrails are necessary?

Answer. The Navy is committed to developing and using AI in a manner consistent with our national values, shared democratic ideals and moral stance, which means setting guardrails and implementing AI responsibly. If developed without appropriate safeguards, even seemingly benign Al capabilities can introduce vulnerabilities that can lead to adverse outcomes and put lives of American people in danger.

We believe that putting guardrails in the AI development process will serve as an enabler for AI adoption, rather than a set of barriers, by earning trust of Service members, civilian personnel, and citizens in thoroughly built, tested, and justified systems. Trust in Navy-developed AI systems will promote rapid adoption of AI and enable department to modernize its warfighting capabilities across a range of combat applications and to strengthen the Department's competitive edge.

The Navy supports international norms for AI usage that respect democratic values, while defending against aggression. Ensuring AI is bounded by core ethical principles of being responsible, equitable, traceable, reliable, and governable will make certain the United States continues to represent a path to peace, security, and societal progress and will allow us to maintain the trust of our allies and coalition partners.

Question. What capabilities does the Navy need to further invest in to keep pace with the growing threats of AI and what supports does each service need to enable these skillsets?

Answer. The Navy needs a robust training and education pipeline to build a workforce that is able to develop, build, deploy and utilize AI tools across the range of naval missions to include warfighting areas, as well as readiness and corporate functions. A well-educated and technically competent workforce ensures we maintain an advantage over adversaries, while also ensuring our AI use is in accordance with our values and ethics. Responsible AI (RAI) will be an integral part of our AI education and training so that those that use or make decisions regarding the use of AI will be fluent in policy, doctrine, and ethical use.

Concurrent with our investment in people, we need to continue to make investments in the hardware and software infrastructure that will allow us to deploy AI across all Navy missions and do so in all manner of environments, from the seabed to space. The Navy operates far from home and must be ready to do so in an environment where an enemy is actively trying to prevent us from accomplishing our mission. This will require an AI infrastructure that is more robust than those fielded by the private sector—it must work in a communications degraded environment and away from normal sources of computer and software development. Additionally, it will require significant investment in edge computing and a robust communications architecture able to support modern AI Operations (AIOps) across a range of

scenarios from CONUS to a Weapons Engagement Zone. This infrastructure must include both hardware and a growing suite of software tools that enable modern AIOps.

Due to the rapid advances in AI tools and hardware we need to use the acquisition authorities we have, such as Other Transaction Authorities, to keep pace with this growing technology area. For example, we need to consider leasing of models and tools, the sharing and pooling of data, and a better ability to work with industry to find mutually beneficial rights to data ownership.

Similarly, we also need to grow our long-standing investment in the science and engineering of AI to better understand how AI works and—critically—how it might fail and keep pace with growing complexity of the use cases AI can solve. This involves both fundamental research into the technology as well as investments in the Test & Evaluation of AI tools. The power of AI comes from its ability to be useful in situations it wasn't specifically trained to handle, but this brings with it an inability to test it in every scenario it might possibly encounter. Further research into this area is critical if we are to be able to trust the AI we deploy, while the growing usefulness of it will almost certainly lead to calls to deploy it in cases even if not fully understood. Likewise, our adversaries may be tempted to deploy AI tools that are not fully understood if it gives them a material advantage, and failing to keep pace could increase strategic and operational risks.

QUESTIONS SUBMITTED BY SENATOR SUSAN M. COLLINS

Question. Admiral, the Supplemental passed by the Senate included $2.4 billion for operations in Central Command. For example, in light of concerns that some of us have regarding munitions, how important is the funding in that bill to recertify 354 Navy interceptor missiles?

Answer. Supplemental war funding provided by the National Security Supplemental (H.R. 815) is vitally important for Navy to sustain its current stockpiles, and I thank Congress for enacting these appropriations. The most immediate support we can give the Fleet for self-defense and defense of the free flow of maritime commerce, is to get unusable missiles out of storage, off the maintenance floor, and to the ships that need them as quickly as possible. The Supplemental funding enables us to maximize recertification in FY2024 and puts us on a path to meeting our goal of 720 recertifications per year.

QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

Question. Admiral Franchetti, in the hearing on April 16th, you testified that the Navy has 293 ships today, and by 2030 will have 294 ships.

Could you please detail the number and types of ships that are planned to enter service between now and 2030?

Could you please detail the number and types of ships that are planned to be decommissioned between now and 2030?

Note: when comparing answers to 1a and 1b, the result should be a net growth of 1.

Answer. Eighty-four ships will enter service in FY24–30 while eighty ships will decommission during same time period. See table for amplifying information. As of April 16th, the ship count is actually 294, with four FY24 deliveries having already occurred. This leaves a projection of 80 deliveries by 2030 and 80 ships to be decommissioned in that time.

CUI

BASED ON PB25 30YR SHIPBUILDING PLAN

PROJECTED DELIVERIES & DECOMMISSIONINGS

FY24-FY30

CATEGORY_NAME	TYPE	CLASS	FY24	FY25	FY26	FY27	FY28	FY29	FY30
AIRCRAFT CARRIER	CVN	CVN-21CL		1				1	
SURFACE COMBATANT	DDG	DDG-51 FltIIACL	1	1	1				
SURFACE COMBATANT	DDG	DDG-51 FltIIICL		1	1	2	3	2	3
SURFACE COMBATANT	DDG 1000	DDG-1000CL	1			1			
SURFACE COMBATANT	FFG	FFG (X)							
SURFACE COMBATANT	FFG	FFG-62CL					2	2	2
SURFACE COMBATANT	LCS	LCS-1CL	3	2					
SUBMARINE	SSBN	SSBN-826CL					1		
SUBMARINE	SSBN	SSBN-X							
SUBMARINE	SSN	SSN-774CL	2	3	2	1		3	1
AMPHIBIOUS WARFARE	LHA	LHA-6CL			1			1	
AMPHIBIOUS WARFARE	LPD	LPD-17CL	1						
AMPHIBIOUS WARFARE	LPD	LPD-17FLTIICL			1		1	1	
AMPHIBIOUS WARFARE	LSM	LSM (X) CL						1	3
COMBAT LOGISTICS	T-AO	T-AO-205CL	1	1	2	1	3		1
COMBAT LOGISTICS	T-AOL(X)	T-AOL(X)CL							1
FLEET SUPPORT	AS(X)	AS(X)-CL							
FLEET SUPPORT	ESB	ESB-IIICL	1		1				
FLEET SUPPORT	T-AGOS	T-AGOS-X-CL				1		1	1
FLEET SUPPORT	T-ATS	T-ATS-6CL			3	3	2		
FLEET SUPPORT	T-ATS	T-ATS-X-CL						1	1
FLEET SUPPORT	T-EMS	T-EMS-CL					1	1	1
FLEET SUPPORT	T-EPF	T-EPF-ICL	1	1	1				
		TOTAL DELIVERIES:	11	10	13	9	13	14	14

CATEGORY_NAME	TYPE	CLASS	FY24	FY25	FY26	FY27	FY28	FY29	FY30
AIRCRAFT CARRIER	CVN	CVN-68CL			-1				-1
SURFACE COMBATANT	CG	CG-47CL	-4	-4	-3	-2			
SURFACE COMBATANT	DDG	DDG-51 FltIICL							
SURFACE COMBATANT	DDG	DDG-51CL					-2	-3	-5
SURFACE COMBATANT	LCS	LCS-1CL		-2	-1				
SUBMARINE	SSBN	SSBN-726CL				-1	-1		-1
SUBMARINE	SSGN	SSGN-726CL			-2		-2		
SUBMARINE	SSN	SSN-21CL							-1
SUBMARINE	SSN	SSN-688CL		-1	-1				
SUBMARINE	SSN	SSN-688ICL	-1	-2	-2	-1	-1	-1	-2
AMPHIBIOUS WARFARE	LHD	LHD-1CL						-1	
AMPHIBIOUS WARFARE	LSD	LSD-41CL		-1	-2		-1	-1	
AMPHIBIOUS WARFARE	LSD	LSD-49CL							
COMBAT LOGISTICS	T-AO	T-AO-187CL			-2	-3		-2	
COMBAT LOGISTICS	T-AOE	T-AOE-6CL							
FLEET SUPPORT	LCC	LCC-19CL				-1			
FLEET SUPPORT	T-AGOS	T-AGOS-19CL						-1	-1
FLEET SUPPORT	T-ARS	T-ARS-50CL			-2				
FLEET SUPPORT	T-ATF	T-ATF-166CL			-1				
FLEET SUPPORT	T-EPF	T-EPF-ICL		-4					
FLEET SUPPORT	T-ESD	T-ESD-ICL		-1					
FLEET SUPPORT	T-HST	T-HST-1CL							
MINE WARFARE	MCM	MCM-1CL		-4		-4			
		TOTAL DECOMMISSIONS:	-5	-19	-17	-12	-7	-9	-11

SUB TTL DELIVERY FY24-FY30: 84
SUB TTL DECOM FY24-FY30: -80
TTL: 4

Question. Admiral Franchetti, in the hearing on April 16th, you testified that the Navy currently has 86 ships on contract, 55 under construction, and 57 in the FY25 PB request.

Could you please detail the anticipated completion years for the 55 ships currently under construction?

Over the course of time that it takes to complete construction on the 55 ships currently under construction, how many ships does the Navy anticipate decommissioning?

Answer. The 55 ships under construction have planned future delivery dates from FY24–FY32. Data as of April 16, 2024:

Fiscal Year	24	25	26	27	28	29	30	31	32
Under Construction Planned Delivery	7	10	13	7	7	6	2	2	1

A total of 98 ships are planned to be retired* from FY24–FY32.

**Note. By definition in General Policy for the Inactivation, Retirement, and Disposition of U.S. Naval Vessels (OPNAVINST 4770.5J), retirement is transitioning a*

naval ship or craft from active to inactive status by decommissioning or placing out of service.

QUESTIONS SUBMITTED TO GENERAL ERIC M. SMITH

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. General Smith, this Subcommittee has been very supportive of the Marine Corps' Force Design 2030. A key linchpin of this strategy is the procurement of Medium Landing Ships. Fiscal Year 2025 is your first year of requested procurement, and I have two questions for you:

General Smith, as much as you can in this setting, can you explain to the Subcommittee how these ships fit into your broader amphibious strategy? And second, the Congressional Budget Office just released a report stating that these ships will likely cost between $340 million to $430 million per ship—more than double your initial estimate of $200 million. In light of the shipyard challenges across the country right now, how will you manage cost and schedule?

Answer. 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 larger AWS are warships designed to project combat power globally with multi-domain capabilities contained within Marine Expeditionary Units (MEUs). The Marine Corps currently has seven MEU Command Elements—three on the East Coast, three on the West Coast, and one MEU in Okinawa, Japan with the Forward Deployed Naval Force (FDNF). Each MEU is paired with an Amphibious Ready Group (ARG) that is comprised of three AWS—one LHD/LHA, and two LPDs. The Navy and Marine Corps' amphibious strategy is grounded in forward presence of the ARG/MEU team to campaign, rapidly respond to crisis, and if necessary, project combat power ashore during conflict in support of Fleet objectives.

The LSM is not a warship, its 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. They persist forward in contested areas, operate alongside allies and partners, contribute to deterrence, and, if deterrence fails, enable the Joint Force to project power during conflict. Adversaries will attempt to deny and degrade the Joint Force's ability to see and sense. The SIF will be the eyes and ears for the Joint Force, ideally positioned within the weapons engagement zone. 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.

In February 2023, Naval Sea Systems Command (NAVSEA) estimated the cost of the first LSM to be ~$268M. This was informed by industry feedback from multiple partners, gained during industry studies, concept studies, and preliminary design. In April 2024, CBO released a report on the LSM that estimated the cost between $460–$560M. NAVSEA's estimate assumed a high degree of commercial ship attributes with minimal military unique requirements and used an applicable mix of analogous ships—commercial/military—for costing estimates. CBO assumed a higher level of military vice commercial content in constructing their cost estimate. CBO used LPD–17 and T–AO as analogous ship classes to estimate the LSM cost. Both ships are larger, more complex, and built in shipyards with higher cost structures than what is envisioned for LSM.

Moving forward, the Navy expects to receive full and open competitive Detailed Design and Construction proposals from industry later this spring. A formal cost estimate will be conducted this summer by NAVSEA in support of milestone B/C (Nov 2024). OSD CAPE will also conduct an independent cost estimate to support the milestone. The Navy and the Marine Corps are committed to the procurement of the LSM as a DoN requirement to fill a much-needed capability gap and will continue to manage cost estimates and scheduled deliveries.

Question. Earlier this month, the DoD Inspector General released its report entitled, "Review of the Navy and Marine Corps Policies Covering Sexual Harassment Complaint Process." This report points out that the Navy and Marine Corps have

the highest rates of sexual harassment among the Services. The IG found gaps in the Navy and Marine Corps' policies relating to the documentation of complaints, investigations of severe allegations, training of investigating officers, and tracking the status of complaints. The IG indicates that while the Navy and Marine Corps are working to resolve some of these gaps, more needs to be done.

What is your response to the IG's report? Will the prevention workforce help implement some of the recommended policy changes?

Answer. At the time of the DoD IG Report, the Marine Corps had already identified gaps and was updating procedures for handling sexual harassment complaints, as well as the policies enforcing them. Many of the report's recommendations had been incorporated in the service's Prohibited Activities and Conduct order ahead of the report being published, to include: the option for complainants to select either formal or informal reporting processes, except in quid pro quo cases where formal processing is mandatory; requiring a third-party investigative officer from outside the complainants and subject's chain of command; and mandatory processing for administrative separation in cases of substantiated complaints of sexual harassment. Marine Corps Order 5354.1G will be published in 2024 which incorporates all the recommendations from DoDIG- 2024–071.

Prevention workforce hiring continues to be challenging but the Marine Corps is working to fill every open position. We continue developing the policies, procedures, and practices needed to fulfil integrated prevention requirements. These important team members will help ensure we meet the intent of the Department and the Congress in preventing, reducing and adjudicating complaints of sexual harassment.

QUESTIONS SUBMITTED BY SENATOR BRIAN SCHATZ

Question. The U.S. military is moving to incorporate artificial intelligence (AI) in more aspects of its platforms and operations. While AI can help improve military efficiency and effectiveness, significant concerns exist over its uses, including through lethal autonomous weapons systems (LAWS).

Given that the global rules on military AI are yet to be written, does the Marine Corps believe AI guardrails are necessary?

Answer. Yes, guardrails are necessary. DoD Directive 3000.09 outlines the guardrails currently established by the department that we hope will become the foundation for global rules related to the use of AI in LAWS. "The design, development, deployment, and use of AI capabilities in autonomous and semi-autonomous weapon systems will be consistent with the DoD AI Ethical Principles and the DoD Responsible Artificial Intelligence Strategy and Implementation Pathway."

Question. What capabilities does the Marine Corps need to further invest in to keep pace with the growing threats of AI and what supports are needed to enable these skillsets?

Infrastructure:

Answer. Significant investments in hardware and software infrastructure is needed to deploy AI across all Marine Corps missions across all environments. Marines operate far from home, in every environment, and often with an active enemy. This requires an AI infrastructure that is more robust than those fielded by the private sector—it must work in a comms degraded environment and do so far from normal sources of computer and software development. This requires significant investment in edge computing, algorithm optimization, and a robust communications architecture able to support modern AI Operations (AIOps) across a range of scenarios from CONUS to a Weapons Engagement Zone. This infrastructure requires both hardware and software tools that enable modern AIOps.

Current acquisition regulations make the procurement of cutting-edge AI capabilities and hardware difficult due to the rapid pace of change when compared to our ability to define requirements and procure to that target. We need an acquisition framework, and the commensurate authorities, to keep pace with rapidly growing technologies. We also need more flexibility in our acquisitions processes to adapt to newer models of "Buying AI". This includes leasing models and tools, the sharing and pooling of data, and a better ability to work with industry to find mutually beneficial rights to data ownership.

We also need to grow our long-standing investment in the science and engineering of AI. We must ensure that our understanding of how AI works and—critically—how it might fail, keeps paces with the growing complexity of the use cases AI can solve. This involves both fundamental research into the technology as well as investments in the Test & Evaluation of AI tools. The power of AI comes from its ability to be useful in situations it wasn't specifically trained to handle but this brings with

it an inability to test it in every scenario it might possibly encounter. Further research into this area is critical if we are to be able to trust the AI we deploy while the growing usefulness of it will almost certainly lead to calls to deploy it in cases even if not fully understood. Likewise, our adversaries may be tempted to deploy AI tools that are not fully understood if it gives them a material advantage over us. Failing to keep pace could put us at risk of losing a war.

Workforce:

We need a robust training and education pipeline to build an AI workforce that can develop, build, deploy and use AI tools across the range of Marine Corps missions. This includes both warfighting areas as well as readiness and corporate functions. A well- educated and technically competent workforce will ensure we maintain an advantage over adversaries and will also be the key link in ensuring all our AI use is in accordance with our values and ethics. RAI training will be an integral part of our AI education and training to ensure that all who use or make decisions regarding the use of AI will be fluent in policy, doctrine, and ethical use.

QUESTIONS SUBMITTED BY SENATOR JEANNE SHAHEEN

Question. General Smith, my office has heard from constituents in law school that are currently receiving benefits from the Marine Excess Leave Program and accepted an offer on the condition of the Department of Veterans' Affairs confirmation of a monthly stipend through the GI Bill. Unfortunately, the VA recently changed its policy and is no longer allowing a stipend for Marines participating in the ELP.

Are you aware of this issue and the importance of this program? Do you commit to working with Congress on a legislative fix?

Answer. Thank you for your attention on this important program. The excess Leave Program is a vital pathway for Marines who wish to serve in our Corps as lawyers. I am committed to working with Congress to resolve this issue.

The Marine Corps is aware of the Department of Veterans Affairs' recent determination that disallows payment of a monthly housing allowance for Marines who choose to use the Post 9/11 GI Bill while participating in the Excess Leave Program.

For your awareness, the Marine Corps has committed to fully fund the Funded Law Education Program for the next three fiscal years. We are also in the process of converting several eligible Excess Leave Program participants to the Funded Law Education Program, where they will receive full active duty pay and allowances, as well as have the Marine Corps pay the cost of their tuition (up to the maximum amount allowed under the Post 9/11 G.I. Bill).

However, there are some Marines who participate in the Excess Leave Program who are too senior to participate in the Funded Law Education Program due to a statutory cap limiting eligibility to those with less than 6 years of active service.

Question. General Smith, regarding Marine helmets:

Considering a maturing threat coupled with advancements in helmet technologies, what is the Marine Corps plan to generate new requirements for its helmet systems?

Answer. Current Marine Corps helmets are meeting our requirements. The Enhanced Combat Helmet (ECH) was fielded to meet an emergent threat-based requirement for increased ballistic and fragmentation protection and wear (weight and fit). The High Cut ECH, that close combat Marines are equipped with, is a modification of the ECH that provides the same level of protection while meeting the integration requirements for new headborne capabilities (night vision devices and over the ear hearing protection). Any future helmet requirements will be threat informed to ensure that Marines continue to be equipped with the requisite level of protection.

Question. I'm concerned about reports that Marines are removing protective helmet padding for extended-wear comforts and/or to free space for use of combat optics. This is concerning for many reasons, including how this could lead to TBI issues, which was the subject of a recent Senate Armed Services Committee hearing. Request you please provide the result of recent testing that uncovered this fact. Furthermore, what is the Marine Corps doing to provide its soldiers with a helmet that supports comfort, safety, and the necessary capability such as combat optics?

Answer. Initial results of a recently completed extended user evaluation included instances of Marines removing protective helmet padding in the Enhanced Combat Helmet (ECH) and High Cut ECH. In many cases, it was discovered that Marines were wearing helmets that were incorrectly sized, leading them to remove helmet pads to improve fit and comfort. Additionally, it was discovered that commercially available third-party pads that do not provide adequate blunt impact protection

were being purchased and utilized by Marines. To address these issues, the program manager will release a Safety of Use Message (SOUM) to reinforce published sizing guidelines for the ECH and HC ECH and the policy that prohibits Marines from using non-standard protection capabilities such as third-party pads. The program office will also conduct research to identify other pad solutions that may provide enhanced comfort while meeting personal protection requirements.

The extended user evaluation is part of a Marine Corps effort to look at the potential for an improved helmet system. In assessing the comfort, safety and ability to integrate head mounted devices such as night vision, the HC ECH was found to be acceptable by Marines in all categories evaluated. The Marine Corps will continue to evaluate its helmets and any potential improved systems to provide the best available capabilities to our Marines.

Question. Please report on the status and plan to resolve manufacturing and testing matters related to the High Cut Enhanced Combat Helmet in support of Marine Corps usage.

Answer. The are no manufacturing and testing issues related to the High Cut Enhanced Combat Helmet. The Marine Corps is working with DLA to establish a follow-on Sustainment Contract for the Enhanced Combat Helmet, pending completion of the normal process of manufacturing and first article testing.

QUESTIONS SUBMITTED BY SENATOR JERRY MORAN

Question. The U.S. Marine Corps' OPF–L program has awarded contracts, ostensibly for development and test, to three vendors for systems with varying attributes and capabilities.

What is the Marine Corps' plan to incorporate loitering munitions, lethal unmanned systems, ISR and EW platforms into tactical units?

Answer. The Marine Corps plans to incorporate these technologies into its platoons and companies at the tactical level. For loitering munitions, the Marine Corps' Organic Precision Fires-Light (OPF–L) is the near-term focus providing infantry platoons and squads with anti-personnel and anti-materiel precision effects at increased ranges. For ISR, the Marine Corps is investing in a Family of Small Unmanned Aircraft Systems (FoSUAS). These Group 1 and Group 2 systems, which weigh fewer than 55 pounds, provide a variety of short, medium, and long-range capabilities to squads, platoons, and companies. In addition, the Marine Corps is developing and procuring modern, counter- remote controlled IED/counter-UAS systems in multiple form factors across the Fleet Marine Force. This includes pursuing dismounted, or man-portable, counter-UAS systems and mounted systems, such as the Marine Air Defense Integrated System (MADIS) that will support tactical units.

Question. What is the roadmap for the Marine Corps' future use of small unit lethal unmanned systems?

Answer. OPF–L is fully funded to provide the Marine Corps with a non-developmental loitering munition capability for use at the squad and platoon level by FY27. Future efforts will increase the range, survivability, and effects of these systems for use at company and battalion echelons.

Question. How is the Marine Corps incorporating loitering munitions into distributed operations?

Answer. Organic Precision Fires (OPF) remains a priority effort and is a critical element of Marine Corps modernization. OPF provides an organic, loitering, beyond line-of-sight precision strike capability to rapidly engage the enemy beyond the range of direct-fire weapons while minimizing collateral damage and exposure to enemy direct and indirect fires. Loitering munitions will be incorporated into infantry battalions that will increasingly execute distributed operations in the future.

Question. What is the Marine Corps' fielding plan for loitering munitions?

Answer. The Marine Corps will begin fielding loitering munitions to deploying infantry battalions in early FY27. The Marine Corps will initially procure approximately 550 command and control (C2) systems and 1,800 munitions.

Question. What is the planned ratio of loitering munitions to unmanned ISR platforms within a given Platoon or Company?

Answer. Pairing of UAS and loitering munition capabilities will occur at the squad through battalion echelons. The current plan is for each Marine infantry company to possess 18 loitering munition systems and 5–10 short, medium, and long range airborne RSTA systems.

Question. How would training for these platforms occur?

Answer. Since October 2023, the Marine Corps trains and produces the Military Occupational Specialty (MOS) of 7316, Small UAS Operator. The 71-day Program of Instruction trains Marines on the Stalker VXE30, R80D SkyRaider, and the RQ–

20 Puma. Marines who are trained and certified on these platforms are assigned to Marine Corps Infantry units across the Fleet Marine Force (FMF).

An array of SUAS training and experimentation—in collaboration with the Office of Naval Research (ONR), the Marine Corps Warfighting Lab (MCWL) and Exercise Forces—are executed during Service Level Training Exercises (SLTEs) at Marine Corps Air Ground Combat Center (MCAGCC) in 29 Palms. The following are a few recent examples:

—SUAS Dropper Experimentation—MCAGCC in collaboration with ONR and 1st Marine Division schools is testing a fragmentation grenade dropper SUAS to develop control and risk management procedures as well tactics, techniques, and procedures (TTPs) for the use of SUAS delivered munitions for incorporation into future training.

—Live Fire Shoot Counter SUAS training—During SLTE 2–24, 2d Battalion 4th Marines tested the effectiveness of organic Marine Corps weapons against SUAS at the culmination of their Movement to Contact (MTC). Live fire conditions were evaluated to enable refinement of TTPs against modern aerial threats.

—Counter SUAS experimentation with Electromagnetic Attack (EA) Equipment—Marine Air Ground Task Force Training Command's (MAGTF–TC) Tactical Training & Exercise Control Group (TTECG) in coordination with ONR employed EA equipment to gain lessons learned on best practices to counter a variety of SUAS platforms with organic Electronic Warfare (EW) capabilities.

Question. How is the Marine Corps investing in "swarming" UAS technologies?

Answer. The Marine Corps is actively investing in advanced swarming Unmanned Aircraft Systems (UAS) technologies, emphasizing both the hardware and software necessary to augment processing power for these complex systems. Key focus areas include partnerships with national and international bodies, development of cutting-edge software, and the integration of tactical communication tools. Specifically, the Marine Corps Warfighting Lab (MCWL) has partnered with the Irregular Warfare Technical Support Directorate (IWTSD), Special Operations Command (SOCOM), and Army Development Command (DEVCOM) to refine and utilize emergent semi-autonomous swarming software for managing UAS for various mission sets, including Intelligence, Surveillance, and Reconnaissance (ISR), electronic surveillance, target localization, and Counter-UAS operations.

The Marine Corps is also supporting the Australian Army's Autonomous ISR program, one of the forefronts in reconnaissance swarming technology. MCWL and Marine Forces Special Operations Command (MARSOC) are developing a mobile UAS "Hive" system. This system, designed for high technological readiness platforms, can be transported via Ultra-Light Tactical Vehicles (ULTVs), small watercraft, and other vehicles. The technology is intended to facilitate housing, powering, and commanding various UAS, particularly those listed under the Defense Innovation Unit's Blue UAS framework, providing a robust platform for swarming operations.

Additionally, MCWL is leading continued development and experimentation with the Radio Agile Integrated Device (RAID)-Plate. This next-generation wearable command and control (C2) solution is crucial for on-the-edge processing needs essential for AI, UAV control, data fusion, and UxS autonomy, such as swarming. The RAID Plate is a lightweight consolidated system that supports connectivity for up to four radios and includes an NVIDIA Graphics Processing Unit (GPU), enabling the high processing demands of swarming technologies.

Question. Does the Marine Corps intend to leverage production readiness of lethal systems being procured by the Army's LASSO (Low Altitude Stalking and Strike Ordnance) program?

Answer. The Marine Corps continues to maintain close coordination with Navy, Army, and SOCOM organizations pursuing similar loitering munitions capabilities. The Marine Corps' near-term focus is on completing OPF-Light testing in FY25 to support procurement in FY26 and fielding beginning in early FY27. The Army's Low Altitude Stalk and Strike Ordnance (LASSO) program of record is for a larger loitering munition capability, and it mirrors the Marine Corps' OPF-Medium requirement. The Marine Corps will leverage other Service's OPF-Medium testing and certification activities to eliminate duplicative efforts across the Services. Upon their successes, the Marine Corps will conduct limited delta testing for service specific requirements to provide initial OPF–M capabilities to Marine Corps units as quickly as possible.

SUBCOMMITTEE RECESS

Senator TESTER. This Defense Subcommittee will reconvene on Tuesday, April 30, at 10 a.m., maybe earlier if we can move it, for a hearing with the Department of the Army. Army's up next.

We stand in recess. Thanks, folks.

[Whereupon, at 12 p.m., Tuesday, April 16, the subcommittee was recessed, to reconvene at 10 a.m., Tuesday, April 30.]

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2025

WEDNESDAY, MAY 8, 2024

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:03 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Jon Tester (chairman) presiding.

Present: Senators Tester, Murray, Schatz, Baldwin, Shaheen, Murphy, Coons, Collins, Murkowski, Graham, Moran, Hoeven, Boozman, and Capito.

DEPARTMENT OF DEFENSE

OFFICE OF THE SECRETARY OF DEFENSE

STATEMENT OF HON. LLOYD J. AUSTIN, III, SECRETARY

ACCOMPANIED BY HON. MICHAEL J. McCORD, UNDER SECRETARY OF DEFENSE (COMPTROLLER)/CHIEF FINANCIAL OFFICER

OPENING STATEMENT OF SENATOR JON TESTER

Senator TESTER. I want to call this hearing to order. Good morning. I want to welcome our witnesses, Secretary Austin, and General Brown. We appreciate you being with us here today.

General Brown, this is your first appearance before this subcommittee in your position today. And I want to thank you for your commitment and longstanding service to our Nation.

Secretary Austin, last year when you testified before this committee, we discussed the danger of a potential Government default. Thankfully, cooler heads prevailed, and we were able to come together in a bipartisan manner to avert a catastrophic Government default and shutdown. But we have failed miserably in getting the budget done on time.

Here we are, more than halfway through the fiscal year, and you just got your budget, albeit, 6 months late. These repeated delays will have real impact, and I hope you will illustrate for us the impact of these late budgets, and constant continuing resolutions.

We are meeting today to discuss DOD's $833.5 billion budget request for the next fiscal year. This is a 1 percent increase above last year's budget, and it is consistent with the budget caps that were agreed to in the Bipartisan Fiscal Responsibility Act.

On a side note, I will tell you this, Mr. Secretary, that Ranking Member Collins and myself think we need a bigger number. And the reason for that, and you know this better than I, is because if

we are going to invest in future technologies, this number has to be bigger.

The military services and the combatant commands are telling us they have unfunded requirements in excess of $20 billion. The price of fuel is much higher, our Military is engaged in operations around the world, the National Security Supplemental that Congress cleared just last month, some 8 months after the administration presented, addresses some of those concerns. It includes important funds to support Ukraine's continued fight against the Russians, buys new weapons for our military services, replace those we have given to the Ukrainians, supports Israel's air defense capability, and provides much needed infusion of cash to pay for operations in the Red Sea, that invests capabilities critical to deter China.

Finally, passing the National Security Supplemental was an important step forward, but that alone, will not help you or us get the job done. Because of the bipartisan budget caps the fiscal year 2025 budget request is roughly $10 billion below what you had planned for last year at this time. We need to understand what risks this lower budget creates for our military personnel, our operations around the globe, and out modernization efforts.

We have got to get a budget done so the men and women in uniform, supported by civilians of Department of Defense, can go about their business of keeping America safe.

I support the ongoing efforts of Senators Murray and Collins to chart a path forward that will work, and will work with anyone to get this job done.

Once again, thank you, gentlemen for being here. Thank you for your testimony. But before you begin your opening remarks, I want to recognize Susan Collins, Senator Collins, for her opening statement.

STATEMENT OF SENATOR SUSAN M. COLLINS

Senator COLLINS. Thank you very much, Chairman Tester for holding this very important hearing.

General Brown, as this is your first time testifying before the subcommittee in your capacity as Chairman of the Joint Chiefs of Staff, let me join the Chairman in extending a special welcome to you. I also want to thank both of our witnesses, as well as the Comptroller, for your service and the service of the men and women you represent.

I look forward to hearing from you how the President's fiscal year 2025 budget request will affect the Department's implementation of the 2022 National Defense Security Strategy, the goals of which I largely support. We must be clear-eyed that this budget request would represent a real cut in funding for the Department of Defense as it fails to keep pace with inflation. It proposes a defense funding increase of just 1 percent, $8.6 billion, relative to the current fiscal year. That amount is well short of the $22.5 billion year-over-year increase that the Department would need simply to cover projected cost escalations related to fuel, military and civilian pay, and medical care.

This is a nearly $14 billion shortfall. It means that the President's request shifts funding away from modernization, readiness,

and procurement to cover these must-pay costs. If the world were becoming safer, then perhaps such a reduction could be absorbed with little risk to national security. But unfortunately, that is not the world in which we live.

Russian President Putin continues his brutal bombardment in Ukraine. Hamas refuses to return the remaining 133 hostages, including five Americans, who have been held for 214 days since Hamas' attack on Israel. Iran and its proxies continue to fan the flames of violence throughout the Middle East, and China's Military budget and Navy continue to grow, including a 7.2 percent increase in defense spending in the Chinese budget compared to last year.

In the past few months, two of our combatant commanders have told me that the threats we face today are the most dangerous than any that they have seen at any time during their careers. In addition, we see a resurgence of ISIS–K (Islamic State Khorasan) and other terrorist groups that have caused the FBI directors to say that it is "blinking red" in terms of a potential terrorist attack on us, or our Western allies. Indeed, we have seen terrorist attacks.

The proposed inventory divestments and cuts to ship vehicle and aircraft procurement included in the President's budget request would require us to incur excessive risk without there being any discernible reduction in the threats facing our country. The budget requests would result in the smallest Air Force fleet in the Service's history. We would have the smallest Army since the start of the All-Volunteer Force in 1973. Our Naval fleet of 290 ships is already smaller than China's fleet of more than 370 ships.

Under this budget, the Navy's overall fleet would grow by just one ship, a single ship, during the next 5e years, far fewer than the 435 ships China will have. The technological edge and high-end capabilities that we have enjoyed since the end of the Cold War is also eroding. It is being directly challenged by China and Russia.

On a more positive note, I want to commend you, Mr. Secretary, and your teams, for efforts to make the Department more innovative and in taking steps to strengthen the industrial base.

Finally, I would be remiss if I did not use this opportunity to thank Chairman Tester and Chair Murray for working with leader McConnell and me over the last several months, indeed this entire subcommittee, to get the National Security Supplemental across the finish line. These investments will help to strengthen our own Military and Defense industrial base while supporting key partners abroad.

From the Portsmouth Naval Shipyard in Southern Maine to the Defense Finance Accounting Service facility in Northern Maine along our Canadian border, and many places in between, thousands of Mainers proudly support and contribute to our Nation's defense.

Employees at Bath Iron Works, which builds naval destroyers, and Pratt & Whitney, which manufactures military jet engines, perform essential roles in support of our national security; all of the men and women who serve our country, whether in uniform or in the defense industrial base, or as a civilian Federal employee; deserve a budget that supports them.

I look forward to hearing from our distinguished witnesses today.

Senator TESTER. Thank you, Senator Collins.

First up, we will have Secretary Austin. Appreciate you being here, Mr. Secretary. You have the floor.

SUMMARY STATEMENT OF HON. LLOYD J. AUSTIN, III

Secretary AUSTIN. Chairman Tester, Ranking Member Collins, and distinguished Members of the Committee, thanks for the opportunity to testify in support of President Biden's proposed fiscal year 2025 budget for the Department of Defense.

I am pleased to be joined by our outstanding Chairman of the Joint Chiefs of Staff, General C.Q. Brown; and by Under Secretary Mike McCord, the Department's Comptroller.

Let me start by thanking this committee for all that you do to support the U.S. Military, our troops, and our military families. As Secretary, I have always been guided by three priorities: defending our Nation, taking care of our people, and succeeding through teamwork. Our budget request for fiscal year 2025 will advance all three of these priorities.

First, the President's request will invest in cutting-edge capabilities across all domains. That includes $48.1 billion for naval and shipbuilding capabilities, $61.2 billion to reinforce U.S. air dominance, and $13 billion to bolster Army and Marine Corps combat capabilities. Our request will also provide $33.7 billion to strengthen our space architecture; and $14.5 billion to develop and field advanced cybersecurity tools.

It will direct $49.2 billion to modernize and recapitalize all three legs of our nuclear triad, and it will sharpen our tech edge through a $167.5 billion investment in procurement, and $143.2 billion in R&D.

Second, this budget request will support our outstanding troops and their families. That includes raising base pay and housing allowances, investing in better housing, making childcare more affordable, and funding vital work to prevent sexual assault and suicide in the military. And third, this request will help the Department further deepen our teamwork worldwide.

Our network of allies and partners remains a strategic advantage that no competitor can match, and you can see its power in our strengthening ties across the Indo-Pacific, in today's expanded and United NATO (North Atlantic Treaty Organization), and in the 50-country Ukraine Defense Contact Group that I convened.

Our budget remains rooted in our 2022 National Defense Strategy. Our request positions the United States to tackle the Department's pacing challenge, the People's Republic of China, with confidence and urgency. It will help meet the acute threat of Putin's increasingly aggressive Russia. It will help us tackle the persistent dangers from Iran and its proxies. It will help us take on the threats from North Korea and global terrorist organizations, and other malign actors, and it will help us continue to deter aggression against the United States and our allies and partners, and to prevail in combat, if necessary.

Now today, I want to underscore three key messages. First, even as our budget request abides by the mandatory cap set by the Fiscal Responsibility Act, it is aligned to our strategy. We made tough but responsible decisions that prioritize near-term readiness, mod-

ernization of the Joint Force, and support for our troops and their families. Our approach dials back some near-term modernization for programs not set to come online until the 2030s.

Second, we can only fully reach the goals of our strategy with your help. I am grateful that Congress passed the fiscal year 2024 Appropriations in March, and the single greatest way that Congress can support the Department is to pass predictable, sustained, and timely appropriations.

My third and final message is that the price of U.S. leadership is real, but it is far lower than the price of U.S. abdication. As the President has said, we are in a global struggle between democracy and autocracy, and our security relies on American strength of purpose——

[Interruption.]

Senator TESTER. You may proceed.

Secretary AUSTIN [continuing]. And our security relies on American strength of purpose, and that is why our budget request seeks to invest in American Security and in America's defense industrial base. The same is true for the recently passed National Security Supplemental that will support our partners in Israel, Ukraine, and Taiwan, and make key Investments to increase submarine production.

In fact, about $50 billion of this supplemental will flow through our defense industrial base, creating good jobs in more than 30 States. So we are grateful for our partners in Congress who help us make the investments needed to strengthen America's security, through both the supplemental and the President's budget requests.

The United States military is the most lethal fighting force on Earth, and with your help, we are going to keep it that way.

I deeply appreciate your support for our mission and our troops. And I look forward to your questions.

Thank you, Chairman.

[The statement follows:]

PREPARED STATEMENT OF LLOYD J. AUSTIN, III

Chairman Tester, Vice Chair Collins, distinguished members of the Committee:

Thank you for the opportunity to testify in support of President Biden's proposed Fiscal Year (FY) 2025 budget for the Department of Defense.

I am joined for the first time by our outstanding new Chairman of the Joint Chiefs of Staff, General C.Q. Brown. I am also glad to be back with Under Secretary of Defense (Comptroller), Mike McCord. We are grateful for the partnership of Congress and of this Committee in sustaining the most formidable fighting force in history. We remain deeply committed to our mission of keeping the United States secure in a rapidly changing global security environment. Above all, we are constantly mindful that our greatest strategic asset is our people—especially the more than 2 million extraordinary active-duty, National Guard, and Reserve Service members who step up every day to keep America safe.

As always, we understand our duty to be the best possible stewards of hard-earned taxpayer dollars. Our request for resources is rooted in our strategy, even as it recognizes fiscal reality. For the third straight year, the President's defense budget request builds on the 2022 National Defense Strategy (NDS). To responsibly and effectively implement the NDS and tackle the complex challenges we face, the budget hews to the performance-improvement initiatives that we established to improve the Department's capabilities, organizations, and management processes.

This budget request is consistent with the mandatory caps directed by Congress under the Fiscal Responsibility Act of 2023, allocating $849.8 billion for DoD programs and initiatives for the coming fiscal year. Under these caps, we made difficult but responsible decisions that focus on maintaining our readiness and taking care

of our people. I am confident that our budget request will continue to make the United States more secure. It will continue to bolster our ability to defend our country, paced to the growing, multi-domain challenge posed by an increasingly aggressive People's Republic of China (PRC). It will better prepare us to prevent strategic attacks against the United States or our allies and partners. It will strengthen the unmatched global network of alliances and partnerships that magnify our power and deepen our security. It will expand our ability to deter aggression, even while it prepares our forces to prevail in conflict if necessary. And it will pave the way toward a more resilient joint force and defense ecosystem, built for the security challenges of the 21st century.

The NDS identifies the PRC as the Department's pacing challenge. This budget request therefore focuses on the need to strengthen our integrated deterrence and position the United States to prevail in strategic competition with the PRC.

The budget request will also help us meet additional challenges we face in today's shifting global security environment. The NDS singles out President Vladimir Putin's increasingly aggressive Russia as an acute threat. In February, Russia's unprovoked and indefensible full-scale invasion of Ukraine entered its third grim year. The United States has been the essential nation in rallying support for Ukraine's fight against Putin's aggression and atrocities.

The NDS also highlights the persistent dangers posed by Iran, global terrorist organizations, and other malign actors. Ever since Hamas's vile terrorist assault on Israel on October 7, 2023, the United States has steadfastly supported Israel's right to self-defense; worked to prevent the conflict in Gaza from igniting new eruptions on Israel's northern border; pushed to protect innocent Palestinian civilians and get far more humanitarian aid into Gaza; and moved decisively to deter Iran and its proxies from taking action that would escalate into a broader regional conflict.

Above all, the NDS demands even deeper investments in the Department's people, who remain the bedrock of America's security. We rely on the service and the sacrifice of our troops and our civilian workforce, and the President's budget request will dedicate the resources, services, policies, and programs needed to faithfully support them and their families.

Our commitment to maintaining enduring advantages for the United States is reflected in the Department's requests for procurement and for research and development—$167.5 billion and $143.2 billion, respectively.

Provisions of the Fiscal Responsibility Act forced tough choices related to further military modernization. The law's topline limitation requires the Department to make targeted reductions to programs that will deliver key capabilities in later years to preserve the joint force's ability to fight and win in the near term. This approach assumes some risk on mid- and long-term modernization efforts not intended to be delivered until the 2030s, but achieving our strategy will require making up for these funding delays with growth in future years.

Meanwhile, I take seriously Congress's goal for the Department to get a clean audit opinion by 2028. Americans should expect us to account for our dollars and our inventory. That is why this budget will continue to invest in the controls we put in place to ensure that we spend taxpayer resources as intended by Congress. And it is why I directed senior leaders to tie performance results to their organizations' audit objectives.

Notwithstanding our efforts at responsible fiscal management, the lack of timely enactment of full-year appropriations has seriously hindered the Department's operations and planning. I am grateful for congressional action to pass Fiscal Year 2024 appropriations, but when we are forced to operate under continuing resolutions, at the previous year's appropriations levels, the Department cannot start new initiatives or increase the rate of production for many high-priority programs. Stop-gap funding measures delay badly needed investments in our military infrastructure, inflict unnecessary disruptions on our Service members and their families, undermine our recruitment efforts, and give an unnecessary boost to our strategic competitors.

The single greatest way that Congress can support the Department of Defense and our troops is to pass predictable, adequate, sustained, and timely appropriations.

Since my first day as Secretary of Defense, I have been guided by three priorities: defending our Nation, taking care of our people, and succeeding through teamwork. As detailed below, President Biden's FY 2025 budget request will advance all three of these overarching priorities, providing the most lethal fighting force on Earth with the means to defend the American people in turbulent times.

As Congress develops authorization and appropriations legislation in the months ahead, I am grateful for your support of our budget request and the mission and the people of the Department of Defense.

DEFENDING THE NATION

To tackle the evolving challenges and threats from the PRC, Russia, Iran, the Democratic People's Republic of Korea (DPRK), and global terrorist groups, as well as transnational challenges such as climate change and pandemics, we must upgrade not just our weapons systems but also our ability to quickly field new capabilities. Today's rapidly shifting security environment demands that the Department ruthlessly prioritize to strengthen our warfighting capabilities, build a skilled and innovative defense workforce equipped for tomorrow's challenges, and work together more powerfully with our indispensable allies and partners.

Outpacing the PRC

As the NDS notes, an increasingly aggressive PRC is trying to shape the global system to suit its authoritarian preferences. This is a generational challenge, and the Department will continue to meet it. We also seek a free, open, and prosperous Indo-Pacific region in which all countries are free from coercion. The FY 2025 budget request will help us realize that goal.

In FY 2025 and beyond, we will strengthen U.S. integrated deterrence by advancing new operational concepts, investing in cutting-edge capabilities across all domains, and deepening our cooperation with our outstanding allies and partners in the Indo-Pacific. Across the region, we are experimenting with new technologies to expand our warfighting advantages and refine the way that we operate.

We have made historic improvements to our force posture in the Indo-Pacific. Last year was the most transformative year in a generation for U.S. force posture in Asia. In 2023, we made major infrastructure improvements in airfields, logistics, and domain awareness across the region.

Meanwhile, we are modernizing U.S. posture in Japan and have deployed additional forces in Japan, Australia, Guam, and, on a rotational basis, in the Philippines.

Through a $9.9 billion request for the Pacific Deterrence Initiative, the Department continues to prioritize investments in our activities and infrastructure to reinforce security and stability in the Indo-Pacific region and bolster our advantages and those of our allies and partners west of the International Date Line. With our allies and partners, we will continue to increase the complexity and the scale of our exercises, which will boost deterrence and enhance interoperability. We also continue to staunchly support Taiwan's self-defense, consistent with our longstanding policy anchored in the Taiwan Relations Act, the three Joint Communiqués, and the Six Assurances.

Answering the Acute Russian Threat

Putin's unprovoked and unjust 2022 invasion of Ukraine has taken a harrowing toll on the Ukrainian people and threatened security in Europe and beyond. Putin's war is a frontal assault on the hard-won, post-World War II rules-based international order that has produced decades of prosperity without great-power war. If Putin prevails in Ukraine, it would embolden would-be aggressors everywhere. The world of chaos and conquest that Putin seeks—one in which autocrats think they can rewrite borders by force—would leave the United States far less secure. The price of U.S. leadership remains far lower than the price of U.S. abdication. There is no good reason to think that an emboldened Putin would stop with Ukraine, which could mean unthinkably high costs for the United States. This is not just about Ukraine's survival; it is also about America's security.

The United States has therefore rallied a broad coalition of allies and partners to support Ukraine's brave fight against Putin's war of choice. The FY 2025 budget request will position the Department to continue to oppose the Kremlin's aggression, while bolstering U.S. force posture in Europe and reinforcing our allies and partners.

As Putin's forces continue their attacks against Ukraine's front lines, cities, and civilians, support from Congress is more crucial than ever—including the supplemental funding that Congress recently approved. This supplemental will strengthen American security and save Ukrainian lives; it will enable us to meet Ukraine's urgent self-defense requirements, even as we maintain our own readiness and advance our military modernization; and it will meet our commitments to our partners in Israel and in the Indo-Pacific region. Moreover, because the additional arms and ammunition provided to Ukraine will be produced by our own defense industrial base, the supplemental will invest billions of dollars in the U.S. economy, creating quality jobs for Americans and increasing the resilience of our vital supply chains. Thank you for securing those vital resources.

Persistent Security Threats

Other malign actors, including the DPRK, Iran, and global terrorist organizations, continue to threaten the security of the United States and our allies and partners. Russia has deepened its ties to Iran, the DPRK, and the PRC—all of which seek new ways to undermine U.S. interests across the Indo-Pacific, the Middle East, and Africa. The FY 2025 budget request ensures that the United States is ready to deter and respond to these persistent threats.

In the Middle East, the Department remains committed to Israel's right to self-defense; to ensuring that Israel never has to endure another assault like October 7th; to the swift return of all hostages in Gaza, including American citizens; and to preventing the further spread of conflict. At the same time, we continue to press Israel to protect Palestinian civilians and to increase the flow of urgently needed humanitarian assistance into Gaza.

The Department is also focused on Iran, whose nuclear ambitions, dangerous proxies, support for terrorism, and threats to freedom of navigation undermine regional security and threaten U.S. forces, allies, and partners. Through investments including integrated air- and missile-defense systems, maritime domain awareness, and counter-uncrewed aerial systems, the FY 2025 budget request will help us strengthen our partnerships in the region and preserve our ability to deploy combat-credible forces when needed.

On the Korean Peninsula, we will continue to shore up peace and security, despite the DPRK's ongoing provocations. With our allies in the Republic of Korea and Japan, we are reinforcing our extended-deterrence commitment and strengthening bilateral and trilateral cooperation. That includes information sharing, joint exercises, new missile-warning data-sharing systems, and increased U.S. rotations. The FY 2025 budget request will ensure that U.S. forces in and around the Korean Peninsula remain ready to respond to aggression by the DPRK.

Our ability to monitor and disrupt terrorist threats to our country and our citizens has grown dramatically in the two decades since the September 11, 2001, attacks by al-Qaeda. The FY 2025 budget request will continue to sharpen our over-the-horizon counterterrorism capabilities. The Global Coalition to Defeat ISIS—now in its tenth year, with 87 members— is a lasting example of the value of working with allies and partners toward our common counterterrorism goals.

Investing to Win Across All Domains

We continue to strengthen our capabilities across all domains of potential conflict. To strengthen our sea power, this request includes $48.1 billion for naval and shipbuilding capabilities to enhance and modernize our fleet. The Navy's commitment to stable acquisitions remains the foundation of a healthy shipbuilding base. The Department plans to invest more than $9 billion over the next 5 years to improve public repair yards through the Shipyard Infrastructure Optimization Plan.

We are also making a historic investment in our submarine industrial base to develop supply chains, attract and retain skilled workers, and ensure the on-time delivery of Columbia and Virginia Class submarines. The FY 2025 budget request includes $4 billion for the submarine industrial base, which follows the nearly $1.2 billion requested in FY 2024 and $3.3 billion in the recently passed supplemental funding bill. These investments account for existing production capacity at our shipyards and represent an investment strategy that will allow us to support both our domestic production goals and our commitments under the AUKUS initiative. These investments will enable the Navy to maintain undersea dominance, keep a strong presence in key regions, respond effectively to emerging PRC threats, and continue the transition to Distributed Maritime Operations.

The FY 2025 budget also requests $61.2 billion in key areas to assure U.S. air dominance. This includes continued funding for the modernization and sustainment of the F–35 and F–22 fleets, while developing the next-generation fighters and autonomous collaborative combat aircraft critical to maintaining superiority in the skies. Our request also prioritizes long-range fires, including hypersonic weapons; a modern air command-and-control framework; rapid global mobility; and preeminent electromagnetic-warfare capabilities. To further increase strategic deterrence, the FY 2025 budget request will invest in the development, production, testing, and deployment of the B–21 strategic bomber and the Long-Range Standoff Weapon, which will enhance the Air Force's penetrating strike capability.

On land, the FY 2025 budget requests $13 billion to bolster Army and Marine Corps combat capabilities. It will continue to strengthen and modernize the Army's Organic Industrial Base, including improvements to its arsenals, maintenance depots, and ammunition facilities. It also invests in electromagnetic-warfare capabilities and command-and-control systems, as well as air- and missile-defense systems and land-based long-range fires. Additionally, the budget request will invest in tech-

nology to counter small uncrewed aerial systems, including sensors, a common operating picture, data libraries, and both kinetic and non-kinetic mitigation capabilities. And once again, we ask Congress to provide necessary flexibility for a portion of this funding to enable the Department to rapidly respond to emergent operational needs and evolving force protection requirements.

The FY 2025 budget request includes a $29.8 billion investment in munitions, including procurement for critical weapons such as Maritime Strike Tomahawk and Long Range Anti-Ship Missiles at or near maximum production-capacity levels. The Department is committed to boosting the variety and quantity of our air-, sea-, and ground-launched munition inventories and to maintaining a consistent and predictable demand signal for our industry partners.

Congressional support of the Department's previous requests for multi-year procurement authority would help grow the advanced munitions industrial base.

The FY 2025 budget request will support the Department's pursuit of base-resilience and base- hardening initiatives to protect our forces and installations from air and missile threats—and to recover quickly if struck. This request will continue to strengthen our missile-defense capabilities, including multiple new radars and launch systems for the Guam Defense System.

We are also seeking resources to improve infrastructure for our joint forces across the Indo- Pacific. We will increase the lethality and the survivability of our Army and Marine deployments in the Indo-Pacific by providing them with the capabilities they need to operate in distributed and contested environments. For our Air Force, this budget request will improve the resilience of our forward basing by funding hardening and dispersion activities.

In the space domain, we will continue to invest in the systems and the capabilities to build advantages over any competitor. The Department will commit $33.7 billion to strengthen our space architecture, including strategic and tactical missile warning and tracking; communications; positioning, navigation, and timing; space sensing; and the supporting ground architecture. The budget request will also fund upgrades to our launch infrastructure to support more government and commercial launches.

Beyond our cooperation with the American commercial space sector, this budget request will also allow the Department to enhance our engagement with our allies and partners in the space domain. Consistent with the Space Strategic Review, these investments continue to focus on deterring hostile uses of space and ensuring that the United States can prevail should deterrence fail in this critical domain.

The FY 2025 budget request proposes an investment of $14.5 billion in cybersecurity and other investments in cyberspace. This includes, among other things, developing and fielding advanced cybersecurity tools and techniques to protect our networks and critical infrastructure; expanding data-centric and artificial intelligence programs; upgrading our cyber-operations training platform; and accelerating our use of cloud-based capabilities.

Finally, the COVID–19 pandemic—which killed more than 1.1 million Americans—underscored the national-security risks from biological threats. It is important, therefore, that in August 2023, the Department released the Biodefense Posture Review. This foundational document outlines key reforms to posture the Department to prevail in the face of future threats, including from adversaries who seek to disrupt U.S. military operations. Building on these reforms, the President's FY 2025 budget request will further enhance our ability to keep America safe from biological threats.

Innovating and Modernizing

A safe, secure, and effective U.S. nuclear deterrent is the ultimate check on strategic attacks against our country and our allies. The Department is committed to maintaining and modernizing all three legs of the U.S. nuclear triad even as we remain ready to pursue arms-control measures that enhance U.S. and allied security. The FY 2025 budget request includes an investment of $49.1 billion to fund our nuclear enterprise and invest in U.S. nuclear command, control, and communications. This budget request will enable the Department to maintain our reliable and effective legacy systems while building and fielding their replacements.

The replacement for the ground-based leg of the nuclear triad, the Sentinel weapon system, remains one of the largest, most complex programs within the Department. The Department notified Congress in January that Sentinel had experienced a critical cost overrun, and we are now reviewing the program, as required under the Nunn-McCurdy Act. This robust review will be completed within 120 days after the submission of the President's budget. The Department remains determined to prevent gaps in capability as we modernize our intercontinental ballistic missile fleet.

The Department also continues to invest in cutting-edge defense capabilities, from uncrewed systems and smarter munitions to advanced energetics and manufacturing. We are integrating human-machine teaming, developing autonomous systems, and fielding reliable and resilient networks and data. At the same time, we are taking steps to optimize the practices and systems that are working best, while phasing out our technical debt—those quick fixes that we know will be costly or obsolete in the future. All this will make our operations faster, more lethal, and more survivable for our forces, allies, and partners. As I have repeatedly said, when we sharpen our tech edge, we expand our military edge.

In this sustained period of record or near-record low unemployment, the Department is finding new ways to develop and recruit the talent that will help us maintain America's position as the global leader in research and development. We are cultivating skilled scientists and engineers through the Science, Mathematics, and Research for Transformation scholarship-for-service program and other initiatives. This budget request will also continue to pilot the Defense Civilian Training Corps and civilian cyber-workforce-incentive programs to strengthen skills in other critical fields such as acquisition, digital technologies, Zero Trust, and cybersecurity.

We are also investing in research partnerships focused on critical technologies with our allies and partners. Our unparalleled network of alliances and partnerships is key for technological development, co-investment in combined capabilities, and production capacity.

The Department continues to vigorously develop and test advanced weapons prototypes. The FY 2025 budget request will foster the development of several hypersonic weapons programs, prioritizing surface-launched boost-glide capabilities and air-launched cruise missiles. Also in FY 2025, the Army will field its third Medium-Range Capability battery and its second Long-Range Hypersonic Weapon battery. Our budget request will also invest in further improvements to our subsonic cruise missiles to keep them effective against rapidly evolving threats and targets.

To sustain U.S. technological superiority for the future force, the public and private sectors must work even more closely together. The FY 2025 budget will advance the work of the Defense Innovation Unit, which is working with venture-capital firms and tech innovators who are often doing business with the Department for the first time. By building bridges with private industry, we can acquire commercial technologies that will deliver game-changing capabilities at speed and scale. In 2022, I established the Office of Strategic Capital to provide the Department with new, loan-based tools to catalyze private investment in domestic production and manufacturing of the crucial technology supply base, at limited cost to the Department and the taxpayer. The recent passage of the FY 2024 appropriations bill will empower this new office to help attract and scale private capital to invest in the critical technology components that underpin our most important weapons systems.

We also continue to invest in programs to test and scale emerging technologies, such as the Strategic Capabilities Office, the Rapid Defense Experimentation Reserve, and the Accelerate the Procurement and Fielding of Innovative Technologies program.

Additionally, the Department will continue to work with Congress to tackle emerging concerns through the new Replicator initiative to accelerate capabilities from prototype to scale. The Department is currently focused on producing thousands of attritable autonomous systems over the next 18 to 24 months, creating a repeatable process that will enable the rapid delivery of future capabilities.

To improve the speed, quality, and accuracy with which commanders make decisions, we are actively pursuing the Combined Joint All Domain Command and Control capability, which seeks to integrate and deploy information across all domains and the electromagnetic spectrum. As Deputy Secretary Kathleen Hicks recently announced, the Department has delivered its initial iteration of this capability, an important step in scaling it across the joint force. The FY 2025 budget request will help the United States maintain our edge in command and control across all domains, as the pace and amount of information in warfare increases.

Improving Our Resilience

As the NDS warns, the climate crisis is reshaping the Department's strategic environment and threatening U.S., allied, and partner interests. Climate change is placing new demands on the joint force and challenging our readiness. Extreme weather events have inflicted billions of dollars of damage on DoD installations and assets. And in places such as the Arctic, climate change is creating new potential points of friction.

By working with allies and partners to enhance climate resilience, we strengthen our defense relationships and bolster our ability to respond to instability and humanitarian emergencies. Meanwhile, by reducing the operational energy demand of

our platforms, we can act more nimbly and freely in contested logistics environments and sustain distributed operations.

This budget request will invest in enhancements to our operational capabilities, mission resilience, and readiness. This includes programs that reduce or avoid the risk of energy and water supply disruptions to military facilities—whether caused by extreme weather, cyber operations, or kinetic attack. The budget request also includes funding to improve the energy efficiency of combat operations and platforms, to enhance the joint force's agility, and to reduce logistics risk in contested environments like the Indo-Pacific region. Throughout, our focus is on maximizing our operational advantages—and, when necessary, preparing to fight and win under any conditions.

TAKING CARE OF OUR PEOPLE

Doing right by our people is a readiness imperative. This budget request therefore will enable the Department to invest in significant additional quality-of-life improvements, military pay raises, and benefits for our outstanding Service members and their families. Furthermore, it helps to implement historic military-justice reforms, counter the scourge of sexual assault, build positive command climates, and deepen our efforts to prevent suicide in our ranks.

Strengthening Support to Service Members and Families

Our Service members and their families deserve competitive compensation packages that make the Department an employer of choice. After troops received a basic-pay increase of 5.2 percent in 2024—the largest in more than 20 years—the FY 2025 budget request will support a 4.5 percent pay raise in the coming year. At the President's directive, we will continue to examine compensation through the Quadrennial Review of Military Compensation.

The places where we work and live affect our people's ability to carry out their missions and the overall recruitment and retention of the force. The FY 2025 budget request will build on recent investments in construction, maintenance, cleanup, and conservation, including $2 billion for family housing construction and operations and more than $1 billion in military construction for unaccompanied housing. This continued investment reflects the commitment in our "Resilient and Healthy Defense Communities" strategy to ensure that our people live, work, and train in healthy, functional, and resilient spaces.

The FY 2025 budget request will provide additional economic support to our Service members and families across a range of programs. The Department is making childcare more accessible and affordable, and we are expanding the availability of childcare-fee assistance through the Military Child Care in Your Neighborhood PLUS initiative. Additionally, in 2023, the Department established the opportunity for Service members and their families to contribute to dependent-care flexible spending accounts, which make the costs of childcare and other forms of care for family members easier to bear. I have also taken direct action to reduce commissary prices and to increase opportunities for our military spouses to excel in their own careers.

With thanks to Congress, the Department has implemented expanded parental-leave benefits for our Service members. New parents now receive 12 weeks of paid, non-chargeable leave, whether they become parents by birth, adoption, or long-term foster care. And when a Service member suffers the tragedy of the death of a spouse or child, DoD has implemented a bereavement leave benefit that Congress provided, which allows Service members who have not yet accrued significant annual-leave balances to take up to 14 days of non-chargeable leave in these times of grief.

Protecting Our Teammates and Ensuring Accountability

As I said on my first full day in office, sexual assault in the military is a scourge, and ending it is a leadership issue. Every member of the force deserves a workplace free of sexual assault, sexual harassment, and personal fear, which erode cohesion and trust within our units. The FY 2025 budget request will ensure that the Department will have the capabilities, the programs, and the integrated prevention workforce needed to implement the recommendations I approved from the 2021 Independent Review Commission on Sexual Assault in the Military.

The Department also recently reached a milestone in strengthening accountability and increasing Service members' trust in the fairness and integrity of the military justice system. In December 2023, the Offices of Special Trial Counsel within the Military Departments reached full operational capability, shifting prosecutorial discretion for 13 serious criminal offenses away from commanders to specially trained and independent judge advocates who report directly to the Secretaries of the Military Departments. This landmark change to the U.S. military justice system signifi-

cantly strengthens the independent prosecution of sexual assault and other serious criminal offenses, such as domestic abuse and child abuse and neglect. It is the most important reform to our military justice system since the creation of the Uniform Code of Military Justice in 1950, and I am grateful to Congress for passing this important law.

The Department also remains laser-focused on preventing suicide in our ranks, and we are committed to implementing enabling actions informed by the work of the Suicide Prevention and Response Independent Review Committee. In September 2023, I announced a comprehensive suicide-prevention campaign plan implementing more than 80 actions, including steps to improve suicide-prevention training, reduce the stigma associated with seeking help, expand access to support services, and promote the safe storage of guns and potentially dangerous medications.

Addressing the Recruiting Challenge and Growing Our Talent

The Department of Defense must recruit and retain the best of America, building pathways of opportunity for all qualified patriots who seek to serve. Many factors can affect recruiting, including a competitive economy, shifting attitudes toward institutions, limited familiarity with the military, and the aftermath of the Iraq and Afghanistan wars. To push past the headwinds in meeting the recruiting mission, we must clearly convey the full range of opportunities and benefits offered by military service. Recent legislation and ongoing activities by the Services are opening pathways for recruiters to reach more young people while upholding our standards.

Amid today's challenging recruiting environment, retention remains high. The Department has moved effectively to incentivize members to remain in the military, to strive for promotion and increased responsibility, and to enhance their skills and abilities. This budget request envisions additional ways to tap into the full range of talent across America.

The FY 2025 budget request will also support a properly sized, highly capable civilian workforce aligned to the Department's mission and workload. The Department will continue to work to make the best possible use of our deeply dedicated people, including our troops, our civilian workers, and our contractors.

The Department continues to provide exceptional opportunities for service and professional development. This means attracting more personnel with technological skills, foreign-language abilities, or other talents. We are investing in training and education, as well as creating scholarships for science, technology, engineering, and math. The Department is committed to attracting, retaining, and developing the best talent in America, especially rising stars with expertise on emerging technologies and cutting-edge capabilities such as AI, data analytics, digital modernization, and cyber operations.

SUCCEEDING THROUGH TEAMWORK

Our long-term security and success demand teamwork—across the Department and beyond. That means working closely and effectively with our interagency colleagues, Congress, industry, and our peerless network of allies and partners worldwide. The FY 2025 budget request will enable the Department to deepen our cooperation with the allies and partners who magnify our power and advance our shared security interests.

The NDS is rooted in the immutable military reality that strengthening our work with allies and partners deepens our common security and lets us share the burden of forging a safer and more prosperous world. For example, the Defense Security Cooperation Service that I established in May 2023 will improve the way the Department trains, organizes, and equips itself for security cooperation, which in turn will let us more swiftly and effectively deliver capabilities to our allies and partners. This budget request will support the initial phases of the establishment of this service, which will put our Embassy-based Security Cooperation personnel on par with those in the Defense Attaché Service.

The AUKUS Partnership

I am grateful to Congress for its support of the historic AUKUS partnership, including passing legislation to allow for more seamless defense innovation and trade with two of our closest allies, Australia and the United Kingdom. The FY 2025 budget request will support the AUKUS initiative to forge a more secure balance of power in the Indo-Pacific region. Our three proud democracies are jointly tackling the threats of the 21st century, building on our proud work together in the 20th century.

Last year, the President announced our plans for the first major initiative of AUKUS: providing Australia with a conventionally armed, nuclear-powered submarine. The phased approach to that initiative will allow us to provide this capa-

bility on the fastest possible timeline, while strengthening the nuclear nonproliferation regime. The first phase of that initiative is on track: the first Australian submariners have graduated from our nuclear-power school; two of our submarines have conducted port visits in western Australia; and Australian workers are building their skills alongside Americans in our ports in Hawaii and Guam. In December 2023, I hosted my U.K. and Australian counterparts at the Defense Innovation Unit in Silicon Valley, where we committed to seeking even greater innovation and interoperability among our defense industries. This AUKUS initiative will deepen trilateral cooperation in several areas, including artificial intelligence and autonomy, quantum technologies, cyber capabilities, hypersonics, and more.

We are also expanding our bilateral defense and security cooperation with Australia, particularly on force posture and capabilities development. In 2023, our two governments entered into an arrangement to collaborate on a flexible guided weapons production and maintenance capability to be located in Australia.

Allies and Partners in the Indo-Pacific

Our network of allies and partners in the Indo-Pacific is deep, wide, strong, and committed to a shared vision of peace, prosperity, stability, and deterrence. The FY 2025 budget request will ensure that the United States can continue to strengthen these key alliances and partnerships.

To deter the threat that the DPRK's nuclear weapons and ballistic-missile programs pose to the American homeland, we have increased rotations of strategic assets to the Korean Peninsula and returned to large-scale, combined, live-fire exercises with the Republic of Korea.

We are working closely with our Japanese allies to forward-deploy more versatile and resilient U.S. capabilities, to enhance Japan's counterstrike capabilities, and to modernize our alliance's command and control.

We are modernizing the U.S.-Philippines alliance by enhancing maritime cooperation, strengthening Philippine capabilities, and improving interoperability and information sharing. Under the Enhanced Defense Cooperation Agreement, we have expanded our rotational presence to four new strategic locations in the Philippines. These steps underscore our unwavering commitment to our Mutual Defense Treaty with our allies in the Philippines.

Our annual Cobra Gold exercise with Thailand helps strengthen relationships among participating regional partners. Last year's exercise saw the largest U.S. contingent in a decade, as well as the participation of dozens of other countries, in a welcome return to pre-pandemic levels.

With this budget request, we are beginning a new chapter in U.S.-India relations, under our Major Defense Partnership. Our militaries are accelerating joint exercises, information-sharing, and other operational activities to boost maritime security in the Indian Ocean. By bolstering the Indian military's capabilities, we can work together to uphold a more stable balance of power across the wider Indo-Pacific. We are committed to ensuring that the growing U.S.-India partnership supports the efforts of our broader network of allies and partners, especially the Quadrilateral Security Dialogue among Australia, India, Japan, and the United States.

The FY 2025 budget request will also enable the Department to remain engaged across the Pacific Islands region, in alignment with our Indo-Pacific strategy. That includes building on the Defense Cooperation Agreement that we secured last year with Papua New Guinea, as well as increased security cooperation and closer bonds with the Freely Associated States—Micronesia, the Marshall Islands, and Palau.

Strong multilateral cooperation, including with the Association of Southeast Asian Nations (ASEAN), underpins all these efforts to foster a free and open Indo-Pacific. As I have said, the Indo-Pacific remains our center of strategic gravity.

European Security and Support to Ukraine

The United States continues to work closely with our allies and partners to support Ukraine's fight for freedom. The engine of our efforts is the Ukraine Defense Contact Group, the coalition of some 50 countries that I regularly convene to meet Ukraine's immediate battlefield needs and support its long-term security and sovereignty. Members of the Contact Group have organized new, multinational "capability coalitions," focused on supporting such areas as Ukraine's air force, integrated air and missile defense, artillery, maritime security, armor, information technology, de-mining, and drones.

Putin's war of choice poses the largest threat to European security since the height of the Cold War, and NATO is more united than ever. The greatest alliance in history has gained two more highly capable defense partners with the recent accession of Finland and Sweden, and the United States has moved urgently with our allies to further fortify NATO and bolster its defenses on its eastern flank.

Allies are also increasing investments in their own militaries at levels not seen since the end of the Cold War. More allies than ever are meeting their pledges to invest at least 2 percent of their GDP in defense—including, as NATO Secretary General Jens Stoltenberg has noted, a real increase of 11 percent in defense spending in 2023 across our European and Canadian allies. This is historic progress, and we will continue to encourage further investments and urge every member of NATO to meet its obligations under the Defense Investment Pledge.

Our commitment to Article Five of the North Atlantic Treaty remains ironclad. We will not be dragged into Russia's war of choice, but we will stand with Ukraine as it fights to defend itself, and we will continue to strengthen NATO's collective defense and deterrence. We cannot have a secure America without a strong NATO.

The Kremlin's war poses a direct threat to security in Europe and beyond. The world will only become more dangerous if Putin and his fellow autocrats conclude that they can wipe democracies off the map and force free people to live in fear. So we will continue to support Ukraine's brave defenders—both because it is the right thing to do and because it is central to America's continued security.

Investing in America's Defense Industrial Base

The United States needs an adaptive, resilient, and robust defense industrial base to meet its 21st- century defense challenges. Today, our defense industrial base still relies heavily on foreign production and vulnerable supply chains. Providing military capabilities at the speed and scale necessary to maintain our competitive advantage—without relying on competitors for capital, technology, or raw materials—will require cooperation and investment from both the private and public sectors to build a modern defense industrial base.

In January, the Department published the National Defense Industrial Strategy, which will guide DoD actions—in partnership with industry and our allies—to meet the production demands posed by evolving threats. This budget request will shore up critical domestic and allied supply chains for sectors such as microelectronics, casting and forging, and batteries and energy storage. It will also help secure upstream supplies of rare earth elements essential to U.S. economic and national security, including by supporting programs to boost innovative manufacturing methods, the use of alternate materials, and strategic stockpiling.

The budget request also outlines investments to revitalize our submarine industrial base. That will create good American jobs, grow our manufacturing capacity, and strengthen our submarine supply chains.

When we invest in America's defense industrial base, we do not just strengthen our national security; we also boost our economy. The defense sector can catalyze innovation, create jobs, and make technological advances. Our relationships with industry can strengthen America's defense even as they sustain America's economic growth.

Such progress relies on a fully funded defense budget. Dependence on short-term funding measures damages our ability to invest in our defense industrial base. Under continuing resolutions, critical national-security programs are delayed or put on hold, and the fiscal uncertainty destabilizes the U.S. economy. The only clear path for the United States to maintain our global strength and continue to outpace our rivals is for our valued partners in Congress to provide full-year appropriations. Building on Congress's meaningful investments over the past 3 years, the Department is committed to working with Congress to ensure that our industrial base can continue to meet the needs of our warfighters—and ensure continued security for the United States.

CONCLUSION

As the President has noted, we stand at "an inflection point in world history." Amid a global battle between democracy and autocracy, our friends, our rivals, and our foes are all looking to America. Our security in these turbulent times relies on American strength of purpose. We remain determined to meet this moment.

The FY 2025 budget request will ensure that the Department will be able to continue building the most lethal, resilient, and responsive military on Earth. We hope that our valued partners in Congress will help us make the critical, targeted investments to strengthen America's security in this time of historic challenge. To that end, the single best thing that Congress can do to strengthen our national defense is to pass a full-year appropriation. Our competitors do not have to operate under continuing resolutions. When the Department does, it erodes both our country's security and our ability to compete—today and in the future.

We make this request mindful of the need to be faithful stewards of taxpayer dollars. The American public, including of course our extraordinary troops and veterans, should never expect anything less.

Finally, I want to thank our Soldiers, Sailors, Airmen, Marines, and Guardians; their families, caregivers, and survivors; and our civilian employees. They are our greatest strategic asset—and they never waver in their drive to make our union more perfect, our country more secure, and our world more just.

Thank you.

Senator TESTER. Secretary Austin, thank you for your testimony.

Next, we will have General Brown. General Brown, you have the floor.

STATEMENT OF GENERAL CHARLES Q. BROWN, JR., CHAIRMAN OF THE JOINT CHIEFS OF STAFF

General BROWN. Chairman Tester, Ranking Member Collins, and distinguished Members of the Committee, I am honored to join Secretary Austin and the Honorable Mike McCord to appear before you today.

On behalf of the Joint Force, the Department of Defense, civilians, and our families, I want to thank Congress for your steadfast support and the opportunity to testify on the fiscal year 2025 Defense budget request, which reflects our shared commitment to national security. I also want to thank you for passing the National Security Supplemental, which provides vital support to our allies, partners, and our defense industrial base, to counter aggression and strengthen our Joint Force capabilities and capacity in preparation for any future contingency.

The global security environment is increasingly complex. The 2022 National Defense Strategy identifies five key challenges: the People's Republic of China, our pacing challenge, continues its risky behavior around the globe. A newly aggressive Russia with its unprovoked war against Ukraine; a reckless Iran, who we saw a few weeks ago attempts to escalate regional conflict with unprecedented attacks and support of proxy forces; the destabilizing North Korea, which threatens regional security; and violent extremist organizations, which leverage instability to advance their cause.

These challenges are interconnected, which demands a strategic approach addressing the immediate threats while also preparing for future contingencies. It requires all of us to operate with a sense of urgency. Days after becoming the Chairman, I laid out three expectations in my message to the Joint Force: honing our warfighting skills have primacy in all we do; modernizing and aggressively leading with new concepts, and approaches; and trust is the foundation of our profession.

Our military exists to fight and win our Nation's wars. We train every day to ensure we are so good at what we do that we deter any adversary from engaging the U.S. in conflict. This budget requests $147 billion to sustain readiness and ensure the Department can counter near-term threats. We also focus on better integrating our allies and partners in our planning and operations by investing in critical programs and capability, expanding security cooperation, exercises, training, and interoperability.

Our investments in readiness ensure the Joint Force can respond when the Nation calls. While we are focused on our readiness for today, it is critical to modernize and lead with new concepts to prepare for tomorrow. The Department continues to invest in capability and capacity to outpace our competitors while transforming

from costly legacy platforms that are no longer relevant to the threat.

This budget strategically invests $167.5 billion in procurement, underscoring our commitment to equip the Joint Force with unparalleled combat capabilities across every domain. This budget also invests $143.2 billion in research, development, tests, and evaluation of future capabilities that will retain our strategic edge.

This budget invests significantly into nuclear modernization, digital innovation, multiyear procurement of critical munitions, and the strengthened defense industrial base. With rapidly evolving threats in technology, accelerating our modernization is crucial.

Lastly, trust is the foundation of our profession. Joint Force must uphold—must build upon, and uphold the trust in each other, trust of our families, trust of our elected leaders, and trust of our Nation. Enhancing the quality of service and the quality life of our personnel is not just a moral obligation; it is a strategic imperative. The budget includes investments in quality of service efforts such as advanced training, educational benefits, and career development, while also investing in quality life projects like housing, medical clinics, and child care facilities, as well as funding spouse employment initiatives, enhanced mental health resources, and robust programs to combat sexual assault.

We must create an environment where all can reach their full potential. Trust that our Joint Force stands ready, ready to defend our national interests, ready to deter aggression, and ready, if necessary, to fight and win our Nation's wars.

I thank you for your support and collaboration in our shared commitment to face the security challenges of today and prepare for tomorrow. We are living in consequential times, and there is no time to waste.

Thank you. And I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF GENERAL CHARLES Q. BROWN, JR.

OVERVIEW

I am honored to represent our dedicated Joint Force, Department of Defense civilians, and their families who are focused on ensuring and supporting our national security. I thank Congress for your support and collective commitment to addressing our most pressing national security challenges. The Joint Force acknowledges and appreciates the diligent efforts of our Congressional members in securing the vital resources necessary to train, equip, and maintain our readiness, while also modernizing to prepare for the future.

The President's $849.8 billion defense budget for Fiscal Year (FY) 2025 reflects our shared commitment to facing today's security challenges head-on, while also laying the groundwork to confront the uncertainties of tomorrow. This budget includes targeted program reductions to meet funding levels approved by Congress under the Fiscal Responsibility Act of 2023. Under these caps, this budget prioritizes Joint Force readiness and taking care of our people while reducing programs that will deliver future combat capability in the 2030s.

The 2022 National Defense Strategy (NDS) identifies the evolving security challenges that the Department must address to safeguard our national interests. Implementing the NDS requires the Joint Force address these challenges while simultaneously accelerating modernization to maintain our strategic advantages. This budget resources our strategy and enables the Joint Force to invest in capabilities to remain the most capable military force in the world for decades to come. The NDS articulates four key priorities essential to our national security:

—Defending the homeland, paced to the growing multi-domain threat posed by the People's Republic of China (PRC)

—Deterring strategic attacks against the United States, Allies, and partners
—Deterring aggression, while being prepared to prevail in conflict when necessary
—Building a resilient Joint Force and defense ecosystem

The NDS makes it clear that the PRC remains our pacing challenge and "our most consequential strategic competitor for the coming decades." The PRC is the only state with the intent as well as the economic, diplomatic, military, and technological power to reshape its region and the global order. The Joint Force will focus efforts on addressing our pacing challenge while simultaneously preparing for and responding to the acute Russian threat and the challenges posed by North Korea, Iran, and Violent Extremist Organizations (VEOs).

This budget is threat-informed and built to ensure that our strategic planning, resource distribution, and capability development are responsive to current challenges as well as future threats. Through aligning this budget with the strategic and operational landscape, the Joint Force is postured to remain versatile, resilient, and capable to protect the American people, our prosperity, and our way of life.

Each branch and component of our Armed Forces plays a pivotal role in supporting and upholding these priorities. The connections from this budget request to the NDS, National Military Strategy (NMS), and the Joint Warfighting Concept (JWC) are clear and deliberate. The JWC, informed by the current threat environment, has linkages to our resource allocation and requirement planning processes.

The current strategic environment requires that our force continue to advance and adapt to the changing character of war. We must always be prepared to fight and win our Nation's next war. Our current strategic advantage gives us confidence against any adversary. We must continue to strengthen our national security and our warfighting advantage because our competitors and adversaries have not stopped advancing their capabilities.

I am confident in our Joint Force. Our Soldiers, Sailors, Airmen, Marines, Guardians, and civilian teammates form the most capable fighting force in the world—bar none. In my 2 October 2023, Message to the Joint Force, I articulated my expectations for the Joint Force:

—Honing our warfighting skill has primacy in all we do
—Modernizing and aggressively leading with new concepts and approaches
—Trust is the foundation of our profession

The Joint Force can only remain the world's most capable force if it is supported by the necessary resources to organize, train, equip, exercise, and employ the Total Force. We can only accomplish our mission and maintain our advantage with stable, predictable, and timely budgets. By passing an on-time budget, Congress enables the Department to execute our strategy with a full-year appropriation. We are challenged to implement our strategy and stay ahead of our pacing challenge when we are not resourced with an on-time full-year appropriation and funding is delayed due to another Continuing Resolution.

Our service members and their families sacrifice for our Nation and we owe them the tools they need to be successful in a dynamic, evolving strategic environment.

STRATEGIC ENVIRONMENT

The global security environment is extremely complex. The international order and its principles of sovereignty, democracy, and rule of law have underpinned global security for almost 80 years. Today, this system is under threat. The NDS identifies five key challenges that threaten U.S. national interests and our way of life: the PRC, Russia, North Korea, Iran, and VEOs. All five of these challenges are currently active at the same time and in some cases working together.

I have served as the Chairman of the Joint Chiefs of Staff for more than 6 months and during this time, each of our NDS challenges have confronted our defense and security goals. The PRC continues to undertake coercive and risky military behavior in the South China Sea, across the Indo-Pacific, and around the globe. Russia's unprovoked war of aggression in Ukraine has entered its third year seeking to overthrow a sovereign neighbor that posed no threat. Iran sponsors and supports militia groups and terrorist activity threatening regional stability and U.S. forces. North Korea continues to test ballistic missiles and technology while also transferring ballistic missiles to Russia in direct violation of multiple United Nations Security Council resolutions. VEO activities around the globe spread violence, sow terror, and cause unnecessary suffering. These actors work to exploit perceived gaps in U.S. military might, seeking to expand their influence and challenge the global order.

Today's current global strategic environment requires the Joint Force to both address the pacing challenge of the PRC and focus efforts on the rest of the globe. We can and will do both.

People's Republic of China: The PRC's increasingly aggressive military actions in the South China Sea; actions to assist Russia, North Korea, and Iran; and increasing economic influence around the globe threaten to destabilize the global security environment. The PRC continues to expand military capabilities across multiple domains. We are entering a decisive decade where the PRC is challenging the future of the international order and the United's States' place in the world.

Though the Joint Force focuses on being ready for conflict, our goal is to deter and stay in competition. On 21 December 2023, I held a video teleconference with my PRC counterpart to discuss the importance of responsibly managing competition and avoiding miscalculations. Communication lines have reopened with the PRC across various levels across the U.S. Government, engaging in substantive dialogue which can reduce the likelihood of misunderstandings and inadvertent escalations.

Russia: Russia's war in Ukraine not only threatens European stability but also aims to undermine the global order to benefit its interests. The international community's support for Ukraine has been pivotal, emphasizing the global commitment to sovereignty and deterring future aggression around the world. Russia's focus on expanding and modernizing its nuclear arsenal further complicates the global security dynamic.

North Korea: North Korea's advancing nuclear program threatens U.S. interests and regional stability. Its ongoing and increasingly aggressive ballistic missile research and testing represent a threat to our homeland and to our Allies and partners in the Indo-Pacific.

Additionally, recent information has indicated that North Korea provided Russia with ballistic missile launchers and ballistic missiles, which is a notable and concerning escalation in North Korean support for Russia.

Iran: Iran-backed militia groups have used the HAMAS terrorist attacks of 7 October 2023 to increase attacks on U.S. forces in Syria, Iraq, the Red Sea, and across the region. Iran's support for and involvement in these attacks contributes to larger regional instability.

Additionally, Iranian aid has enabled the Houthis to initiate a campaign of missile attacks, since November 2023, against commercial ships in the Red Sea. Iran is also taking actions to improve its missile forces and continues to retain programs that would enable nuclear weapon production. Finally, Iran provides support to Russia's aggression and continues to operate across the gray zone with coercive and malign activities.

Violent Extremist Organizations: Against the backdrop of these state actors, VEOs continue to sow terror and instability, with recent escalations further threatening regional peace. On 7 October 2023, HAMAS conducted a heinous and brutal attack on the people of Israel. The U.S. remains committed to supporting Israel's right to defend itself while actions to protect and provide humanitarian aid to the civilians in Gaza must increase. The threat landscape is further complicated by transnational extremist organizations such as ISIS, Al Qaeda, and others across Europe, Africa, the Middle East, and the Indo-Pacific. Despite experiencing significant setbacks, these groups persist in their violent campaigns, leveraging instability to expand their presence, manipulate populations, and disseminate radical ideologies.

The interconnectedness of these challenges necessitates a strategic approach that addresses the immediate threats while also preparing for future contingencies. The U.S. and its Allies must navigate this complex environment with a combination of military readiness, diplomatic engagement, and a commitment to the principles that have historically underpinned global order.

WARFIGHTING

Our military exists to fight and win our Nation's wars. That is why I'm adamant, honing our warfighting skill has primacy in all we do. We train and prepare every day to ensure we are so good at what we do, that we deter any adversary from engaging the U.S. in conflict. The FY 2025 budget will enable our force to train across the full spectrum of operations at varied levels of scope, scale, and complexity. The Joint Force works to implement the NDS through campaigning by linking together training, exercises, and activities to reach our defined objectives. This budget enables the necessary investments to carry out our Joint Force's crucial work and to do so with tactical and technical proficiency.

First and foremost, our service members are expected to master the warfighting skills of their individual service. Our service members must focus on being an adversary's worst nightmare in a fight. As the tactical expert in each domain of warfare, our service members are then required to integrate individual mission areas into a cohesive fighting force. With the changing character of war, future conflicts will be fought across all warfighting domains—land, sea, air, space, and informa-

tion. Therefore, eliminating gaps and seams in Joint Force readiness will be a priority. This requires proper resourcing for training aides, employment ranges, and equipment to be able to practice like we fight across events from daily training evolutions to fully integrated high fidelity international exercises. This budget requests $147 billion to sustain readiness and ensure the Department can counter near-term threats and prevail in long-term strategic competition.

In addition, any future armed conflict will be fought alongside Allies and partners, necessitating our Soldiers, Sailors, Airmen, Marines, and Guardians be able to integrate across the joint and combined force. My expectation is that America's service members are able to execute tactically while also understanding the larger operational context and geostrategic environment in which they operate.

Finally, our service members understand that the United States military is only one component of our whole of government efforts to support and protect our interests in the global order. The U.S. must act with one end goal in mind and holistically bring together all our elements of national power.

Allies and Partners: The United States has an incredible network of Allies and partners with whom we integrate to achieve our security objectives. We can better leverage their contributions and capabilities by building them into our plans from the beginning. We cannot expect success when we focus on building U.S.-only capability and then adding on Allies and partners at the end. We must start at the beginning with the end in mind and account for our Allies and partners earlier in our planning, requirement, and acquisition processes. The FY 2025 budget will enable the Joint Force to plan, train, and exercise alongside our Allies and partners worldwide. It will also enable further research, development, and testing for joint capabilities and the integration of partner capabilities to collectively address global security challenges. Our Allies and partners are a powerful force multiplier and are crucial for our continued security.

Working together as a combined force enhances our capabilities immensely, demonstrated by the collective effort of Allies and partners around the world in delivering more than $88 billion in security assistance to Ukraine since Russia's invasion in 2022. This security assistance has not only supported Ukraine, but it has also reaffirmed our resolve to work with our Allies and partners around the world as closely as ever. We have strengthened NATO, enhanced and recommitted our support to Israel and Taiwan against regional threats, and advanced efforts in the trilateral security partnership between Australia, the United Kingdom, and the U.S (AUKUS). This budget includes $2.9 billion for the European Deterrence Initiative and $9.9 billion for the Pacific Deterrence Initiative. This will fund capabilities to expand security cooperation with Allies and partners across Europe and the Indo-Pacific, ballistic missile defense activities in support of Guam, improved infrastructure, exercises, training, and experimentation activities. The $4.0 billion for the submarine industrial base will strengthen the health and capacity of the submarine force and further advances AUKUS. In our globally interconnected world, relationships matter. None matter more than our close-knit ties with our Allies and partners.

During my more than 6 months in this job, I have had more than 145 engagements with my counterparts from around the world. My engagements have revalidated a well-known fact. U.S. leadership is wanted, needed, and watched. U.S. efforts are a catalyst for change—what we do drives action.

MODERNIZATION AND NEW CONCEPTS

Our Nation needs us to both be ready to fight today's battles and prepare for tomorrow's wars. We must prepare by modernizing and aggressively leading with new concepts and approaches. The JWC provides a framework for how the Joint Force will modernize and how we will fight in a future conflict. The JWC guides the Department's future force development, design, and warfighting approach to ensure we have the right people, equipment, training, roles, and doctrine to deter and if necessary, win in a future conflict. We must modernize our force, through innovation and by building a bridge to the defense industry to deliver capability in a timely manner.

As we work to shorten the timeline between prototype and program of record, there is growing importance for collaboration between the Services and our industry partners to deliver at scale, develop training programs, and provide required sustainment so our warfighters can operationalize the delivered capabilities. With rapidly evolving threats and technologies, accelerating our modernization is crucial. Our adversaries are advancing quickly, and it is imperative that we equip our Joint Force with the most advanced tools and capabilities available.

Readiness and modernization depend upon consistent on-time, full year appropriations. We thank Congress for passing FY 2024 appropriations and we will work with Congress to deliver on-time appropriations for FY 2025. Continuing Resolutions of any length have long lasting impacts on the Joint Force. They significantly impact and degrade our ability to defend the United States. They slow progress, prevent new starts of programs, and delay our force modernization efforts. They damage our relationships with the defense industrial base, eroding trust and driving up costs as industry hedges against funding inconsistency. We have operated under Continuing Resolutions for 14 of the last 15 years, totaling 5 years' worth of lost time. Time we cannot get back.

Force Modernization: We continue the execution of several programs essential to Joint Force modernization, focusing on advanced platforms, long-range fires, and uncrewed systems. The Department continues to invest in capabilities and effects to outpace our competitors while divesting costly legacy platforms that no longer best meet our needs. While these choices may be challenging, they are crucial for directing resources towards the optimal mix of programs to fill the portfolio of requirements essential for our security.

In the FY 2025 budget, $167.5 billion is strategically allocated towards procurement, solidifying our commitment to equip the Joint Force with unparalleled combat capabilities across every domain. Our air power will be elevated through a fleet of advanced fighter aircraft, the B–21 bomber, and tanker aircraft. Our sea power is strengthened with the construction of six battle force ships as well as the continued production of Ford-class aircraft carriers and Columbia ballistic missile submarines. Our combat force in the land domain will be modernized and reinforced with the most advanced equipment available including the Armored Multi-Purpose Vehicle, Amphibious Combat Vehicle, and the XM30 Combat Vehicle. This budget also includes significant development in uncrewed and autonomous systems to expand reach, access, and payload for operations across all domains. Together, these systems along with advanced weapons will challenge, target, and neutralize adversary capabilities while also affirming our technological edge in an era of strategic competition.

Additionally, this budget significantly advances our long-range fires capabilities with $9.8 billion for the development and procurement of multi-domain hypersonic weapons and the improvement of long-range survivable subsonic weapon systems. These strategic investments ensure our Joint Force maintains a decisive edge in delivering precise strikes over vast distances to outpace emerging threats and support future warfighting concepts.

Across all domains, we continue to invest in the capabilities and technologies that will position the Joint Force to meet the pacing challenge of the PRC and the acute threat of a newly aggressive Russia. Furthermore, the Joint Force recognizes the importance of the space and cyber domains and is focused on those areas promising the largest return on investment in the near-term, such as space domain awareness, space command and control, space resiliency, cyber security, and the Cyber Mission Force. The $143.2 billion FY 2025 budget request for research, development, test, and evaluation will enable the Department to develop the technology, innovative capabilities, and modernized approaches for the Joint Force to gain and exploit positions of advantage.

Nuclear Modernization: In alignment with our overarching strategy for Joint Force modernization, the FY 2025 budget underscores our commitment to the comprehensive recapitalization of our Nation's strategic deterrent. This deterrent not only protects the United States but also many Allies who depend on extended deterrence and assurance. We are in the midst of a generational change, undertaking the modernization of all three legs of the nuclear triad simultaneously with the development of the sea-based Columbia-class submarine, the airborne B–21 bomber aircraft, and the land-based Sentinel Intercontinental Ballistic Missile (ICBM). These systems will form the backbone of our Joint Force's ability to maintain a safe, secure, effective, and credible nuclear deterrent. Concurrently, we are enhancing and modernizing our Nuclear Command, Control, and Communications (NC3) systems to ensure they remain secure and reliable amidst evolving threats.

This concerted effort in nuclear modernization is foundational, enabling the broader strategic capabilities that underpin our national defense. It fortifies our extended deterrence commitments, amplifying the strength and cohesion of our global alliances and partnerships. A modernized, safe, secure, and effective nuclear triad provides an outsized return on investment to assure our Allies, deter aggression, and preserve our national security.

Our investment in nuclear capabilities reflects a judicious balance between advancing cutting-edge technologies and phasing out legacy capabilities. Nuclear modernization is a critical component of our strategy, ensuring the Joint Force remains

equipped to navigate the complexities of modern warfare and emerging global threats.

Digital Innovation: The Joint Force is also advancing our digital modernization, acknowledging decision advantage will be a key offset in future conflicts. The Joint Force remains committed to realizing a fully capable Combined Joint All Domain Command and Control (CJADC2) environment and leveraging initiatives being demonstrated today in our Global Information Dominance Experiments (GIDE). A modernized and technologically advanced Joint Force will communicate seamlessly across platforms in all domains. This will ensure we quickly identify viable paths capable of delivering command and decision dominance. CJADC2 will enhance warfighting readiness through improved access to and the interoperability of joint data at the strategic, operational, and tactical levels. This budget requests over $1.3 billion to develop and improve our CJADC2 capabilities.

With investments in digital innovation, from command and control to modeling and simulation, digital modernization can improve all Department work, advance intelligence collection, streamline processes, and enable better data-informed decisionmaking. The FY 2025 budget prioritizes artificial intelligence (AI), investing $1.8 billion in research, development, test, and evaluation funds and in operations and maintenance funds, highlighting the strategic importance of AI to our Joint Force for both the near- and long-term.

Additionally, this budget allocates $14.5 billion for cyberspace activities, supporting the Joint Force's defensive and offensive cyberspace operations capabilities and cyber strategy. This funding will enable the Joint Force to move at the pace of technology. Investments and relationships help the Joint Force accelerate software and technology production to scale ideas and move from concept to combat capability.

Munitions: This budget sends a strong signal to the defense industrial base through $29.8 billion for munitions and the use of multi-year procurement authorities for critical munitions. Russia's war in Ukraine and Israel's operations in Gaza highlight the strategic nature of how munitions stockpiles directly impact battlefield operations. Producing advanced munitions can take years and depends on complex production lines with a skilled workforce that cannot be started overnight. To ensure the Joint Force is prepared for challenges around the globe, we must build out robust production capacity to stay ahead of need to address any emerging crisis. This budget continues to strengthen the defense industrial base and will support several investments to improve its capacity to meet current and future demands.

This budget prioritizes addressing our pacing challenge, the PRC, with procurement of the most relevant munitions—long-range cruise missiles, anti-ship missiles, surface-to-air missiles, torpedoes, and air-to-air missiles. The Joint Force takes a holistic approach to ensure we have the optimal balance of capabilities and capacity including hypersonic as well as subsonic, survivable, and large payload weapons. We continually manage and assess our stockpiles and procurement to ensure we have the munitions that our warfighters need.

Expanded multi-year procurement authorities for critical munitions will continue to enable us to deepen our inventories and decrease operational risk. Multi-year procurement authorities are essential to proactively address challenges with complex supply chains, long lead-time components, obsolescence, workforce shortages, and infrastructure shortfalls that must be overcome. These authorities directly support the capabilities we need to execute our strategy while managing and mitigating risks during crisis and conflict.

Defense Industrial Base: A strong and robust defense industrial base including logistical systems and global supply chains will enable the production of technologies and capabilities critical for our national defense. To fully modernize the Joint Force, we must provide a consistent demand signal to the defense industrial base through clearly articulated priorities and resourcing. Doing so activates the defense industrial base to expand capabilities and capacity helping to enable contract performance and on-time deliveries.

This budget allocates investments towards revitalizing and expanding the defense industrial base, ensuring it is prepared to meet production demands required for current and future operations. Over $8 billion is requested to fund several key defense industrial base sectors, including $375 million for microelectronics, $369 million for castings and forgings, $193 million for strategic and critical materials, $243 million for kinetic capabilities, $3 million for energy storage and batteries, $125 million for bio-manufacturing, $4.0 billion for the submarine industrial base, and a $112 million investment into a skilled industrial workforce. A strong and robust defense industrial base contributes to deterrence and provides a foundation for surging in the event of crises or conflicts.

TRUST

Trust is the foundation of our profession. The Joint Force must build upon and uphold the trust in each other, the trust with our families, the trust of our elected leaders, and the trust of our Nation. I am proud to lead a Joint Force that continually demonstrates dedication to the oaths we took to serve our Nation and to the professional standards expected by our Nation and its leaders. We strive every day to reinforce the trust placed in us, by the American people, to safeguard our country's values and interests.

Our Joint Force leaders have a responsibility to foster a cohesive environment where every service member has the opportunity to reach their full potential. I am committed to removing barriers to success, such as any type of discrimination, harassment, or assault, especially sexual harassment and sexual assault. The profession of arms is based on trust. We must maintain that trust by serving with integrity and professionalism.

Force Development: Our Soldiers, Sailors, Airmen, Marines, Guardians, civilians, and their families are the Joint Force's asymmetric advantage against our adversaries. Technology and capabilities are important, but the mission cannot be accomplished without a professional, organized, and trained Joint Force. The proposed budget includes strategic investments in critical areas such as advanced training programs, health and wellness initiatives, and career development opportunities to ensure our forces are not only prepared but also thriving. This includes improved pay to reflect the dedication and risks undertaken by our service members, enhanced healthcare services, and continued educational benefits for them and their families. We also remain committed to supporting spouse employment initiatives, career guidance, and licensure reimbursement. These investments are a clear signal of our unwavering commitment to maintaining the readiness and resilience of our forces.

Quality of Service and Quality of Life: Our service members and their families sacrifice a great deal for our Nation. It is our obligation, as leaders, to take care of them and ensure their success. Our Quality of Service efforts support and enable our service members by providing them the means and capability to hone their warfighting skills and to be ready when the Nation calls. Our Quality of Life investments support our service members when they are outside of work and takes care of their families.

I am committed to improving Quality of Service and Quality of Life, through proper force development initiatives mentioned above, various housing initiatives, improved childcare programs, enhanced mental health resources, and robust programs to combat sexual harassment and sexual assault. The FY 2025 budget dedicates $1.2 billion to sexual assault prevention and response efforts, including building a full-time workforce of over 2,500 dedicated prevention personnel. We remain committed to suicide prevention and this budget allocates $547 million to reinforce and expand suicide prevention strategies, ensuring every service member feels supported in seeking help. Additionally, this budget includes $2.3 billion for construction of barracks, dormitories, medical clinics, and childcare facilities as well as another $2.0 billion for family housing construction and operations to ensure we have quality facilities for our service members and their families. It is our duty to provide our service members and families with comprehensive support and resources for their well-being and success.

Recruiting and Retention: We must provide the right capabilities, training, and education to recruit and retain a talented workforce. To be as effective as possible on the battlefield, we must leverage the strengths of everyone on our Joint Team. While the Services continue to encounter a challenging, but improving recruiting environment, retention remains high, indicating that our people are finding fulfillment and meaning as they proudly serve their Nation. We can make an impact on recruiting by engaging with the public. Only 1 percent of our society has served in the military and much of our society is not as connected to the Armed Forces as they once were. Our Joint Force and our veterans have an obligation to engage in their communities, providing an important connection between our military and the society that we serve. Whether in uniform or in some other capacity, we all have the responsibility to inspire the next generation to serve to the benefit of our Nation and our security.

CONCLUSION

Our Joint Force is the most capable and lethal fighting force in the world, and they will defend, deter, and if necessary, fight and win our Nation's wars. They are ready to respond to the myriad of challenges that currently exist across the globe.

Our military strength is a crucial element of our national security, and it is most effective when used in concert with the full spectrum of our national power.

The PRC continues its expansion of its military, pursues increasingly aggressive actions in the Indo-Pacific region, and threatens the international order. Russia remains an acute threat as it seeks to impose its imperial order and expand its sphere of influence. Continued unrest in the Middle East also represents a challenge to our Joint Force, as we withstand and respond to attacks against our forces.

The FY 2025 budget ensures that the Joint Force can effectively address these challenges and all our NDS priorities. I thank Congress for its continued support and partnership in our shared mission to defend our Nation, protect our citizens, and preserve our way of life. This budget request is not just a financial document; it is a clear statement of NDS implementation and our collective resolve to face the challenges of today and prepare for those of tomorrow. It is a commitment to our service members and their families, ensuring they have the tools, training, and support necessary to succeed. Given the convergence of the five NDS challenges, our Joint Force depends on long-term, stable, predictable, and timely funding. We are living in a consequential time. There is no time to waste.

Senator TESTER. Thank you for your statement, General Brown.

And there will be probably multiple rounds, but there will be 5 minutes per member.

This is for you, Secretary Austin. The budget request is consistent with the cap set forth in the Fiscal Responsibility Act; however, the proposed growth is below current inflation levels. It does not account for billions of dollars for additional requirements identified by the Military Services. As has been pointed out by both of you, this is a very dangerous time in which we live, in my lifetime, probably comparable to the early '60s with the Cuban Missile Crisis.

So Mr. Secretary, where are you taking risk because of this budget cap? I should say, where are we taking risks because of this budget cap?

Secretary AUSTIN. Thanks, Chairman. First of all, our budget continues to be strategy-driven. Over the last several years, we have worked hard to make sure that we link the budget request to the strategy, and that has been, in my view, the best approach to constructing the budget. But to meet the caps approved by Congress, we had to make some tough but responsible choices, and we prioritized near-term readiness.

As you heard me say earlier, Chairman, we decided not to invest in some modernization that would not deliver results before 2030, and we invested in our people and our families. The kinds of decisions that we had to make were—the tough decisions that we had to make were things like fifth- and sixth-generation aircraft. But having said that, our budget does include, as you heard me say earlier, $143.2 billion for RDT&E (Research, Development, Testing, and Evaluation), and $167.5 billion for procurement.

And because we accepted some risk in modernization for the out years, we will need to have a growth in the topline in the out years to ensure that we can recapture some of the things that we weren't able to get into this budget.

Senator TESTER. So let me follow up on that. You talked about focusing on the projects that can give you results before 2030. So that means basically with this budget, what we are doing is putting off expenditures into future budget cycles, because these projects, after 2030, are projects that will have to be taken care of fiscally, correct?

Secretary AUSTIN. That is correct, Chairman. And our plan is to, going forward, invest in those things, but we weren't able to do it in this budget. We prioritized near-term readiness, and taking care of our people, and I believe that is the right approach.

Senator TESTER. Do you believe that in future budgets, if we are able to invest in those projects, that we will be able to catch up and remain on schedule?

Secretary AUSTIN. I do, Chairman, if we are provided the resources and the growth in the topline in the out years that we will ask for, yes.

Senator TESTER. General Brown, you talked about where we are today, is there operational impacts from this budget today, over the next year, and what impact does this have, say, 5 years down the road?

General BROWN. For operational impacts for today, because of our focus on readiness, I don't see operational impacts. Now, as the Secretary highlighted, as we had to defer some of our modernization, you think about 5, 6, you know, years; a decade from now, there is potential challenges if we don't get the additional support in topline in the out years.

Senator TESTER. Excuse me, what kind of challenges are we talking about when you say "additional challenges"?

General BROWN. Well, part of it was deferring some of our modernization and ensure, you know—the thing I focus on, as Chairman, is ensuring we have both capability and capacity, and we have got to make sure we have capability that stays ahead of the threat, and then also have capacity to be able to operate in many of the areas around the world like we do today. And that is where we need to make sure we are working closely together on the out years to ensure that we can actually continue to modernize and make sure we stay ahead of the threat.

Senator TESTER. Okay. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Mr. Secretary, let me follow up on the Chairman's question by asking you a very basic question, and that is, if you had your preference, would you be operating under a 1 percent increase? In other words, do you think that Congress should revisit the 1 percent cap that is imposed by the Fiscal Responsibility Act?

Secretary AUSTIN. Certainly, the cap makes it more challenging and forces us to make choices that if we didn't have that cap, we obviously wouldn't have to make. So yes, it does provide more challenges, but certainly, we have worked hard to link our requests to our strategy, and as much of our strategy as we can support, we are going to support.

Senator COLLINS. Thank you. I want to switch to a different issue. On October 25, 2023, that was the darkest day in Maine history in my lifetime. 18 Mainers lost their lives, 13 others were injured in the worst mass shooting that we have seen. The killer, Robert Card, was a Sergeant First Class in the U.S. Army Reserve. The Governor of Maine established an Independent Commission that has issued an interim report, and that report included several very troubling findings, about missed opportunities to prevent this tragedy.

For instance, mental health providers recommended to Mr. Card's Army Reserve Unit that, quote, "Measures be taken to safely remove all firearms and weapons from his home." Well, the Army Reserve Unit took appropriate action to reserve Mr. Card's access to military weapons. This recommendation was never communicated by the Army to relevant law enforcement agencies in Maine.

We had members of Mr. Card's unit raising alarms with their supervisors about what—about their fear that he was extremely dangerous. He actually assaulted a fellow soldier. He was institutionalized for 2 weeks at a hospital for those with mental illness in New York State while he was on Drill.

We have an Inspector General's Report that is underway to look at this more thoroughly. After I receive that report, I intend to draft legislation that would require our Military Services to report to the appropriate authorities when someone—when a Service member poses a threat to him or herself, or to others, while protecting the Second Amendment Rights of our Service members.

Would you commit to working with me on such legislation to establish formal policies and procedures, so that we can ensure that our Military Services share this kind of relevant information with law enforcement and with State officials under the appropriate State laws?

Secretary AUSTIN. Thanks, Senator. First of all, this was a tragedy, and my thoughts and prayers go out to all those affected by this tragedy. The health and welfare of our troops is a very important to me, at the top of my mind all the time. So is the health and welfare of our community members. And so, absolutely, we will work with you to ensure that we have the mechanisms to, where appropriate, pass relevant information to authorities, and so I look forward to my staff engaging your staff on this issue, and going forward.

Senator COLLINS. Thank you very much.

Senator TESTER. Senator Shaheen.

Senator SHAHEEN. Thank you, Mr. Chairman. Welcome, Mr. Secretary, General Brown, and Mr. McCord.

Secretary Austin, while I am glad that we were able to pass the National Security Supplemental, I think all of us were relieved that that happened. What we have seen is that Russia's industrial base has been able to increase production in part due to sanctions' evasions, in part because they are getting assistance now from the People's Republic of China, from Iran, from North Korea. And we know that Iran now supplies 70 percent of Russia's drone capabilities in Ukraine. Those are the same drones that they are using in the Middle East to kill American Service members and attack us.

So can you talk a little bit about how the administration is seeking to limit industrial base cooperation between Russia and China? And what in this budget will help us do that?

Secretary AUSTIN. Well, we certainly have raised this issue in the right channels, Senator. And you are right, prior to—at one point, Russia had experienced significant losses because of the work that Ukraine in its Forces was doing. They had inflicted significant casualties on the Russian Forces, destroyed a significant amount of its equipment.

And so to your point, we saw Russia engaged North Korea, who provided quite a bit of munitions and missiles. The drones provided by Iran really kind of helped begin to turn the tide there for Russia a bit and allowed them to kind of get back up on their feet, in addition to them increasing their production in their industrial base. But without the help from Iran, North Korea, and China, to your point, this probably would not have occurred to the degree that it has occurred.

So we have engaged in the right channels to emphasize our serious concerns about PRC (People's Republic of China) and others providing this sort of support. As you know, there are sanctions that we continue to look at in a number of areas, and we revisit those sanctions to ensure that we are being as effective as we can. But that continues to be a work in progress. And so, this is a whole-of-government effort. And again, I think we are engaging in the right channels, but there is a lot more work that continues to, need to be done.

Senator SHAHEEN. Well, thank you. Clearly, we still have work to do. Secretary Austin, the last time I saw you before the Armed Services Committee, we talked about the 60 Minutes report about anomalous health incidents, and you committed to taking a look again at the genesis of those incidents. But one of the other aspects of that are the personnel who have been affected by those anomalous health incidents. In DOD (Department of Defense), the fiscal year appropriations bill for DOD in 2024 provided funding specific for payments to victims of anomalous health incidents, and there is funding in 2025 to provide payments as well.

But the rulemaking that is required to get those payments out the door has not yet happened. Will you commit to this committee that the Department will work on that, and provide the required payments to victims?

Secretary AUSTIN. Absolutely, Senator.

Senator SHAHEEN. And do you know when DOD plans to publish its final regulations around this issue?

Secretary AUSTIN. I will have to get back to you on that. I don't have a forecast.

Senator SHAHEEN. If you could get back to the committee, I would appreciate that. I know that we have a number of people who are waiting for help who have been affected.

General Brown, this budget invests in important conventional capabilities, but one of the areas where we still have challenges is in the area of disinformation and misinformation, so can you talk about how the budget invests in our capabilities for cyber, and in the information domain, to counter what we are seeing from virtually all of our adversaries?

General BROWN. Well, you know, there are areas that we invest in, in the information domain, and in particular, there is about $14.5 billion in our cyber capabilities for both offensive and defensive cyber. There is about $1.8 billion for artificial intelligence to better understand how we would use that. But I think it is also important that we understand how our adversaries would use artificial intelligence against us.

And it is really, again, how we bring together our data, and using our data and having good ways to analyze, particularly the

misinformation, and ensuring that we stay ahead particular in the cyber realm to get information out and get the facts out early. And part of this is not only the investment in the technology, but it is also the investment in the training of our Force to move at the pace of the way information moves today. That is something we will continue to work on as well.

Senator SHAHEEN. Well, thank you. My time is up, but I hope we are also working with the Global Engagement Center at the Department of State, because clearly this is an area where we have an equal amount of work to do. Thank you.

Senator TESTER. Senator Moran.

Senator MORAN. Chairman, thank you. Mr. Secretary, thank you for your presence and service. The administration has halted a shipment of American-made munitions to Israel, even if it is the administration's goal to reach a ceasefire agreement, does this not send the wrong message to our ally Israel and embolden Iran and Iranian-backed groups? We should not be signaling to Iran's enemies that our support is conditional. Many of us in this room worked hard to get aid included and passed by the House and Senate in the emergency supplemental.

My questions on this topic are three: Should we be concerned that the aid that was included in that recent supplemental is in jeopardy of being withheld from Israel? Did the Secretary of State, Secretary Blinken, consult with you on this decision? And do you agree that halting U.S. assistance to Israel emboldens its enemies?

Secretary AUSTIN. Thanks, Senator. First of all, our commitment to Israel's security is ironclad. As you had seen from the very beginning, we have flowed billions of dollars of security assistance at very rapid pace into Israel, and as you just mentioned, with your help, and we are grateful for this, just passed the largest ever supplemental appropriation.

And most recently, on April 13 and 14, you saw us lead an unprecedented coalition to defend Israel, as Iran attacked Israel with a significant number of drones and ballistic missiles. And so we are going to continue to do what is necessary to ensure that Israel has the means to defend itself, but, that said, we are currently reviewing some near-term security assistance, of shipments in the context of unfolding events in Rafah.

Senator MORAN. So you agree with the pause, and I mean, you were consulted and agree with the pause, Mr. Secretary?

Secretary AUSTIN. Again, I think we haven't made any decisions. We did pause as we reevaluated some of the security assistance that we are providing to——

[Interruption.]

Senator TESTER. I just stopped the clock so that Jerry gets his full two-and-a-half minutes.

Secretary AUSTIN [continuing]. So, we have been very clear, Senator, as you know, from the very beginning, that Israel shouldn't launch a major attack into Rafah without accounting for and protecting the civilians that are in that battle space. And again, as we have assessed the situation, and we paused one shipment of high-payload munitions. And again, I think we have also been very clear about the steps that we would like to see Israel take to account for and take care of those civilians before major combat takes place.

We certainly would like to see no major combat take place in Rafah. But certainly, our focus is on making sure that we protect the civilians. And again, we have not made a final determination on how to proceed with that shipment. And I would highlight that this shipment doesn't have anything to do with the Supplemental Appropriations that you just helped us get.

And my final comment is that we are absolutely committed to continuing to support Israel in its right to defend itself.

Senator MORAN. Mr. Secretary, thank you. I worry about the suggestion that support by the United States is conditional.

Let me turn to a different topic: Legislative Proposal 480, the Space Guard issue about the National Guard. The code dictates that National Guard equities cannot be withdrawn without the consent of a State's Governor. I am informed that recently, governors from 53 States and territories wrote you a letter opposing this legislative proposal. Would you tell me what the Department's thoughts are? Do you consult with governors? And based upon this overwhelming feedback, does it cause any reconsideration about the legislative proposal?

Secretary AUSTIN. I have received a letter from the Governor, Senator. And most recently, Secretary of the Air Force has reached out and engaged the governors to talk about this issue and explain the rationale. As you know, when we stood up Space Force, we took on units and people that were focused on the Space Mission and incorporated those from the Air Force, from the Army, from the Navy, incorporated those people and units into Space Force.

This measure will affect, I believe, a small number of people. But certainly, you know, I understand the Governor's concerns, and we owe it to the Governors to engage them on it. And that is why Secretary of the Air Force has recently engaged them personally on this issue.

Senator MORAN. I encourage that to occur. Mr. Secretary, thank you.

Senator TESTER. Chairman of the Full Appropriations Committee, Senator Murray.

Senator MURRAY. Thank you very much, Chair Tester. And thank you to our witnesses for joining us today.

Right now, we face a number of serious challenges across the globe. That is why Vice Chair Collins and I pushed through the gridlock to hammer out and pass a strong National Security package that sent support to our allies, especially Ukraine, humanitarian aid to civilians, and a message to our allies and adversaries alike that America is still strong enough and united enough to lead the free world.

We didn't just pass a bill; we passed a critical test on the world stage. And something I don't want anyone to forget: The Bill the House eventually passed was essentially identical to the one the Senate passed 2 months earlier. However, the delay in inaction was not without cost. We and our allies lost precious time and resources during those 2 months that we can't recover.

This is similar to the cost we face each time we flirt with a Government shutdown, or put the Government on autopilot under continuing resolutions. Those situations come with costs. And notably,

neither China nor Russia faced the threat of a Government shutdown, or a CR.

I am certain all of us agree that democracies are stronger than dictatorships, but we have got to prove it. And that will take bipartisanship, because as we all know, our work is not done.

We must maintain America's leadership and make smart investments to help reduce global conflict and instability, which of course keeps our country safe. That means ensuring our Military remains the best in the world, supporting the men and women in uniform who sacrifice greatly to keep our country safe, having our allies' backs, and taking an all-of-government approach to keep our country strong and secure.

We are working with tight fiscal constraints, but Secretary Austin, it is so important we make sure not only that your Department has the resources needed to execute our National Defense Strategy, but that your counterparts across government also have the resources they need to keep our country safe.

The 1 percent increase in funding provided for fiscal year 2025 under the caps is as inadequate for nondefense spending as it is for the Department of Defense. Having just worked together to write and pass 12 bipartisan bills for fiscal year 2024, we all know this very clearly.

So as members talk about how we might increase investments to better meet our defense needs, we cannot ignore our needs here at home as well. When it comes to additional resources above the caps, which the Vice Chair and others have mentioned, I am going to insist on parity for nondefense spending to make sure we are providing for our children and families, keeping them safe.

After all, our safety also depends on our diplomatic corps, which works around the clock to prevent and end conflict. Our counterterrorism efforts, and the law enforcement personnel working to identify and disrupt threats, our public health system and pandemic response efforts, the officials enforcing our sanctions to help choke off financial resources for dictators like Putin, our work countering the influence of the Chinese Communist Party, ensuring we remain on the cutting edge of research and manufacturing, and so much more.

So, with that in mind, Secretary Austin, can you talk about your work with your counterparts across government, whether that is at State, or commerce, or so many other agencies, and how their efforts assist the work you do to keep our country safe and factor into our National Defense Strategy?

Secretary AUSTIN. You have heard a number of secretaries say before, Chair Murray, that if we don't fund State and others to the right level, then we are going to need more bullets because they do great and important work to move things towards greater stability and security in all regions of the world. And so it is this whole-of-government effort, this interaction between departments in support of our overall goals and objectives that really is what causes us to be effective. So, it is important that they do get supported.

Senator MURRAY. Thank you. And as the Chair of our committee knows that includes our veterans and the challenges that they are having right now with the VA (Veterans Affairs) budget.

Mr. Secretary, on the $60 billion that Congress appropriated to support Ukraine and its fight against Putin, a package this com-

mittee worked on for months, as this war continues now into its third year, how is this funding being used? What improvements are we seeing on the frontline?

Secretary AUSTIN. Well, it is still very early on, as you know. It does take time to get some of this capability in. But, we, in anticipation of the potential of getting the supplemental approved, we forward-positioned some things, some critical things like air defense interceptors and artillery munition so that if it were approved, we would be able to rapidly move those things in, in support of Ukraine. And we are doing that.

And you know, I talk to my counterpart in Ukraine every week. I just talked to him yesterday, as a matter of fact, in checking on, how that is going, what his most critical needs are. And I think, again, this is going to be very, very helpful. But to your point, it is hard to buy back time. But given that, I think that without this help, Ukraine would have a very tough time defending against what is a superior force with the Russians.

Senator MURRAY. And is our inventory here at home being replenished?

Secretary AUSTIN. This supplemental will certainly help in a major way in that regard. Want to make sure that we do have the ability to replenish our stocks. And, as we have drawn down some of our stocks and provided weapons and vehicles to Ukraine, we will replace those weapons with newer models. And all of that work flows through our industrial base, and it will affect some 30 different States in the country. And that creates good jobs, good-paying jobs for Americans. And we remain excited about that.

Senator MURRAY. Thank you. Thank you very much, Mr. Secretary. Thank you, Mr. Chairman.

Senator TESTER. Senator Boozman.

Senator BOOZMAN. Thank you, Mr. Chairman and Vice Chair Collins for this important hearing. Secretary Austin, and General Brown, thank you both for your service, I appreciate your leadership and unwavering commitment to our Service members, and very importantly, to their families.

Secretary Austin, the National Defense Strategy underscores the need to prioritize interoperability and enable coalition with enhanced capabilities. I remain dedicated to working with the Air Force to ensure Ebbing Air National Guard Base in Fort Smith, Arkansas, becomes the premier F–35 Pilot Training Center in the future. It is important that this mission begins on time and with the necessary resources. Secretary Austin can you speak to how this mission will strengthen warfighting capabilities and create an enduring advantage with our allies and partners?

Secretary AUSTIN. Well, this clearly provides the capability for us to enhance our interoperability, Senator. And it is a great platform, great capability, the training is always first-rate because of the commitment of our trainers. And again, there are a lot of countries who want this capability, and having the ability to train to standard in country is absolutely important.

And so it contributes to the overall readiness of the combined Force. So you know, interoperability means having the right policies and procedures but it also means the ability to work with, together with our comrades in other countries.

Senator BOOZMAN. Right.

Secretary AUSTIN. And so this face-to-face work that is conducted at places like this I think is critical.

Senator BOOZMAN. Thank you, Mr. Secretary.

General Brown, you and I recently visited Camden, Arkansas, where we toured a munitions production facility, and saw the urgent need for our defense industrial base to increase capacity and replenish our stock piles. The passage of the $95 billion Security Supplemental bill proves that when we provide assistance to our allies and partners we strengthen our defense industrial base as well. This fiscal year Congress also approved multiyear procurement for six missile programs for the first time.

General Brown, what impact will multiyear procurement authority have on the defense industrial base, and specifically munitions production?

General BROWN. Well, when I think about multiyear procurement, what it does is it provides opportunity for consistency, and that consistency is a for us to be able to provide a consistent demand signal to industry so they can actually get a workforce, have a supply chain, and know what to forecast for over several years.

I think that is going to help us in the long run, because that consistency will help build trust, it will drive down cost, and it will ensure we get capability delivered on time. If we have inconsistency it is going to, you know, decrease that trust, increase the cost, and then also increase how long it is going to take to get the capability in the hands of our warfighters. So the multiyear procurement, the National Security Supplemental that will invest in our defense industrial base is hugely important, not only for our allies and partners but it is just as important for our Force as well.

Senator BOOZMAN. Good. And I appreciate you getting out and about, I know you are traveling a lot, you know, visiting these places, and again, I think that is really important, and very well received.

Secretary Austin I appreciate your continued focus in taking care of people, the budget calls for a 4.5 percent pay increase for Service members, and annual increases to housing, and subsistence allowances, the Quadrennial Review of Military Compensation is due to be completed by January 2025. In the meantime there have also been multiple recommendations to enhance pay flexibility for Service members including incentive pay for certain career fields, and targeted raises for junior enlisted Service members. Secretary Austin; in your opinion, where would pay flexibility be most effective if implemented?

Secretary AUSTIN. Well, first of all let me thank you for the support that you have given us to date. As you pointed out, we are asking you for 4.5 percent pay raise in this budget request, Senator, but to take you back a bit, in 2023 we asked you for a 4.6 percent pay raise, and you supported us on that. And in the fiscal year 2024 budget we asked you for a 5.2 percent pay raise, and that is the largest pay raise in 20 years.

And so when you add those together, I think that that is a pretty meaningful increase in compensation. My goal is to provide—reduce the costs on troops and families, and provide more resources. And so anything that we do in terms of these types of actions, to

answer your question, does reduce the strain on our troops and families, whether or not, you know, we can do that going forward certainly any recommendation that is being that is being made we will have to do an analysis in terms of how it affects, you know, the budget now and into the future, and so as you propose different things, we certainly look to work with you, and provide you that analysis.

Senator BOOZMAN. Thank you, sir. Thank you, Mr. Chairman.

Senator TESTER. Thank you, Senator Boozman. Senator Schatz.

Senator SCHATZ. Thank you, Chair and Vice Chair.

Secretary, thanks for being here. I want to talk to you about the Red Hill closure and remediation. Once the decision was taken to shut down Red Hill that part went relatively smoothly, and was ahead of schedule, and then there is the whole enterprise of the new concept of operations as it relates to fuel in the Pacific. I am going to set that aside for the moment.

Because the thing that the community is working on and thinking about the most is long-term health impacts and long-term environmental impacts, and what, of the appropriated money that we provided to the Department, is allocated for that? Now, we just got a brief, and so we have some broad categories for what I think is called "community response", but I would love it if you could just articulate both at the conceptual level, and in as granular a manner as you can. What you are planning to do with the remainder of the money as it relates to making sure that none of that petroleum eventually makes its way back into any of those aquifers? And that anyone who has been harmed by ingesting petroleum product gets taken care of by the Department?

Secretary AUSTIN. Well, thanks Senator Schatz. As you mentioned, once the defueling was complete, you know, then we stood down the Red Hill taskforce, and then stood up a taskforce that the Navy is now in charge of. And it is charged with environmental remediation. And you know, I have had personal conversations with both the leader of the taskforce, and most importantly, the Secretary of the Navy, on how important this is, and they are committed to ensuring that they do the right things to make sure that we get this right going forward.

We owe it to the members of the community to ensure that we do in fact do this. In terms of specific amounts of funds that are allocated to each segment of this, I will have to take that for the record, and come back to you on that, sir.

Senator SCHATZ. That is fine. And you know, we just got briefed on it yesterday, and it is still a bit of like, you know, big pots of money categories, $95 million here, $32 million there, $62 going to the taskforce. So we don't even know what these numbers mean but I think, you know, the community is asking me what is happening with the money. It has to be obligated by the end of this fiscal year.

And so time is short. So if we can get fidelity on that, it doesn't have to be with you, but it can be any member of your team, that would be very, very——

Secretary AUSTIN. The power we had, sir, with——

Senator SCHATZ [continuing]. Hopeful, yes.

Secretary AUSTIN [continuing]. Your permission, I would just like to thank you and the delegation for your continued support. Without that we probably wouldn't have the adequate resources to do the things that are going to need to be done going forward here.

Senator SCHATZ. Thank you. General Brown, you know the amount of aid that this committee can provide is finite, and given that the Indo-Pacific is the priority theater, I am going to say this somewhat less diplomatically than my prepared question. What keeps you up at night? What are the unfunded priorities that you think we really need to take a hard look at in the Indo-Pacific?

General BROWN. Well, the things that I stay focused on, and I will just tell you, I am very confident in our Joint Force, so there is not much that keeps me up at night, but I do stay focused on ensuring we have the capability and capacity for our Joint Force to execute what the Nation asks.

And so it is the modernization things that we highlighted earlier in this hearing that we had to defer as we—because of the Fiscal Responsibility Act. And so I want to make sure that we actually have that capability and capacity to be modernized. It is also the multiyear procurement that we also spoke about on munitions.

I also want to have a strong defense industrial base, so we can produce those munitions and those capabilities, so we don't have a fair fight. I want to have an unfair fight, where we have the advantage and do that, not only with our Joint Force, but also with our allies and partners.

Senator SCHATZ. This is a little bit outside of our committee, but a lot of us are on the MILCON (Military Construction) Committee as well. You know, the other thing I would flag is, overseas MILCON is never the most exciting thing for a Member of the United States Senate to fund, but it is really essential in the Indo-Pacific theater, and then certainly in the State of Hawaii a lot of the DOD's assets, bases, and installations, and everything else, are sitting on really, really old infrastructure.

So that is the other thing that is less exciting to fund sewer systems, water systems, electrical redundancy, and all the rest of it. But we are not capable if we don't have those things operating well. So let us add at least elevate it even though, you know, it is not exactly the kind of thing that you do a ribbon-cutting for, if you are a good politician. So thank you.

Senator TESTER. And all those things cost money, and it is another reason we need to revisit the cap. Thank you, Senator Schatz.

Senator SCHATZ. Thank you.

Senator TESTER. Senator Capito.

Senator CAPITO. Thank you, Mr. Chairman. And thank you all for being here, for your great service to our country.

Secretary Austin, I am a little concerned—very concerned about the credibility of the administration's Deterrence Policy. When I see President Biden's messaging to Putin, and to Iran, and to the Houthis, and other Iran-backed groups, I just see President Biden saying, "don't", and we have had, you know, attacks—people obviously not adhering to that. I am concerned that we are significantly eroding our deterrence by setting these sorts of ambiguous boundaries and letting our adversaries kind of walk over us sometimes. So what steps are you and the President taking to establish a

stronger, more credible deterrence against these threats from our adversaries, besides just "don't"?

Secretary AUSTIN. I take it you speaking about the Middle East specifically?

Senator CAPITO. Yes. Yes, sir.

Secretary AUSTIN. So you know, we had a number of goals at the very beginning of this crisis. And one of them was to protect our people, and both our troops, and civilians in the region. Another was to recover the hostages; another was to ensure that we are doing everything that we can to support Israel in its efforts to defend itself. And then, finally, it is our goal to ensure that we contain this conflict in Gaza, and not have a regional conflict breakout.

So you saw us early on, deploy some pretty substantial capabilities into theater to discourage people from trying to do that, from trying to blow this into a regional conflict. And I think even though there has been dust-ups throughout the region, we don't see a regional conflict at this point, Senator.

So if you take a look at the attacks that were being conducted against our troops, you recall that in January we saw—leading up to January, we saw a number of attacks against our troops, and our bases, and you saw us in February conduct a pretty major strike in—that the President authorized in both Iraq and Syria.

Since that time, we have seen two incidents, and we attribute those actions to probably rogue elements. So in that case, they have been deterred from attacking our troops. But in terms of Iran and its actions in the region, Iran continues to present a threat to the region, and that is something that we are going to have to remain focused on, for sure.

Senator CAPITO. Let me ask both of you a question here about the reports that of withholding weapons. We all voted, many of us, I certainly did, and was pleased to support the bill, by 79 to 18, to reinvigorate not just our own defense industrial, but also to give aid to several other entities. What is the status of withholding our weaponry that we voted to send to Israel? Are we doing that? And why are we doing that.

Secretary AUSTIN. Again, you know, our commitment to Israel is ironclad, Senator, and you know, as I said earlier, since October 7, we have flowed in billions of dollars worth of security assistance.

Senator CAPITO. Right.

Secretary AUSTIN. And as you just mentioned, you just passed the largest supplemental in history for—that is focused on Israel. And we are going to continue to do what is necessary to support Israel, you know, currently——

Senator CAPITO. Are those reports false, then, that I am reading?

Secretary AUSTIN. No. We are currently reviewing some near-term security assistance shipments in the context of the unfolding events in Rafah.

Senator CAPITO. So we are withholding our shipments of weapons predicated on the strategy that Israel is employing and going into Rafah; is that the bottom line here?

Secretary AUSTIN. We have not—again, we are assessing. We have not made any final decisions on this yet, but, to answer your question, yes——

Senator CAPITO. Yes.

Secretary AUSTIN [continuing]. We are—there are some things that we are taking a closer look at.

Senator CAPITO. Okay. Then that is an answer that is—well, thank you for clarifying it. I wouldn't say I agree with it. But thank you for clarifying it.

General Brown, let me ask you. This is one of the things that come up on the refortification of our own munitions. How do you see that now, that we have passed this, and the President has signed this?

General BROWN. Well, it is going to put us on a much better path. And it is not only what the supplemental, but I would also say the fiscal year 2024 National Defense Authorization Act, which allowed for multiyear procurement for six systems, I would look to actually expand that in the future on a multiyear procurement, because what that will do will provide levels of consistency for our Defense industrial base so they can actually work with the workforce facilities, supply chains, and allow us to make sure we have the capacity from a munition standpoint.

Senator CAPITO. So you are convinced that we are on a glide path to renew our munition supplies to a satisfactory level for you——

General BROWN. We are on a good path. One of the pieces I would also add, though, you know, getting a budget on time is actually really important to actually provide that level of consistency so we can write contracts and give our defense industrial base the confidence and the trust that they can invest and have that workforce and supply chain.

Senator CAPITO. I think we all hear you. Thank you.

Senator TESTER. Senator Coons.

Senator COONS. Thank you, Chairman Tester, and Vice Chairman Collins, and thank you to the leadership of this committee, the Full Committee Chair and Vice Chair for navigating some very challenging dynamics and getting, ultimately, delivered to our warfighters, and to all the different departments and agencies that were supported through the supplemental, a critically needed additional funding. As a new member of this subcommittee, I look forward to working with you.

I have got two questions I would like to focus on. As you heard Chair Murray in her, I thought, compelling commentary, we need to coordinate between defense, diplomacy, and development to be as effective as possible, particularly in places that are on the margins of the main conflicts currently, appropriately occupying most of your time.

I Chair the subcommittee that funds the State Department and USAID (United States Agency for International Development). Five years ago, President Trump signed into law the Global Fragility Act, which Senator Graham and I, and two dozen other Senators co-sponsored and worked on, and it is a simple proposition. It requires coordination between DOD, USAID, and State in fragile countries that are not yet failed states, not yet scenes of active combat, but where we might implement the same sort of strategy we pursued in Colombia over a long period of time, to prevent a fragile state from becoming a failed state.

One of my concerns has been the genuine lack of DOD engagement in Global Fragility Act implementation. I understand you

have a lot on your plate, but there are several identified nations and areas of focus under GFA (Global Fragility Act). One of them happens to now be the subject of, I think, renewed intense engagement, Coastal West Africa.

I have been to every country in the Sahel, I have visited the relevant Air Base in Niger that is now being occupied by both Russian and American troops, as we are likely being forced to leave, Niger. I am very concerned about the security and stability situation in the region. And our partners, Ghana and Cote d'Ivoire, with whom we have trained and prepared for quite some time, have been asking now for years for additional security assistance.

Mr. Secretary, I would be interested in your input on what DOD's plans are for taking advantage of this existing structure for how we can coordinate planning between the diplomats, the development professionals, and the security professionals of our Government and our allied partners in an area that is newly of some focus, Ghana, Cote d'Ivoire, Togo, Benin, because of the very real threats of violent extremist organizations, of Wagner, of Jihadists in the Sahel threatening these partner nations. How do we plan to use this tool, sir?

Secretary AUSTIN. Well, first of all, we are fully committed to supporting the Global Fragility Act, and you are right that area that you mentioned is of increased importance. You mentioned that we were forced to leave Niger, we will leave Niger, Senator, but as you know, what we do in order—terrorism thrives in ungoverned spaces.

Senator COONS. Yes.

Secretary AUSTIN. And what we typically do is to try to help countries develop their own capability to control their sovereign spaces. But you have got to have a reliable partner. And in this case, you know, the——

Senator COONS. Sir, we could spend a lot of time on the coups in Mali, and Burkina, and Niger, and how that happened and why. Not to interrupt, I don't mean to be rude. I have very little time, sir. I agree with you that we have an unreliable partner in Niger. I visited those facilities. I regret that the significant investment that we made there will not likely redound to our benefit.

I just was wondering how you see prioritizing partnering with State and AID in developing security plans for Coastal West Africa, if I might, sir?

Secretary AUSTIN. Yes. So what I was going to say next, is that you are right, this is an important area, and we are working with State currently to address those places that you mentioned, and potentially develop the capability to have a presence there, and partner in a more significant way with a couple of those countries. And that work is ongoing now.

Senator COONS. Well, I look forward to consulting with you both about this, because I think there is an urgency to it, from a security perspective.

Secretary AUSTIN. I would agree.

Senator COONS. Chairman, this is what keeps me up at night, is a number of very capable foreign terrorist organizations that see this. If I might, Mr. Chairman, ask one last quick question?

Senator TESTER. Damn quick.

Senator COONS. Damn quick. I have also recently visited in Jordan and Iraq, and I am very concerned about the threat to our Forces, posed by low, slow—exactly, the low technology drones that Iran is providing to Russia at scale. I see that there is a specific counter-UAS (Unmanned Aerial System) Fund in this year's budget. Just briefly speak to the importance of having flexible funding and our ability to develop and deploy quickly state-of-the-art defenses to this evolving threat to our troops. Thank you, sir.

Senator TESTER. Senator Baldwin.

Senator BALDWIN. Thank you, Mr. Chairman.

Mr. Secretary, the Army continues to budget for tactical wheeled vehicles at rates well below the minimum sustaining rates in industry requires to keep production lines open, and further the Army is risking a gap in production by transitioning the Joint Light Tactical Vehicle to a company that has no experience manufacturing this platform. So I am worried that the Army's management of these programs and their associated industrial base—and the Army is due to complete a strategy for the acquisition of the platforms this summer, but I am concerned about the Army's ability to grade its own work, frankly.

The tactical wheeled vehicle sector is an important part of the overall industrial base, and our National Security Strategy. So Mr. Secretary, can I count on sound decisionmaking from DOD on vehicle programs? And further, will you engage the Office of the Assistant Secretary of Defense for Industrial-Based Policy in reviewing the Army's management of the tactical wheeled vehicles, and providing recommendations?

Secretary AUSTIN. You can. And I will. And there is no question that Wisconsin's Industrial Base is critical, and so we want to make sure that we continue to do the right things to keep the—and make sure we have the capacity to address our needs going forward, so yes.

Senator BALDWIN. Okay. Wisconsin's Industrial Base is something, of course, that is always on my mind. And so I am going to shift to our shipbuilding. Mr. Secretary, we were all troubled by the 75-day shipbuilding review that found major delays among most of the shipbuilding programs. And I was surprised to hear that the Navy estimates that the Frigate will be delayed by as many as 36 months. As you and I discussed last year, I worked to secure funding for the industrial base and workforce development programs that would support growing the skilled workforce that we need to sustain robust production of the Frigate. I am disappointed that it took the Navy 15 months to obligate the fiscal year 2023 funds.

Mr. Secretary, will you explain to the committee the importance of continuing to fully fund the Frigate Program, and its associated workforce development needs on a consistent annual basis? And will you commit to working with me to ensure that the Navy works diligently and responsibly to execute these funds?

Secretary AUSTIN. As you know, this budget request, Senator, does include requests for fully funding the fiscal year 2025 Frigate. But to your point in terms of making sure that we have the workforce that can provide the capacity that we need to stay on track, and keep up with the demand, that is critical. So the industrial

base needs to be able to, not only recruit, but retain the talent that is needed to do that. And we have to continue to invest in that. And again, we have to pick up the pace. And so we will continue to work with industry leaders to do—in fact, do that.

And I have met with some industry leaders and talked about, you know, what we are doing with the resources that are being provided to invest in the industrial base, and we will continue to do that going forward. And I think they are doing some things on their own to invest, but we have to work together in a more meaningful way to increase capacity.

Senator BALDWIN. Thank you. Thank you.

Senator TESTER. Senator Graham.

Senator GRAHAM. Thank you. Rather than getting in a fight about the Navy, why don't we agree with the following; that the Battle Force Ship Assessment Requirement Report issued said that we need 381 manned ships, 134 unmanned, for a total fleet size of 515, I think by 2043.

General Brown, is that right?

General BROWN. Senator, I am not familiar with the complete study. But I do know we need additional capability.

Senator GRAHAM. Okay. So I am just assuming the people who issued this knew what they were talking about, we are on track to have 294 ships by 2030 under the budget proposal, is that right, Secretary Austin?

Secretary AUSTIN. Right, 291——

Senator GRAHAM. Okay. Yes. Okay.

Secretary AUSTIN [continuing]. 29 and——

Senator GRAHAM. Yes, right. So we are at 293 and 2030, we are going to have 294. There must be a lot of shipbuilding between 2030 and 2040. The problem is money. It is not your fault, I am not blaming anybody, I think this committee ought to look at an OCO (Overseas Contingency Operations) account, if you believe the Navy is essential to deterring China, that to come up with a sustainable plan to get our Navy in shape to deter war with China and other places, I think we got to look at sort of modernization OCO, and I want to have a bipartisan discussion about, to give you the ships and the things you need to win the wars we hope we never have to fight, by deterring them.

So let us go to Ukraine right quick. General Austin, you said that Ukraine is a vital national security interest to the United States. How that ends, do you agree that if we lose in Ukraine, pull the plug on Ukraine, we will send a signal of weakness?

Secretary AUSTIN. That is right.

Senator GRAHAM. Yes.

Secretary AUSTIN. That is right, Senator. I agree with that.

Senator GRAHAM. And General Brown, I am sure you agree too.

General BROWN. I do agree.

Senator GRAHAM. I totally agree, there are people on our side, Senator Collins will tell you, we hear from all the time. Just, you know, it doesn't matter, pull the plug on Ukraine. With all due respect, you are wrong, in my view. So I am going to keep supporting Ukraine.

Now, you just confirmed that we are delaying transfer or stopping transfer of certain weapons, like 2,000-pound bombs to Israel; is that correct, Secretary Austin?

Secretary AUSTIN. What I said, we are assessing, you know, where we are right now?

Senator GRAHAM. Well, the media reports that it happened, are they incorrect?

Secretary AUSTIN. That we have made a decision to——

Senator GRAHAM. Yes.

Secretary AUSTIN. Again, we have made no decisions, we are assessing.

Senator GRAHAM. Are you worried that if you make a decision to deny weapons that Israel say they need, that it would send a signal to Hamas and Iran to keep pushing?

Secretary AUSTIN. Senator, we want to make sure that we are providing the right kinds of weaponry.

Senator GRAHAM. Okay. Would you have supported dropping the atomic bombs on Hiroshima and Nagasaki, General Brown, to end World War II?

General BROWN. Well, Senator, I think just based on the situation where——

Senator GRAHAM. Well, we know. I mean it has happened, we know, I am not asking you, they did it. Do you think that was disproportionate?

General BROWN. It was definitely a——

Senator GRAHAM. Well, do you—in hindsight, do you think that was the right decision for America to drop two atomic bombs on the Japanese cities in question?

General BROWN. Well I will say it stopped the world war.

Senator GRAHAM. Okay. Let us say we had—do you agree, General Austin, if you had been around, would you say drop them?

Secretary AUSTIN. You know, I you, I agree with the Chairman here——

Senator GRAHAM. I mean, if we go back in time, says, hey, we got two atomic bombs, should we drop them, what would you say?

Secretary AUSTIN. Well, you know, I think the leadership was interested in curtailing the——

Senator GRAHAM. What is Israel interested in? Do you believe Iran really wants to kill all the Jews if they could, the Iranian regime?

Secretary AUSTIN. They have——

Senator GRAHAM. Do you believe Hamas is serious when they say we will keep doing it over and over again. Do you do you agree that they will if they can?

Secretary AUSTIN. I do and (crosstalk)——

Senator GRAHAM. Okay. Do you believe that Hezbollah is a terrorist organization, also bent on the destruction of the Jewish State?

Secretary AUSTIN. Hezbollah is a terrorist organization.

Senator GRAHAM. Okay. So Israel has been hit in the last few weeks by Iran, Hezbollah, and Hamas, dedicated to their destruction, and you are telling me you are going to tell them how to fight the war, and what they can and can't use when everybody around them wants to kill all the Jews, and you are telling me that if we

withhold weapons in this fight, the existential fight for the life of the Jewish State, it won't send the wrong signal.

Do you still think it was a good idea, General Austin, to get out of Afghanistan?

Secretary AUSTIN. I support the President's——

Senator GRAHAM. Yes, I think you do. I think it was a disastrous decision. If we stop weapons necessary to destroy the enemies of the State of Israel at a time of great peril, we will pay a price, this is obscene, it is absurd. Give Israel what they need to fight the war, they can't afford to lose. This is Hiroshima and Nagasaki on steroids.

Senator TESTER. Senator Murphy. You are clear. Senator Murphy.

Senator MURPHY. Thank you very much, Mr. Chairman, great to see you both, thank you for your service to the country. It is pretty stunning to me how this country and our allies fail to learn recent history lessons. Those recent history lessons in both Afghanistan and Iraq, tell us that there are substantial, grave limitations to the ability of military force to eliminate a terrorist threat.

In fact history tells us that the application of overwhelming military force can, in fact, grow terrorist threats, not shrink them. Mr. Secretary, you have said today that Israel has the right to defend itself, the United States supports Israel's right to defend itself. I agree. But if Israel's strategy is making it more likely, not less likely, that future terrorist attacks will occur, then it is not an effective strategy.

And so it is all well and good to get angry about a conversation the United States is having with Israel over the right strategy to defeat terrorism, but we have lots of experience in failed strategies. The National Intelligence Estimate released just earlier this year said this, that the Gaza crisis has galvanized Violence by a range of actors around the world, and while it is too early to tell, it is likely that the Gaza conflict will have a generational impact on terrorism, a generational impact on terrorism.

Both al-Qaeda and ISIS (Islamic State of Iraq and Syria), inspired by Hamas, have directed supporters to conduct attacks against Israeli and U.S. interests. Here is my question, how do we apply the lessons that we learned in Iraq and Afghanistan, as a means of helping Israel understand how to defeat Hamas, and what is your assessment of whether this campaign is in the long run going to decrease the ability of Hamas or follow-on organizations to recruit and retain strength, and the ability to hurt Israel and the United States?

Secretary AUSTIN. Thanks Senator, we said all along that Hamas does not equal the Palestinian people, they are not one and the same. And what we learned to your point, key lesson there is that you have to protect the people, the civilians in the battle space, otherwise you create more terrorist going forward.

So it is not only a moral imperative, but it is also a strategic imperative that that you protect civilians, and the two aren't mutually exclusive, you can do both. And we know how to do that, and so in terms of the lessons learned, the kinds of things that we would endeavor to pass along, those are the things that we continue to have a dialogue on.

But you know, there have been far too many, far too many civilian casualties in this battle space, and I think we should do everything possible to ensure that that we are protecting the civilians and providing for their welfare, humanitarian assistance.

Senator MURPHY. I think you are right that there is a strategic and a moral reason to care about the number of civilian casualties in Gaza, even if you don't care about the moral consequences of 13,000 children dead, you should care about the strategic consequences of providing continued bulletin board recruiting material to the very organizations that we are trying to destroy.

Mr. Secretary, let me do a hard turn here on a subject really important to U.S. national security, but also to my State. As you know this budget downgrades our commitment to building Virginia Class Submarines from two to one a year. We made a big mistake in the 1990s when we hollowed out the submarine industrial base. We went from having 12,000 employees at electric boat down to about 1,500, and it took us a decade or more to scale back up when we realized we really needed these submarines.

How can we look at the request for only one Virginia Class Submarine in fiscal year 2025, as anything but a pretty enormous step back for our industrial base? I am really worried about our ability to be able to deliver what we know we need, which is two Virginia Class Submarines, and keeping the Columbia Class on time. I just worry that you can't do that if you take this big, even if it is just a 1 year, but a big step back in commitment to the Virginia Program.

Secretary AUSTIN. Thanks, Senator. So the choices are to increase the backlog by putting more demand on the system, or invest more in the industrial base, and that is the approach that we have taken. We asked you for in 2023 and 2024 we asked you for $1.9 billion to invest in the industrial base, sub-industrial base. For this budget, we are asking for $4 billion. The Supplemental gives us $3.3 billion, and Australians are also investing in the submarine industrial base, our submarine industrial base.

So as I have talked with industry leaders, you know, we have talked about how we go about recruiting more people, increasing strengths in the supply chains, and so that work is ongoing and needs to be done, but we have to increase the capacity. And I know there is argument both ways, in terms of the demand versus investing in the capacity, but they believe, and I believe that that we will get there, but we just need to do more in terms of capacity, so.

Senator MURPHY. I appreciate that $4 billion investment, it is significant, but that has to be an immediate pathway to get us back on track to be building those two Virginia Classes a year. Look forward to working with you on it.

Thank you, Mr. Chairman.

Senator TESTER. Senator Hoeven.

Senator HOEVEN. Thank you Mr. Chairman.

Mr. Secretary, do you believe that Israel has to fully defeat Hamas so that they don't come back and have another attack like October 7?

Secretary AUSTIN. I do believe that Hamas has to be defeated, yes. And the goal of the Israeli leadership, as stated by them, is to destroy Hamas.

Senator HOEVEN. Okay. Then if they need to be fully defeated, then won't giving them precision weapons like Boeing's joint attack—direct attack munitions, and small diameter bombs help them fully defeat Hamas with less collateral damage, with less impact on civilians. Those precision weapons will help them fully defeat Hamas with less impact on the civilian population in Gaza, so why wouldn't we go ahead and get them those weapons just as fast as we can?

Secretary AUSTIN. I tend to agree with you, you need precision-guided munitions of the right type. And that is why we just recently provided small diameter bombs to Israel.

Senator HOEVEN. But clearly it was the intent of Congress to get Israel that assistance, and so we are watching very closely that you get that to them as expeditiously as possible, so they can fully defeat Hamas, so Hamas doesn't regenerate and do the same kind of attack that they did on October 7; wouldn't you agree with that?

Secretary AUSTIN. And I would also agree with that and I would also agree with the point that we need to do everything we can to protect civilians in the battle space. So that precision that you talked about is really, really important, so some types of munitions are better suited than others, but we really would like to see that that begin to happen in terms of, you know, fewer casualties, fewer civilian casualties, and more precise——

Senator HOEVEN. Do you agree or not that we need to get them the assistance to fully defeat Hamas; do you agree with that or not?

Secretary AUSTIN. And we have been doing that from the very beginning.

Senator HOEVEN. Do you agree with that, or not?

Secretary AUSTIN. I do.

Senator HOEVEN. Okay. Thank you, Mr. Secretary, appreciate it.

Mr. Chairman, I want to talk to you about Sentinel, given the incredible threat from China, and Russia, and the incredible build-up we are seeing particularly in China, with their nuclear arsenal, and given the Nunn-McCurdy Review, one, are you fully committed to modernization of our nuclear forces to the Sentinel Program and how are you going to do and what are you going to do to keep that on track.

General BROWN. As you know, our nuclear portfolio, and our nuclear triad is key to our strategic deterrence, and so in this budget there is $49 billion that is focused on that portfolio for Sentinel, there is 3.7 billion. As the Air Force works through its Nunn-McCurdy, we want to continue down the path to modernize, because this leg of triad, Sentinel, is the one that is available 24/7, and to provide the that strategic deterrence in addition to the other two legs of the triad.

Senator HOEVEN. Are you fully committed to doing what you need to, to keep it on track?

General BROWN. I am.

Senator HOEVEN. And do you feel that you have the plan in place right now to do that?

General BROWN. Well, this is where the Air Force is working through the Nunn-McCurdy, and I have not gotten a brief from them, but I do know that the Air Force is focused on this, you know, based on my past experience, and based on how important I know it is for the Nation.

Senator HOEVEN. Is there something that you would want to see from this committee that would help you do that?

General BROWN. Well, I think the collaboration with the committee, and consistent funding, on-time funding, will be helpful to move forward, and then this constant dialogue to figure out where we can take out any slack to ensure we get the capability.

Senator HOEVEN. Well, our Chairman is from Montana, the home of Malmstrom, and of course we have the Minot Air Force Base in North Dakota, and Senator Barrasso in F.E. Warren, I know that we are committed to helping you. So if there is something else that needs to be done we want to know what it is to keep that program on track.

General BROWN. We will definitely let you know.

Senator HOEVEN. Okay. Thank you very much. And then the last question I would have, Mr. Chairman, for you is, how are you making sure that we have enough ISR (Intelligence, Surveillance, and Reconnaissance)—with this you know development in for space-based assets, and that is I know it is critically important, we are very committed to funding that and advancing it. I am concerned that you are not doing enough to maintain an ISR capacity. What are you doing to make sure that you have the ISR assets that all of the Forces, not just Air Force, but all of our Forces are asking for?

General BROWN. You know, as a Joint warfighter, and having been serving jointly, I have been focused not just on the Air Force but all the Services. And when I look at the ISR, in particular, it is the capability that only do we have from the air-breathing assets, but it is how we bring in ISR from our maritime assets, how we bring it in, and particular from our space assets, and how we transition.

I would also highlight the fact how cyber plays a key role in some of our ISRs as well. And so having the capability to bring that all together and using our digital tools to take all the information we get from whatever ISR platform, that is what we really—you know, that is where the focus is. How do you take that information to things we can analyze to determine intent, and it is not just—I know our combatant commands are focused on particular platforms, but it is the combination of platforms and capability, and how we bring that together, that is going to make us most effective as a Joint Force.

Senator HOEVEN. Well, you and I have worked on this for some time, and you have had a good common-sense approach to it. And so we want to continue working with you on it, but what you do in ISR affects every single Force in the DOD, not just Air Force. It is vitally important. So I want to encourage your continued focus on making sure that you have adequate ISR, and we will work with you to do that, but very important.

General BROWN. Actually having the ISR actually makes my job easier. So I am completely focused on ensuring we have that capability.

Senator HOEVEN. Thank you, Mr. Chairman.

Senator TESTER. Yes. Thank you. I have got a couple more questions. And I thank you guys for your patience, and going through the order here. We have had good participation today.

Look, I have repeatedly called upon Secretary Mayorkas, and President Biden, and Congress, to step up and fix what is going on in the southern border. It is not sustainable at all, and it is unacceptable. DHS (Department of Homeland Security) continues to rely on DOD support at the southern border to make sure that they are doing what they can do. But once again, I don't see any funding in this budget for DOD personnel for those operations. So Mr. Secretary, a couple things. Number one, how many troops are serving currently on the southern border?

Secretary AUSTIN. There is about 2,500 on board.

Senator TESTER. Yes. And how does DOD cover these costs?

Secretary AUSTIN. As we always have, out of our operating budget.

Senator TESTER. And so what does that mean, and operationally, who gets shorted?

Secretary AUSTIN. Of course, that means that there is something else that we are not doing because of that support. But you know, it is important that we do everything we can to support DHS in its effort to—it its work on the southwest border. We have been doing that for 19—the last 23 years. The price tag has been about $4 billion. But again, we are supporting Agency, and DHS is a lead Agency. And again, it is important to our country, and we are going to do what is required to support the——

Senator TESTER. So let me ask you this, Mr. Secretary, do you agree with my perspective that the administration needs to do more to secure the border, and we shouldn't have to depend upon the military to do that?

Secretary AUSTIN. We should, or should not?

Senator TESTER. Should not have to depend upon the military?

Secretary AUSTIN. I could not—I agree, but if we are required to assist, then certainly we will continue to do so.

Senator TESTER. I want to go back to Senator——

Secretary AUSTIN. And the President agrees with the fact that there is more that should be done, and that is why when you came up with this bipartisan approach, that was very much supported.

Senator TESTER. Yes. Well, no doubt about it, Congress dropped the ball on that because that would have changed things dramatically, but some folks want it to be used as a political tool, when in fact we ought to be working for the betterment of the country, not for Democrats or Republicans.

I want to talk to you a little bit about Sentinel. Senator Hoeven brought this up. I am frustrated. Secretary Kendall has recused himself for reasons, by the way, that I understand Members of Congress who created that problem. Northrop Grumman is doing what they can do. The Air Force is doing what they can do. Bechtel is doing what they can do. You guys have educated me very, very well on what is going on in this world, and why this is a dangerous

time, yet I don't get the sense of urgency on Sentinel, particularly with the ground-based missiles that we have.

We have got timelines, and quite frankly, we had a General in front of the VA MILCON Committee, and General Miller, I believe, correct me if I am wrong, General Miller, and I asked them about time lines. Great guy, incredibly talented, could not even give me the year they anticipated starting this program. And I get it, there is studies going on, there is cost issues, and it is going to cost a lot.

General Brown, can you give me any sort of—this is in your old job, front and center, and it is still in your new job too, by the way, but can you give me any idea on, if I should be concerned about the timeline continuing to slip on the ground-based Nuclear Missile Sentinel Project that I think is critically important as a deterrent moving forward in this world in the 21st century?

General BROWN. Senator, I don't necessarily have the details, but I think for all of us, we all should be, you know, I get concerned we don't get capability to the hands of our warfighters, or things that are very important to our strategic deterrence. And so my focus as a Chairman, and same as, when I was the Air Force Chief, is to ensure we are doing everything we can to make sure we bring that capability forward.

And so I am focused, and want to make sure that we continue to do that. So I do have, like you, have some concerns. I want to understand where we are, and what are the things we need to do to ensure we bring that capability forward as quickly as possible.

Senator TESTER. We are here to help.

General BROWN. Yes, sir.

Senator TESTER. But I will tell you that unless we start getting timelines, and goals, and everything set up, there is going to be a lot of pressure being put on people because, quite frankly, I do not think it is acceptable to be continuing to say: Don't worry about this, it is coming. The truth is, we have been at this for a while, and I haven't seen it coming, seen it progressing to the point it needs to.

Senator Collins, I will get to you. I want to get to Senator Murkowski, for her first round.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman, and apologize, we are all jumping in between multiple appropriation subcommittees this morning.

But gentlemen, thank you for being here, thank you for your leadership. I know that there is probably been a great deal of discussion here this morning as there is just generally about the threats from China, Iran, the conflicts in Ukraine, but I feel it is important to always underscore that we never take our eye off of North Korea, who just last month, of course, fired missiles in the direction of Japan, one of our strongest allies in the Pacific.

It was Prime Minister Kishida who noted, just shortly after the most recent launch from North Korea, that their frequent launches threaten the peace and safety of not only Japan but the region and the international security. So I just make the statement to let you know that it is something that we are certainly engaged in tracking, and I know you are as well.

But I want to ask you, Mr. Secretary, not about North Korea, but a focus on the Arctic. Your fiscal year 2025 budget overview states that the goal of this year's budget request is "To develop a monitor and response approach in the Arctic." So I read that to suggest that this is a passive approach in the Arctic, which I think would be a strategic critical error. As you know, we are already behind. We are under-equipped when it comes to assets. When you look at what Russia has with their icebreaker fleet of about 50 vessels, in the United States here, we have barely two.

Mr. Secretary, you have been to the State, you have had really strong statements noting that the United States has to project power in both regions while also serving as a frontline in the Homeland Defense Mission. So you are saying all the right things, but I am concerned about the wording here, and I would ask for you to just expand on what a monitor and respond approach in the Arctic really entails.

Secretary AUSTIN. Thanks, Senator. The United States is an Arctic nation, and of course, this is a strategically important region to us for a number of reasons. And we are going to continue to take actions to prioritize the region. You are going to soon see us release a new Arctic Strategy, and that strategy will account for the changes in the environment, you know, the warming climate, the fact that we have new members of NATO that I think will be very helpful in working with us going forward.

We see each of the Military Services making investments in their ability to operate in that environment. We also see a Combatant Commander, NORTHCOM, partnering with Canada to modernize the NORAD (North American Aerospace Defense Command). And so again, it is important to us. You know that we conduct some pretty significant exercises, like Northern Edge up there, and every time we do that, we learn a lot more about ourselves and the challenges that are facing us. But again, the Arctic will remain important to us, and we will account for that in the new strategy that we are going to release.

Senator MURKOWSKI. Well, I thank you for that, and would suggest also, and when we factor it into the strategy that, again, when we look at the budget, making sure that it is resourced to demonstrate that, whether it is in the proper Arctic equipment, cold weather service incentive programs, and the like.

Very quickly to you, General Brown, as you well know, Alaska's in a pretty unique position because it executes a NORTHCOM mission but with PACOM assets, and it creates some operational control issues as NORTHCOM and 11th Air Force Commanders are unable to effectively utilize their assets in a timely and efficient manner. Every 11th Air Force Commander I have worked with has expressed the concerns about the structure, in that it doesn't prioritize Homeland Defense, making their job a little bit harder. I am sure you are tracking this issue.

I know that the proposal is currently being considered within the Pentagon. I don't know if you have any updates that you can provide now, or at a later point in time, but it is something that, again, we are looking to address. I had a conversation with General Guo just yesterday.

Secretary AUSTIN. Well, having served as a Commander of Pacific Air Force, I am very familiar with the operational challenges associated with Air Forces in Alaska that are both focused on NORTHCOM–NORAD Missions, as well as INDOPACOM Missions.

I am not aware of a direct proposal, but I have talked to General Guo as well, and just based on experience, I know it is something we got to take a look at to continue to make sure that we don't create unnecessary seams to make sure we can respond in whichever way the Nation requires with the capabilities that are stationed there in Alaska.

Senator MURKOWSKI. I appreciate your review of that. Thank you, Mr. Chairman.

Senator TESTER. Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Mr. Secretary, Congress has overwhelmingly, and with bipartisan support, indicated its support for providing weapons and other assistance to Israel. These funding bills have passed with 70 to 80 votes in the Senate, and by similar bipartisan margins in the House. You said in response to a question today that no final decision has been made. I would suggest to you that pausing or delaying the delivery of weapons to Israel is a decision, and it is a decision that most Members of Congress would take issue with.

I was reading a report from John Spencer, who is the Chair of Urban Warfare Studies at West Point, and he said, quote, "Israel has implemented more measures to prevent civilian casualties in urban warfare than any other military in the history of war."

So that leads me to ask you, what conditions is the administration asking Israel to fulfill before releasing these weapons that the administration has deliberately delayed despite strong Congressional support for this assistance?

Secretary AUSTIN. Thanks, Senator. Well, first of all, it is about having the right kinds of weapons for the task at hand. And a small diameter bomb, which is a precision weapon that is very useful in a dense built-up environment, is helpful, but maybe not so much a 2,000=pound bomb that could create a lot of collateral damage. And so, we have been very clear that we have to do more to—Israel needs to do more to protect the civilians in the battle space.

And we wanted to make sure that we saw a plan to move those civilians out of the battle space before executing any kind of ground combat operation. And we would also like to see them do more precise operations. Now, I don't doubt that they have some very good policies, and they do, but it is important to make sure that we are following the policies. And so, we have been having conversations about this. And so, we think it is imperative that we do more to protect civilians in the battle space, and that is the real issue.

Senator COLLINS. And I would just suggest to you that it is Hamas that has its military operations under hospitals, under schools, concealed in civilian areas, and is using our hostages, American hostages, Israeli hostages, and innocent Palestinian civilians as human shields. I think we need to remember and always remind ourselves that it was Hamas that massacred 1,200 Israelis.

It wasn't the Israelis that started this conflict. And I am just very concerned that we not try to micromanage Israel's right to defend itself against a terrorist group backed by Iran.

Let me just quickly go to one other issue, and that is, I know that the National Security Strategy focuses on great power competition with China, however, the most imminent threat to the U.S. homeland, and our citizens abroad, as well as our allies, may well be the reconstituted terrorist factions that have grown since our abandonment of Afghanistan.

And to follow up on the Chairman's point, according to one DHS official cited in a Washington Post report: More than 10,000 migrants from Central Asian countries have entered into the United States in the past year, some of whom have crossed the border illegally. So is the Department of Defense also keeping its eye on the terrorist threat which I believe is, as the FBI Director has said, "blinking red", and working with our intelligence community?

Secretary AUSTIN. Absolutely, Senator, we are. You know, I meet routinely with the Director of the CIA, and the Director of National Intelligence, and discuss, you know, our assets and resources that we have that are focused on collecting on these groups. And I remind you that we were the country that warned both Iran and Russia of a pending attack. And so we couldn't do that if we didn't have the visibility that we have. Now, it is not perfect, and we will continue to work to do everything we can to make sure that we have every sensor available helping us here, so.

Senator COLLINS. Thank you.

Senator TESTER. Senator Moran.

Senator MORAN. Chairman, Vice Chairman, thank you.

General, the Air Force recently awarded a contract for the new Survivable Airborne Operations Center, SAOC, to replace the E–4, the Doomsday. Would you, General, highlight for this committee, the importance of this aircraft in the event of a national emergency or destruction of ground command and control centers?

General BROWN. Well, it is designed to support our Nation on our worst day, on a major attack on our Nation. And so it is very important, not only for the command and control, and for the leadership of the Nation, but also for our nuclear command and control as well. So it plays a key role to provide the President and our national leadership options to continue to operate when we have any type of crisis or contingency.

Senator MORAN. What is the reason there needs to be a replacement of the current aircraft?

General BROWN. Just based on age. And one of the things we have to pay attention to, not only for this particular platform, but for, I would say all the platforms we have within the Department, is to ensure that we actually have a viable platform that we can sustain from a maintenance standpoint, because at some point it gets more costly to maintain than to move into a new capability.

I would also say, technology, as technology advances, we want to make sure we have the most advanced capabilities that the Nation has to offer in the platforms that we use, not only for our command control, but also for our warfighters.

Senator MORAN. Thank you, General.

Secretary Austin, the Bipartisan Strategic Posture Committee Report recommended fully and urgently executing the U.S. Nuclear Modernization Program of record, including the replacement of all delivery systems. Can you highlight, please, some of the key successes related to modernization of our Strategic Delivery System?

Secretary AUSTIN. Yes, well, in this forum, I will say that, again, we are asking you in this budget for some $49 billion to continue to invest in all three legs of the triad. We have requested, to this point, some $149 billion, and that money is being put to use to upgrade our capabilities across the board.

So, as we look at the threat though going forward, Senator Moran, you know, the threat that we face today was clearly not a threat that we were facing 10 years ago, and it won't be the same 10 years from now. So, this is a kind of a changing challenge, and we have to keep pace with that. And so we anticipate that going forward, there will be more changes that will have to be made, and you know, as our adversaries get more capability, so.

Senator MORAN. Thank you. Thank you, both.

Senator TESTER. I want to thank you for being here, gentlemen. We appreciate you, we appreciate the testimony you have given here today, and the answers to the questions.

ADDITIONAL COMMITTEE QUESTIONS

Senators may submit additional written questions and we ask you to respond to those questions in a reasonable amount of time.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. LLOYD J. AUSTIN, III

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. The budget request is consistent with the caps set in the Fiscal Responsibility Act. However, the proposed growth is below current inflation levels and does not account for billions of dollars of additional requirements identified by the military services.

Mr. Secretary, where are you taking risk because of the budget cap?

Answer. Since FY22, you have seen us increase our topline request by over $130 billion. This budget continues to be strategy driven, and we are investing in what we need to maintain our competitive edge. But to meet the budget caps approved by Congress under the Fiscal Responsibility Act, we made tough but responsible decisions to prioritize near-term readiness at the expense of some modernization that will not be delivered until the 2030s. It's critical that we regain topline growth in the out years to ensure we meet our modernization goals.

Question. I have repeatedly called upon Secretary Mayorkas and President Biden to step up and secure the southwest border. The status quo is not working, despite the assistance of our troops. DHS continues to rely on DoD support at the southwest border. But once again, no funding is included in the budget for DoD personnel and operations.

Mr. Secretary, how many troops are serving at the border now? How is DoD going to cover these costs?

Answer. As of May 7, 2024, approximately 2,334 military personnel are supporting the Department of Homeland Security's border security mission at the southwest border. As the cost of DoD's support is unbudgeted, DoD absorbs this cost in the year of execution including via reprogramming actions.

Question. Mr. Secretary, do you agree with me that the Administration needs to do more to secure the border from a national security standpoint?

Answer. Border security is a law enforcement mission of the Department of Homeland Security. In response to DHS requests for assistance, we have supported DHS's border security mission at the southwest border for 19 of the last 23 years at the

cost to DoD of more than $4 billion. We're working with DHS to help develop its own capabilities, because long-term reliance on DoD presents a risk, particularly in the event that our forces, capabilities, and resources need to be committed to a major overseas contingency.

Question. Two months ago, in response to a growing humanitarian crisis, the President directed the Department of Defense to establish a pier on the Gaza coastline to provide critical food and water deliveries for Palestinian civilians. The initial estimate for 60 days of operations was $154 million; we understand that DoD now estimates the cost to be $320 million for 90 days of operations.

How will DoD pay for this operation?

Does DoD have a cost estimate for extended operations beyond 90 days?

Answer. The Joint Logistics Over-the-Shore humanitarian assistance cost estimates significantly decreased from the $320M initial estimate to the current $230M due to an altered operational environment, partner contributions, and a reduced amount of funding requirements for contract solutions. The initial cost estimate was the best initial government estimate of contracting solutions that would allow the Department to fulfill its mission to support the U.S. Agency for International Development. Vendors provided proposals at much lower costs than previously estimated, and operational, force protection, and basic life support costs were refined from the initial estimates due to detailed analyses from the DoD Components.

The JLOTS repair of approximately $15M is included in the revised estimate of $230M.

Question. Shortages in our supply chain are delaying major programs across every military Service, which hampers our ability to field new capabilities to the warfighter on cost and on time. The submarine industrial base comes to mind, but so do other programs, such as Sentinel, which will replace Cold War era Minute Man III interceptors.

Secretary Austin, when the Department makes a contract award, how do you track the health and performance of suppliers? It seems we often rely on the prime contractor instead of identifying and managing key suppliers ourselves.

Answer. Keeping suppliers accountable in the performance of a contract is important for ensuring the health and resilience of the defense industrial ecosystem. Through the Office of the Assistant Secretary of Defense for Industrial Base Policy (OASD(IBP)), the DoD supports non-prime contractors who manage important elements of the defense-critical supply chains. OASD(IBP)'s Manufacturing Capability Expansion and Investment Prioritization (MCEIP) office identifies areas where additional critical industrial capacity is needed and makes targeted investments to close these gaps. All MCEIP investments are tracked individually by agreement for deliverables and technical success. These deliverables vary by effort based on technology, maturity and risk. If the performer does not meet the technical measures of success or fails to deliver, MCEIP will terminate the agreement and reinvest the remaining funds. This is one of the major benefits of the Defense Production Act ordinarily receiving non expiring funds. Following the technical period of performance (TPOP), MCEIP will enter a No Cost Monitoring Phase (NCMP) where the government will maintain oversight of the performance and ownership of all equipment to ensure proper use, sustainability of the investment and protection from adversarial capital. This period can last up to 5 years after the TPOP ends.

Question. Mr. Secretary, we have spent billions in recent years to shore up and expand our supply base. Are we getting the right return on our investments?

Answer. The Department is constantly working on ways to increase supply chain resiliency to support programs using domestic and alternate materials, as well as innovative manufacturing methods. The FY25 Budget would make new investments in our supply chains. Supply chain challenges are also an economy-wide issue, and military demand is not always enough to influence these markets. Where applicable, we need to work with the U.S. industry to promote more secure options, drawn from domestic and allied commercial supply chains. The Department is receiving significant return on our investments by onshoring critical industrial sectors within the United States. Congress appropriated $1 billion to the Defense Production Act account via the CARES Act, which resulted in increased domestic vaccine production, and development of mRNA vaccine and therapeutics production expertise within the United States. We have also supported the development of critical minerals processing and mining within the United States to reduce our dependence on near-peer adversaries. These investments were made in novel technologies or sectors prior to commercial viability. As these investments and companies mature, the money spent will generate new sectors of production within the United States, along with jobs and intellectual expertise. Investment in the supply base will grow the economy and the capabilities of U.S. manufacturing. These investments are driving employment

within the United States and reducing our vulnerability to trade disruptions and forms of economic statecraft practiced by adversarial nations.

Question. Mr. Secretary, in recent years, Congress has established unprecedented acquisition and budget authorities to drive more innovation into DoD. Yet the results are mixed: many of these programs suffer from cost overruns and schedule delays, and we have yet to see prototypes successfully fielded at scale. My concern is that we are at risk of falling into the trap of 'perennial prototyping,' and not actually delivering capability in relevant numbers to our troops by increasing procurement.

Answer. The Department has established several programs specifically focused on transitioning prototype technology across the valley of death and at scale. For example, the Rapid Defense Experimentation Reserve (RDER) is a whole-of-Department effort focused on advanced technologies to close gaps in the Department's Joint Warfighting Concept. In the past, similar processes have delivered impactful capabilities, such as Switchblade loitering anti-armor munitions, which have been effective in Ukraine. We know that this type of rapid prototyping and experimentation works.

In addition to the establishment of the RDER, there is a new organization within the Office of the Under Secretary of Defense for Research and Engineering called Multi-Domain Joint Operations (MDJO), which was specifically chartered to work closely with the Joint Staff to understand all domain joint warfighter gaps, identify leading-edge capabilities to address those gaps, and work rapidly to transition those capabilities to Military Service and DoD Agency programs of record. MDJO guides proven prototype capabilities through to programs of record, delivering them at scale. The Under Secretaries of Defense for Research and Engineering and Acquisition and Sustainment have bolstered their relationship by working closely on the Competitive Advantage Pathfinder program, which works to identify systemic process challenges that prevent or slow capabilities from crossing the valley-of-death, and recommending solutions that could be scaled across the DoD to enable transition of a wide-range of capabilities faster than currently planned.

Another example of the Department delivering capabilities at scale through prototyping is the Replicator initiative. Replicator is a Department-wide effort to expedite innovation adoption within the Department while enhancing adaptability and resiliency in warfighting strategy. The Replicator effort is focusing initially on fielding thousands of all-domain attributable autonomous systems within 18 to 24 months. Replicator will also be a catalyst to accelerate the Department's ability to streamline bureaucratic processes for rapid procurement and acquisition, institutionalizing these processes to drive future capacity for capability adoption. Replicator is already identifying and addressing pain points.

Given the proven and well-documented success of the Defense Innovation Unit's (DIU) Commercial Solutions Opening (CSO) process and their use of Other Transaction authority to support rapid prototyping and subsequently scale, DIU is leveraging these tools to attract new and nontraditional vendors through the Replicator initiative.

We are also working to educate and train the acquisition workforce on the authorities afforded to them. This includes improving training with Defense Acquisition University to ensure all acquisition pathways are adequately taught to ensure an informed workforce.

Lastly, the Department is executing the newly established Accelerate the Procurement and Fielding of Innovative Technologies (APFIT) program to rapidly inject small-business oriented programs with funds needed to bridge them from development into production, accelerating production by one to 2 years earlier than previously baselined.

These focused programs indicate that the Department is not prototyping for the sake of prototyping alone, but rather to deliver capabilities at speed and at scale.

Question. Mr. Secretary, for years, research and development funding has been used to mature and prototype technologies like hypersonic weapons and artificial intelligence. These technologies would give us decisive capabilities in a near-peer competition with China, so when will they become real programs that are fielded at scale?

Answer. The Department of Defense is focused on developing the best capabilities for our warfighters as quickly as possible. To accomplish this goal, the DoD is funding research and development to mature and prototype technologies that are critical to the needs of our warfighters.

The Department's offensive hypersonic weapons development is driven by a need to provide a full range of options to senior decision makers. Hypersonics are a key component in the mix of capabilities that the joint force needs to deter and, if necessary, defeat aggression.

In the near term, Army tactical missiles for the first Long-Range Hypersonic Weapon (LRHW) battery are projected to begin delivering in 2024. Additionally, the USS Zumwalt (DDG 1000) will deploy the full Navy Conventional Prompt Strike (CPS) boost-glide hypersonic weapon system in the 2020s, to be followed by CPS deployment on Virginia-class attack submarines.

The Department has funded and has already deployed many systems that leverage artificial intelligence, and we continue to advance our capabilities in this technology area each year. For example, Project Maven which was piloted in 2017, is one of the Department's foundational artificial intelligence programs. Maven enables the warfighter to achieve decision advantage by processing multiple data streams at the edge. Predictive maintenance is another example of artificial intelligence capabilities being leveraged in the field. The Services, like the Air Force, have instituted predictive maintenance programs to enable maintainers to predict and prevent problems before they occur. Moreover, the Department has learned that successful deployment of artificial intelligence is not about any single application but about the creation of a data and operating enterprise that allows both the deployment and the necessary feedback and evolution of an artificial intelligence capability within that enterprise. Through the Chief Data and Artificial Intelligence Officer (CDAO) and the Military Services, the Department has been setting the conditions necessary to facilitate that successful enterprise, while our science and technology community has been exploring solutions to issues that are unique to the Department, such as intermittent and constrained communications at the tactical edge.

The DoD will continue to encourage innovation and experimentation to outpace its competitors to ensure the U.S. warfighter never shows up to a fair fight.

Question. The Commission to review the Department's budget process recently made over 20 recommendations to change DoD's internal budget process. Many of these recommendations do not require legislation to implement.

Secretary Austin, can you give us an update on progress you have made in moving forward on key, near-term recommendations, such as establishing communications enclaves; updating the cumbersome process for realigning funds; and improving in person communications?

Answer. The Department submitted six requests for PPBE reform in the FY 2025 budget submission. Each of these is designed to attain the financial management flexibility that the Department needs. Many of these proposals have been submitted in previous budget cycles but not enacted. They include:

—Two-Year Permanent Change of Station Funding (Appropriations Language)
—National Guard Two Percent Carryover (Appropriations Language)
—Health Care Transformational Fund (General Provision)
—Operation and Maintenance (O&M) Unobligated Balance Carryover (General Provision)
—O&M, Defense-Wide (DW), Civil Military Program Transfer Authority (Reverse) (General Provision)
—Increase to Below Threshold Reprogramming (BTR) Limits (Joint Explanatory Language Change)

The reprogramming process, recommended for reform by the Commission on PPBE Reform, is affected by two proposals—O&M Unobligated Balance Carryover up to 50 percent into the next FY and Increase to BTR Limits adjusted for inflation—on pages 6 and 7, respectively, in the Appendix.

—*FY 2025 resources requested for PPBE reform implementation:* The total FY 2025 resources requested for PPBE reform implementation is $12.9 million. These resources are for implementation of the early 13 recommendations made by the Commission on PPBE Reform. Further, since the final report from the Commission on PPBE Reform was released after the FY 2025 budget was submitted, funding for implementing any additional recommendations from the final report will be requested in the FY 2026 budget submission.
—The FY 2025 funding request includes $7.8 million by the Office of the Under Secretary of Defense (Comptroller) to implement 11 of the early recommendations and $5.1 million by the Chief Digital and Artificial Intelligence Office (CDAO) to develop and implement the SUNvana classified and unclassified data sharing enclaves between Congress and DoD. This request consists of $5.9 million of O&M, DW and $7.1 million of RDT&E funding. These amounts break out as follows:
—*Recommendations 10, 12, 17, and 27A:* $0.7 million of FY 2025 O&M, DW funding is requested for contracted full-time equivalents (FTE) that will provide cross-functional support in implementing all four recommendations that fall under the responsibility of the Deputy Comptroller for Program and Budget (P/B) and the Deputy Chief Financial Officer in OUSD(C). These include Recommendation 10—Review and Consolidate Budget Line Items; Recommendation

12—Review and Update PPBE-Related Guidance Documents; Recommendation 17—Encourage Improved In-Person Comms; and Recommendation 27A—Restructure budget justification books.

—*Recommendation 18:* $0.5 million of FY 2025 O&M, DW funding is requested for contracted support to develop training courses that will improve the Department's budget justification material and will be led by the Director of Human Capital and Resource Management, OUSD(C).

—*Recommendations 19 and 24:* $5.1 million of FY 2025 RDT&E funding is requested for contracted support to develop and implement the SUNvana classified and unclassified data sharing enclaves between Congress and DoD.

—*Recommendations 20, 21, 26:* $4.2 million of FY 2025 O&M, DW funding is requested for contracted FTE that will provide cross-functional support in implementing all three recommendations that fall under the responsibility of the Deputy Comptroller for Enterprise Financial Transformation in OUSD(C). These are Recommendation 20—Create a Common Analytics Platform; Recommendation 21—Strengthen Governance for DoD Business Systems; and Recommendation 26—Streamline Processes and Improve Analytic Capabilities.

—*For Recommendation 23:* $1.9 million of FY 2025 RDT&E funding is requested for contracted support for the consolidation of the OSD resourcing systems.

—*Recommendation 25:* no FY 2025 funding is requested as this recommendation falls within an existing Department-funded pilot program for improved recruiting and retention led by the OUSD(C) and the Department's Chief Talent Management Officer in the Office of the Under Secretary of Defense for Personnel and Readiness.

—*Recommendation 27B27B:* $0.5 million of FY 2025 O&M, DW funding is requested for contracted support to improve training courses for DoD liaisons to Congress and will be led by the Deputy Comptroller for Budget and Appropriation Affairs.

—*Recommendation 27D27D:* no FY 2025 funding was requested for the recommendation to improve understanding of private sector practices.

Progress on PPBE reform initiatives identified as key by the Commission on PPBE Reform

—*Establish classified and unclassified enclaves for DoD-Congress-DoD information sharing and Modernize the Tracking of Congressionally Directed Actions:* In the last year, the Department stood up SUNvana, an extension of the Advana ecosystem that can provide Congress access to budget and execution-related data, applications, and services without a Common Access Card (CAC). The SUNvana environment currently provides users access to Selected Acquisition Reports (SAR), and modern, default, historical, and Middle Tier of Acquisition (MTA) program reports. I appreciate Congress providing additional funding in Fiscal Year 2024 for enhancements to SUNvana. The CDAO and OUSD(C) are working with the congressional staffs to prioritize improvements to SUNvana using this funding.

—*Improved In-Person Communications/Midyear Update:* A Departmental workgroup has been established to identify opportunities to provide Congress with an improved understanding of emerging DoD priorities, impacts of fact-of-life changes, new operational requirements, emerging technology, and geopolitical updates. To date, the workgroup has been engaging with internal DoD participants to collect data on all PPBE related engagements with the Hill throughout the Department to determine where additional or revamped engagements are necessary.

—Through its data discovery efforts, the Department found that over the last 10 years, DoD engagements with the Hill have increased significantly; specifically, from 2014-2024, there was a 522 percent increase in briefings from the Department to Congress. Correspondingly, over the same period, there was a 91 percent increase in requests from authorizers, a 288 percent increase in requests for reports to Congress, and an 80 percent increase in requests from authorizers.

—The workgroup is now focusing on quality versus quantity of future engagements and will begin engagement with Congress in the very near future to solicit their input on where they think improved communication would be most beneficial.

—*Review and consolidate BLIs:* The Department has established a workgroup to systematically review budget line items and work with congressional defense committees to rationalize and consolidate BLIs where appropriate. This workgroup has begun to collect inputs from DoD components on proposed BLI changes prior to consulting with the Committees of Jurisdiction to determine where changes are mutually beneficial.

—*Continue Rationalization of the OSD Resourcing Systems/Accelerate consolidation of the OSD programming and budgeting systems:* The Department continues collaboration across the components to streamline business processes, leverage existing data-related implementations, and eliminate duplication of efforts. The goal is to create a data-driven environment powered by advanced analytics and artificial intelligence. This year, the Department will continue its efforts to sunset legacy systems, including a system that archives execution data (1002 and SF133) received from the Defense Finance and Accounting Service which will be replaced by the ADVANA–SIPR database. The Department is also assessing the Comptroller Information Systems data structure and all existing functionality necessary for the OMB submission requirements for integration into the Next Generation Resource Management System.

Progress on other PPBE reform initiatives include:

—*J-Book Restructure:* A cross-functional workgroup has been established to comprehensively review the Department's budget justification books (J-books), including the scope and depth of budgetary and programmatic content, uniformity of presentation formatting, and the consistency of terminology usage. We will engage with Congress on proposed changes.

—*Improve training for preparation of budget justification materials:* The Department convened a working group to identify initial training needed by specific appropriation, exhibit type, and skill level to target improved J-Book submission quality and consistency across the DoD. For the remainder of FY 2024, DoD will establish and hold "train-the-trainer" sessions. In FY25, for all three certification levels within the DoD Financial Management Certification Program, existing web-based course training will be revamped and new courses will be developed with targeted competency objectives to improve J-Book submission quality and consistency across the DoD financial management community.

—*Update of PPBE-related guidance documents:* The Department has committed to improving effectiveness of our financial operations and reporting through improved clarity and currency of our guidance documents. We already completed assessing and categorizing the DoD Financial Management Regulation chapters for revision and republication. Since January 1, 2024, the Department has reissued 10 out of 106 DoD Financial Management Regulation chapters identified for revision and is expected to reissue a total of 20 chapters by the end of FY 2024. Over FY 2025 and FY 2026, the Department expects to complete the remaining 86 chapters identified for updates and reissue them by the end of FY 2026.

—*Create a Common Analytics Platform/Expand PPBE analytics via Advana & Streamline processes and improve analytic capabilities to reduce workload:* The Department initiated a change management process to train its workforce to utilize Advana for analysis via Advana 101. Additionally, the OUSD(C) Enterprise Financial Transformation team has established bi-weekly sessions to introduce Advana and train the Financial Management community on topics such as web applications, spend plan modelling, and execution review tools within Advana. OUSD(C) is also actively strategizing to broaden Advana's utilization and developing a data integration plan for the Department's Next Generation Resource Management System (NGRMS) to improve capability and reduce redundancy. Advana data and dashboards also served as the sole platform for FY24 working capital fund mid-year reviews.

—*Strengthen Governance for DoD Business Systems/Annual report on DoD's strategy of consolidation of PPBE business systems:* The Department validated the planning, programming, and budgeting system inventory and incorporated the additional systems into the next Defense Business Systems (DBS) Audit Remediation Plan. However, the Department would welcome the consolidation of congressional reporting on the DBS into a single report, which would better align to the DoD's Annual Financial Reporting timeline and support more results-based reporting.

QUESTIONS SUBMITTED BY SENATOR PATTY MURRAY

Question. In 2013, as part of an effort to consolidate services in the Military Health System, the Defense Health Agency downsized military hospitals across the U–S, including Naval Hospital Bremerton in Washington state. What steps is the Department taking to increase its hiring so servicemembers and their families have adequate access to labor and delivery services?

And how is the Department working with local hospitals to establish M–O-Us to ensure that military bases can maintain readiness while caring for local servicemembers and their families?

Answer. We take the health well-being of the force and our military families extremely seriously. We continue to meet congressional intent for reform, and we've completed consolidation of military medical treatment facilities under the Defense Health Agency. The Department has been working at all levels in a deeply collaborative way to ensure the Military Health System's 9.6 million beneficiaries have access to the care they need, including to our sailors and their families in Washington State. The Defense Health Agency, Military Departments, and Joint Staff are working in close coordination to address staffing shortages and fulfill mission requirements.

Question. The Center for Autism Resources, Education and Services (CARES) facility and program at Joint Base Lewis McChord has proven to be an effective resource for military families who have a child with disabilities. Are there limitations to expanding this program elsewhere in the country?

Has the Department looked at expansion?

Answer. Providing evidence-based support and services to DoD beneficiaries with special healthcare needs is a top priority. Any program for consideration of an enterprise solution must be critically evaluated to ensure that the beneficiaries' needs are addressed, and that it is sustainable. Certain limitations may preclude expansion, including funding, availability of identified providers, and other geographic or regional limitations. The Defense Health Agency continues to work with Joint Base Lewis McChord to explore the CARES model and its capability to expand throughout the enterprise. The analysis includes, but is not limited to, an appropriate staffing model, patient population, patient throughput, and clinical outcomes.

QUESTIONS SUBMITTED BY SENATOR JEANNE SHAHEEN

Question. The Fiscal Year 2024 appropriations bill provided funding specific to the Department of Defense for treatment and payments to victims of anomalous health incidents (AHIs). The Fiscal Year 2025 Budget also requests $5 million. I recently wrote a letter with Chairs and Ranking members of Appropriations, Armed Services, Foreign Relations and Intelligence committees requesting that the Administration fully implement the HAVANA Act.

The DoD still has not issued a final rule, required by law, to provide payments to victims. At the May 8, 2024 hearing, you provided commitment to the Committee that the Department will pursue the rulemaking related to treatment and payments for AHI victims.

As required by law, please provide a date by which the Department will issue its regulation related to treatment and payments for AHI victims.

Answer. We take the health and well-being of the force and our military families extremely seriously. That includes those who may have experienced an Anomalous Health Incident (AHI). We support a government wide effort to identify the cause, and provide medical care to those with symptoms, caused by a potential AHI. We'll continue to provide quality care to all current and former U.S. government personnel and their families who have been referred to us for evaluation and care. The Department is facilitating timely access for health assessments and medical treatment to evaluate and treat those who are experiencing AHI symptoms or related conditions. We've established memorandums of understanding across the interagency to ensure care is delivered quickly and seamlessly to all who may be affected. We have streamlined our processes across the interagency to ensure care is delivered quickly and seamlessly to all who may be affected.

Additionally, we are committed to providing compensation to current and former civilian employees of the Department or their family members for certain Anomalous Health Incident (AHI)-associated injuries and are working diligently to implement the necessary requirements to ensure individuals receive compensation in accordance with the HAVANA Act of 2021.

QUESTIONS SUBMITTED BY SENATOR CHRISTOPHER A. COONS

Question. I enacted the Global Fragility Act (GFA) 4 years ago with 26 bipartisan cosponsors in order to prevent violence and promote stability by maximizing effectiveness of U.S. diplomatic and development efforts with security and defense assistance. I remain concerned by the lack of Department of Defense (DoD) engagement on implementation, especially in Coastal West Africa where the security situation is increasingly dire.

Answer. DoD is fully engaged in supporting GFA implementation. In its supporting role, DoD helps manage and prevent conflict and address global fragility through specialized activities including Civil Affairs activities, operations in the information environment, institutional capacity-building, and security cooperation. DoD efforts also include enhancing the capabilities of security forces, focusing on professionalization, and strengthening civilian-military coordination. As an indicator of this commitment, DoD committed more than $45 million in security cooperation funding to Coastal West Africa nations between Fiscal Year 2021 and Fiscal Year 2024. Coastal West African countries have also benefited from the Defense Operational Resilience International Cooperation (DORIC) pilot program, which works with partner national security forces to plan for, respond, and adapt to defense-related environmental and operational energy challenges.

Question. What are DoD's plans for bolstering security assistance in support of GFA, especially in Africa?

Answer. DoD has already taken steps to bolster security assistance in GFA priority countries. For example, GFA was identified as a priority in the Fiscal Year Significant Security Cooperation Initiative guidance provided to Combatant Commands. Since the GFA was enacted, Geographic Combatant Commands, including USAFRICOM, have incorporated GFA principles into security cooperation planning.

Question. What are your plans to increase global train and equip and logistic support in line with GFA implementation in region?

Answer. DoD primarily supports GFA implementation through civil-military engagement support, training and equipping militaries, building defense institutional capacity, and professionalizing security forces. In addition to sizeable programmatic investments DoD has already made to support GFA implementation, DoD has also increased support to GFA priority countries in the form of additional personnel, Civil Affairs capabilities, and the increased frequency and focus of senior leader engagement.

Question. DoD's Civil Affairs program is not only important to GFA, but to addressing gray zone threats and instability more widely. I am concerned to hear that funding cuts to Civil Affairs may implicate GFA implementation, encourage you to reconsider.

Answer. Civil Affairs forces are DoD's unique tool not only for implementation of stabilization activities, but also for influence and access. Civil Affairs forces enhance awareness of the civil environment and manage civil-military engagements, mitigate civilian harm, and identify and attrite underlying causes of instability. Civil Affairs forces work with local partners, to include partner militaries, to strengthen resilience against threats and enhance civil-military relations.

Question. Details on plans for Civil Affairs budget for forthcoming fiscal years?

Answer. Civil Affairs (CA) forces are an important component of the United States Army Special Operation Command (USASOC) whose tasks include building and maintaining international partnerships. The Assistant Secretary of Defense for Special Operations and Low Intensity Conflict (ASD(SO/LIC)) and Commander, United States Special Operations Command (USSOCOM) will continue to ensure that CA forces are funded sufficiently and adjust annual budget submissions accordingly. Additionally, the Army's current transformation has impacted active-duty CA billets and force structure. To mitigate these impacts, the ASD(SO/LIC) and Commander, USSOCOM will work closely with the Army Reserve's CA components to ensure they are trained and funded to meet mission requirements. Budget specifics regarding Army CA forces will be released when the President's Budget is signed.

Question. What are your plans to reconfiguring U.S. force presence and capabilities in Coastal West Africa?

Answer. DoD remains committed to working by, with, and through African partners to build their capability to degrade terrorist organizations and contribute broadly to regional security and stability. We are investing in our security cooperation programs to bolster the capacity and capabilities of friendly foreign militaries to address security challenges and continue to seek opportunities to further enhance our partnerships with West African countries. We continue to explore options for future DoD posture in Coastal West Africa, including any potential reconfiguration of U.S. force presence and capabilities.

Question. I recently visited the Middle East where I saw how vulnerable U.S. troops are to UAS attacks. I understand efforts to enhance counter UAS are a priority and that DoD's budget request includes a request for a specific counter-UAS fund. Can you speak to the threat and why having flexible funding for counter-UAS initiatives is important?

Answer. Small uncrewed aircraft systems (sUAS) are an inexpensive, accessible, flexible, expendable, and plausibly deniable way to carry out armed attacks and project outsized power over a variety of domains. They are growing in variety, qual-

ity, and quantity, however their ability to adapt to complex operational environments with autonomy, volume, speed, and lethality makes them a very challenging threat. Countering Uncrewed Aircraft Systems (C–UAS) is an important component of an integrated air and missile defense architecture, providing both, air defense and force protection to our forces and allied and partner nations against state and non-state adversaries. For Fiscal Year 2024, in close collaboration with Members of Congress, $100M in procurement funding was redirected from the C–UAS Transfer Fund and placed directly into Service and US Special Operations Command accounts to provide emergent capability to protect U.S. personnel at several key locations and critical installations in the Homeland and abroad. Continuing this close coordination with the Services to identify capabilities that address emergent threats will enable the C–UAS Transfer Fund to provide the necessary resources to protect U.S. personnel in the Homeland and abroad.

QUESTIONS SUBMITTED BY SENATOR LINDSEY GRAHAM

Question. Foreign entities of concern (FEOC) empower their governments to access sensitive data for national security purposes, which raises concerns about connected vehicles manufactured or operated by companies incorporated in certain countries, particularly the potential for unauthorized access to collect and transmit data and implement surveillance capabilities embedded within a vehicle's technology. DoD recently added one of the world's largest LiDAR suppliers, with roots in Shanghai, on a list of companies with "Chinese Military Connections."

How concerned are you about the potential national security impacts of automakers and suppliers with FEOC backing gaining market access in the U.S.? What are those public concerns?

Answer. In its capacity as a member of the Committee on Foreign Investment in the United States (CFIUS), the Department of Defense routinely conducts rigorous analysis to identify transactions or foreign investments involving U.S. entities that may pose a threat to national security. The Department believes the CFIUS process allows for a full assessment of the national security risks involved in transactions filed with the Committee. The Department of Defense continues to evaluate the potential that foreign entities of concern (FEOCs) may access, collect, or transmit data and implement surveillance capabilities. Regarding more specific definition issues, the Department of Defense defers to the Departments of Treasury and Energy and the final rules issued regarding the FEOC definition.

Question. The June 2023 Battle Force Ship Assessment and Requirement stated that the Navy requires a fleet size of 381 manned and 134 unmanned ships. Current budget caps, as set by the Fiscal Responsibility Act (Public Law 118–5), negatively impact the ability of the Department of Defense to fund the Department of the Navy above inflation in order to meet this goal and ensure our nation can meet the various threats around the globe.

How much funding would be required to ensure that the Navy reaches this goal of 381 manned and 134 unmanned ships?

Has the Department of Defense considered alternative ways to reach this goal, such as looking to our allies in Japan or South Korea to construct unmanned ships?

Answer. The FY25 Budget includes $32.4 billion in shipbuilding funding to modernize our Naval Forces, including new construction of 6 battle force ships in FY25 with plans to procure 57 ships over the next 5 years. We had to make tough, responsible choices to comply with the Fiscal Responsibility Act budget caps, and we're focused on investing in what industry can produce. Over the last 3 years, you have seen us make critical investments in the shipbuilding industrial base to ensure that American industry can meet our national security needs far into the future. These investments will support supplier and workforce development, and infrastructure improvement to support increased production and reduce maintenance backlogs. The Navy is making critical improvements to ship maintenance and construction to ensure we maintain the fleet as effectively as possible. Further, in support of the Secretary of the Navy's "Enhancing Strategic Partnership" priorities, the Navy continues to engage with Japanese and South Korean delegations to discuss unmanned systems in order to ensure our nation can meet threats around the globe.

Question. Congress passed the Make PPE in America Act as part of the Infrastructure Investment & Jobs Act in 2022. This law strengthens efforts to onshore production of personal protective equipment (PPE) in the United States by requiring Federal agencies to issue long-term contracts for American-made PPE. My understanding from conversations with a domestic PPE manufacture is that agencies are not fully complying with the law.

How many long-term contracts has DoD issued to U.S. manufacturers since the enactment of the Make PPE in America Act?

Answer. The requirements of the Make PPE in America Act are not applicable to the DoD.

However, based on a review of DoD contract data, the Department estimates it has issued less than 230 long-term contracts for PPE to U.S. manufacturers since the enactment of the Make PPE in America Act.

Question. How many Buy America waivers, specifically for medical exam gloves, has DoD requested and received since the Make PPE in America Act was enacted? Please explain your reasoning.

Answer. The requirements of the Make PPE in America Act are not applicable to the DoD. According to available data, the Department has not requested any Buy American non-availability waivers for medical exam gloves since the Make PPE in America Act was enacted on November 15, 2021.

Question. Please identify how many Service-Disabled Veteran Owned Small Businesses (SDVOSBs) received contract awards from DoD (to include DLA) to the Federal resellers who provide U.S. manufacturers medical exam gloves under the Make PPE in America Act since January 2022?

Answer. The requirements of the Make PPE in America Act are not applicable to the DoD. However, the Department reviewed data in the Federal Procurement Data System (FPDS) and found 15 SDVOSB vendors who received contract awards from DoD to provide U.S. manufactured medical exam gloves since January 2022. The contract description in FPDS was used to identify gloves, but data is not available to tell whether these vendors were resellers.

Question. In your opinion as the Secretary of Defense, what more could Congress have done to ensure government agencies like the DoD support U.S. manufacturers of medical examination gloves who are not able to purchase NBR from a domestic source?

Answer. America's Defense Industrial Base is one of our core strategic assets. When able, we will always prioritize American companies and defense suppliers. DoD appreciates the congressional direction in Section 835 of the FY24 NDAA that raised the domestic source content for major acquisition programs in line with Executive Order 14005, issued by President Biden in 2021. Having more defense equipment made in America is good for our national security and our industrial base. Authorizing government agencies to purchase medical examination gloves from manufacturers who source raw materials from the National Technological and Industrial Base (NTIB) could further increase supply chain resilience even when domestic sources are unavailable.Additionally, legislation allowing sourcing from NATO allies and countries designated as Major Non-NATO Allies (MNNA) under 22 U.S.C. § 2321k would significantly increase the potential supplier base for raw materials to also include countries with extensive manufacturing. Expanding available sources to include NTIB members, NATO, and MNNA countries would bring in six of the world's top ten countries by manufacturing output (excluding the United States) as potential precursor sources. The National Defense Industrial Strategy calls for partnering with allied defense industrial bases, and expanding the authority to source from these nations would increase our industrial partnership.

Question. In your opinion as the Secretary of Defense, what more could Congress have done to ensure government agencies like the DoD support certified SDVOSB resellers who work with these U.S. manufacturers noted above?

Answer. The recent increase in the government-wide goal for Service-Disabled Veteran-Owned Small Businesses (SDVOSBs) from 3% to 5%, as outlined in the 2024 National Defense Authorization Act (NDAA), represents a significant move in supporting these businesses. The Department of Defense remains committed to meeting and exceeding this goal, as it has consistently done in previous fiscal years.

QUESTIONS SUBMITTED BY SENATOR JERRY MORAN

Question. According to a recent Wall Street Journal article, Chinese companies have an aggressive hold on the solar market, controlling about 83% of solar panel production and almost 100% of some aspects of the solar supply chain. DoD recently announced it would purchase solar panels for the Pentagon's rooftop.

If the Pentagon follows through, are you committed to purchasing only American made solar panels from entities not owned or controlled by Chinese companies?

Answer. If the Pentagon rooftop solar project moves forward, the solar panels will comply with domestic preference statutes implemented by the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement, including relevant provisions of the Buy American Act as well as the Trade Agreements Act.

Question. Last year, the NDAA included a provision banning DoD from procuring batteries from Chinese-owned entities; should we do the same for solar panels?

Answer. Current laws and regulations are sufficient to ensure the Department is not procuring solar panels from Chinese-owned entities. No additional legislation is required at this time. For its contracts involving the purchase of solar panels, the Department complies with the domestic preference and trade agreement partner statutes implemented by the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement. The Department uses a rigorous and extensive oversight process to ensure compliance with these laws and regulations. This process includes thorough pre-award technical evaluations to assess whether contractor proposals are fully responsive to the applicable specifications and project requirements, including domestic sourcing requirements. The Department also utilizes comprehensive post-award construction quality management, including regular government-led quality control meetings and inspections with appropriate documentation from the contractor detailing the exact material and equipment the contractor intends to use or install. These processes help to ensure that the Department is only procuring solar photovoltaic equipment that is fully compliant with all statutory and regulatory sourcing requirements. Looking to the future, the Department is leveraging its considerable purchasing power to support the ability of the U.S. carbon pollution free energy industry and related allied commercial supply chains to rapidly grow and provide resilient, diversified, clean energy generation to support our warfighters.

Question. The Military Spouse Accelerator Pilot (MSCAP) shows promising early results.

Can the DoD elaborate on plans to expand this program or introduce similar initiatives?

Answer. We've worked hard to increase opportunities for employment for military spouses. Through the spouse education and career opportunities program, we provide access to high quality, tools, and information resources to expand educational and career support to military spouses around the world. The Military Spouse Career Accelerator Pilot (MSCAP) has proven that the military spouse talent pool is desirable across various industry sectors. In its first year, the Career Accelerator saw 85% of participants receive employment offers with an average of compensation of $69,000.

In year two, we are focusing on expanding MSCAP into two new sectors: Creation of skill-based fellowships and expansion into the public sector. The creation of skill-based fellowships supports spouses that may not have the needed experience or education but want to enter the workforce. Over the 12-week fellowship, spouses will receive the necessary training to move into an employed role. We have more than 50 spouses currently participating in these new fellowships. The other is to expand MSCAP to include the Federal government. We recognize that Federal employment is a great opportunity for military spouses. We are working across Federal agencies to overcome some of the differences between the private and public sector; mainly access to facilities and systems and efficiently moving into an employed status at the end of the fellowship.

Question. Can the DoD provide any data that shows a correlation between high military spouse unemployment and recruiting and manning at certain installations?

Answer. The Department is not able to show a correlation between high military spouse unemployment and recruiting and manning at certain installations. However, information on recruiting, retention, PCS moves/location and spouse unemployment is provided below:

—*Recruiting:* JAMRS, within the Office of People Analytics (OPA), has found that economic factors, including perceptions of the economy and the ability to find a full-time job, have very small predictive ability on propensity to join the military. A large majority of military enlisted accessions are single at the time of entry so it is unlikely that spouse unemployment would be salient for them.

—*Retention:* An OPA study found that employed spouses of active duty Service members are significantly more likely to support their Service member staying in the military than are unemployed spouses. (Citation—Office of People Analytics (2020). Factors Associated with Active Duty Spouse Unemployment (Report #2020–094), retrieved from https://www.opa.mil/research-analysis/spouse-family/military-spouse-survey-survey-reports-briefings/2019-survey-of-active-duty-spouses/factors-associated-with-active-duty-spouse-unemployment/).

—*PCS Moves:* An OPA survey found that spouses who had a PCS move in the past 12 months had more than double the odds of being unemployed as spouses who had not had a PCS move in the past year. Citation—2021 Survey of Active Duty Spouses: https://www.militaryonesource.mil/data-research-and-statistics/survey-findings/2021-spouses-survey/.

—*Location:* The OCONUS spouse unemployment rate was higher than the CONUS rate. Citation—2021 Survey of Active Duty Spouses, Special Analysis.

Question. What specific steps is DoD taking to enhance the Transition Assistance Program (TAP) to better align veterans' skills with civilian job markets?

Answer. TAP provides extensive employment information and support to assist Service members in aligning their skills with civilian job markets. TAP curriculum includes a one-day Department of Labor (DoL) Employment Fundamentals of Career Transition course, a two-day DoL Employment Workshop, a two-day DoL Career and Credential Exploration workshop, and the Small Business Administration's two-day Boots to Business course. In addition, the Department, in collaboration with Transition Interagency Partners, provides or is developing the following additional support:

—TAP Military Occupational Crosswalk (MOC) Course:
  —The purpose of the MOC is to identify skills, education, training, and credentials obtained before and during the military and align them with civilian opportunities. During MOC, Service members examine their military and civilian experience and training records, identify civilian occupations/careers that correlate to their career goals and interests, identify the skills, education, training, and credentials required for their identified occupation/career field, and document the gap between their current skill set and what is required for their elected civilian occupation/career field.
  —In January 2024, the Department added a MilGears activity to the MOC. MilGears combines education, training, and professional experience to create a personalized pathway toward career development. MilGears allows Service members to explore different career paths and learn about interesting roles; assess how current experience lines up with job demands and requirements; and connect with workforce and educational opportunities to advance career goals.
—*SkillBridge:* SkillBridge is a voluntary transition program that provides Service members with opportunities to gain valuable civilian work experience through industry training, apprenticeships, or internships during their last 180 days of military service. The intent of SkillBridge is to facilitate the acquisition of civilian skills that enhance employability after military service. TAP includes multiple touchpoints that introduce SkillBridge to transitioning Service members. In 2023, to increase synergy while promoting uniformity, best practices, and management efficiencies across transition and reintegration programs, the Department incorporated SkillBridge into the transition governance structure under the Transition Executive Committee reporting to the VA/DoD Joint Executive Committee, aligned policy under the Assistant Secretary of Defense for Manpower and Reserve Affairs, and aligned program management under the Defense Human Resources Activity's Military-Civilian Transition Office.
—*TAP Enterprise Individual Self-Assessment (EISA):* In February 2024, the Department completed a 12-month EISA Pilot that is now undergoing reliability and validity testing along with development of supporting information technology capabilities. Upon implementation, EISA will establish a criterion-based warm handover protocol, leverage evidence-based practices to predict negative or adverse post-transition outcomes and inform risk mitigation through revised TAP curriculum.
—*Department of Labor Employment Navigator and Partnership Pilot (ENPP):* The Department continues its partnership with and support of ENPP. ENPP leverages the employment and training resources and expertise available from approved government and non-governmental partners to provide the following services: apprenticeship opportunities; digital matching; employment mentorship; employment networking; hiring events; placement services; referrals to employment opportunities; training services; and wraparound services. Employment Navigators (ENs) are available to assist participants, both virtually and in-person, from the earliest stage of their transition during pre- separation through their separation from military service. Partners continue to assist service members after their separation.

Question. How is the success of these initiatives measured?

Answer.

—*Assessment and Evaluation Design:* TAP applies a mixed-method assessment and evaluation design, implementing more than one method of data collection to evaluate the effectiveness of TAP. The central thesis of program effectiveness examines Service members' preparation to meet their post-transition goals and goal achievement. This approach to evaluating effectiveness spans 365 days before and after a Service member's military-to-civilian transition. The Department continues to review and modify transition-related measures and indicators

(M&Is) to capture performance, tendencies, and potential challenges with respect to data integrity or collection processes. The M&Is have a wide range of focus, including TAP compliance based on legislation requirements, and indicators to summarize trends for analysis on the desired long-term end states of TAP.

—*Counseling:* TAP Counselors evaluate the possible challenges a Service member may encounter based on the personal self-assessment, development of an Individual Transition Plan, and a one-on-one counseling session.

—*Transition Assistance Participant Assessment (TAPA):* DoD uses the TAPA to capture inputs of Service member experiences and knowledge gained. Approximately 17 percent of Service members responded to the TAPA with over 90% of those agreeing or strongly agreeing that TAP helped them gain the information and skills they need to plan their transition.

—*Interagency Data-Sharing:* To improve our understanding of post-transition outcomes, the Department partnered with the U.S. Census Bureau to merge data for longitudinal analyses of veteran employment and education outcomes. The partnership merges Department data on the individual level with Census data including employment, post- secondary education, and other state and Federal data in the Longitudinal Employer- Household Dynamics dataset. The combined dataset will provide the ability to longitudinally track the experiences of Service members and Veterans from their time in the military through their transition and reintegration into civilian life. The project is undergoing reliability and validity testing after which data will be available to both public and private researchers (tentatively in 2025).

—*Predictive Analytics Summit:* In May 2024, the Department hosted a Predictive Analytics Summit to enhance synergy and collaboration among Transition Assistance and Reintegration Program partners and other Federal agencies to achieve consistent outcomes across the enterprise. The Summit was built on the foundation of data sharing across the Federal government to provide comprehensive descriptive data/analytics information and predictive analysis opportunities to reduce adverse outcomes among transition and reintegration Service members. This approach supports data triangulation and enables effective collaboration, which are critical elements in our shared mission to mitigate risk. Implementing predictive analytics ascertains risk mitigation and strategies among Service members who may experience adverse post-separation outcomes.

—*Department of Veterans Affairs' Post-Separation Transition Assistance Program Assessment (PSTAP) Outcome Study:* PSTAP is a multi-year study, published each summer, which provides data to support the long-term outcomes and effectiveness of TAP. This study surveys cohorts of recently transitioned veterans to collect information at post-separation intervals (6 months, 1 year, and 3 years). The PSTAP allows the agencies participating in TAP to assess outcomes related to transition based on holistic veteran wellbeing and economic stability across various life domains, including employment, education, health and relationships, finances, and overall well-being.

Question. Has the DoD considered expanding transition programs for other branches of the military, such as Soldier for Life, than solely TAP?

Answer. The Transition Assistance Program (TAP) is a critical statutory program that provides opportunities, services, and training for transitioning Service members in their preparation to meet post-military goals. While TAP remains a critical component, the Department recognizes the importance of broader support throughout the continuum of service and looks for opportunities to expand and leverage other transition and reintegration efforts using best practices from all branches of the military.

Question. The Brandon Act was included in the NDAA FY2022 to improve the referral process for servicemembers seeking a mental health evaluation and allowing them to seek help confidentially.

How does the DoD ensure that seeking mental healthcare does not affect mission readiness or a service member's career trajectory?

Answer. Mental health is health. Period. We will stop at nothing to tackle this issue. In May 2023, the Department implemented a self-initiated referral process for mental health evaluations required by law. Service members can now initiate a referral process for a mental health evaluation through a commanding officer or supervisor in a grade above E–5 on any basis, at any time, in any environment. Service members are not required to provide a reason to request and receive a referral. They continue to have the option to directly contact a mental healthcare provider, without their unit's involvement. Additionally, the Department reduces stigma for seeking mental healthcare services by balancing patient confidentiality with a commander's need to know, safeguarding, except in a case in which there is an exigent

circumstance, the confidentiality of mental healthcare services provided to members who voluntarily seek such services. The Department has invested in establishing an integrated primary prevention workforce and creating healthier command climates and safer communities for our military community. Finally, the Department updated and reissued DoD Instruction 6490.08, "Command Notification Requirements to Dispel Stigma in Providing Mental Health Care to Service Members," to reinforce the policies of eliminating stigma in obtaining mental healthcare services and to further encourage help-seeking behavior by Service members.

QUESTIONS SUBMITTED BY SENATOR SHELLEY MOORE CAPITO

Question. Has the Biden Administration made a policy decision to withhold certain weapons from delivery to the State of Israel?

Answer. The United States' commitment to Israel's security is ironclad.

To date, the Administration has paused only one shipment of weapons to Israel. No final determination has been made on how to proceed with this shipment at this time, and we continue to discuss this issue with the Government of Israel. No other deliveries of weapons, munitions, equipment, or other services are paused at this time, and other security assistance continues to flow to Israel.

Since Hamas' horrific attack on October 7, 2023, the United States has surged billions of dollars in security assistance, passed the largest ever supplemental appropriation for emergency assistance, and led an unprecedented coalition to defend against Iranian attacks. The President has made clear that we will continue to provide Israel with the necessary capabilities to defend itself against threats and adversaries, including Hamas. We are also working to ensure that Israel receives the full amount of assistance Congress appropriated for it in the Israel Security Supplemental Appropriations Act, 2024.

Question. Please provide the list of weapons this policy applies to.

Answer. To date, the Administration has paused only one shipment of weapons to Israel consisting of 1,818 2,000-pound bombs and 1,704 500-pound bombs.

The 500-pound bombs have subsequently been shipped to Israel. No other deliveries of weapons, munitions, equipment, or other services are paused at this time, and other security assistance continues to flow to Israel.

Question. What is the reason for this decision?

Answer. The Administration remains committed to an outcome in Gaza and across the broader Middle East that protects Israel's security. At the same time, the Administration is particularly focused on the end-use of the 2,000-pound bombs and the effect they could have.

Question. Were Israeli officials notified in advance of this course of action?

Answer. U.S. Government officials, including from the Department of Defense, regularly communicate with Israeli officials regarding ongoing security assistance actions.

Question. Does the Department of Defense believe that Israel can achieve its strategic and operational objectives without entering Rafah?

Answer. Israel began its operations in the Rafah region in early May, including along the Philadelphi Corridor. These operations in and around Rafah began after Israel commenced evacuation efforts, which ultimately led to the voluntary evacuation of approximately one million people from the Rafah area within two weeks.

We continue to discuss ways for Israel to achieve its strategic goals. Achieving sustainable victory on the battlefield for Israel requires both targeting Hamas and providing for the civilian population. These efforts are not mutually exclusive.

Question. If so, how?

Answer. There are alternative ways to dismantle Hamas, besides a major ground combat operation in the densely-packed urban area of the city of Rafah. Such alternatives do not preclude Israeli military operations in Rafah where Hamas embedded itself with the civilian population. Such alternatives may focus on targeted raids, precision strikes, the safe and timely evacuation of civilians from the battlespace, the protection of civilians, and the facilitation of humanitarian assistance.

Question. The Administration has stressed that it is only pausing deliveries of offensive weapons and has continued to deliver defensive systems to Israel. What is the Department's assessment of the reduction in Israel's ability to deter aggression from Iran, Hezbollah, and Hamas if the United States publicly pauses deliveries of offensive weapons?

Answer. The Administration did not pause deliveries of offensive weapons. To date, the Administration paused only one shipment of weapons to Israel consisting of 1,818 2,000-pound bombs and 1,704 500-pound bombs. The 500-pound bombs have subsequently been shipped to Israel. We continue to discuss this issue with

the Government of Israel. No other deliveries of weapons, munitions, equipment, or other services are paused at this time, and other security assistance continues to flow to Israel.

President Biden, together with our allies and partners, made clear that this is not a moment for our adversaries to exploit the situation to seek advantage. We provided support for Israel's air and missile defense systems, including providing additional Iron Dome batteries and inceptors from our inventory, and our own forces played an integral role in thwarting Iran's unprecedented aerial attack against Israel on April 13 and on October 1.

We continue to make force posture adjustments to deter attacks from adversaries, promote regional stability, deter attacks, and protect freedom of navigation in the region. We're committed to protecting our forces and national interests, as well as to deterring a regional war. Our swift response sends a clear message to anyone who might seek to widen this conflict. We are not going anywhere.

QUESTIONS SUBMITTED TO GENERAL CHARLES Q. BROWN, JR.

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. The budget request is consistent with the caps set in the Fiscal Responsibility Act. However, the proposed growth is below current inflation levels and does not account for billions of dollars of additional requirements identified by the military services.

General Brown, what is the operational impact of the budget cap?

Answer. The President's $849.8 billion defense budget for FY 2025 reflects our shared commitment to facing today's security challenges head-on, while also laying the groundwork to confront the uncertainties of tomorrow. This budget includes targeted program reductions to meet funding levels approved by Congress under the Fiscal Responsibility Act of 2023. It prioritizes near-term Joint Force readiness through investment in critical programs and capabilities, while making smart but modest investments to modernize our forces and support our service members and families. The targeted program reductions reduce programs that will deliver future combat capability in the 2030s, thus topline growth is critical in the out years to ensure we meet our modernization goals.

Question. What does this mean for our military capabilities 5 years down the road?

Answer. Provisions of the FRA forced tough choices related to further modernization. The FRA's topline limitation requires the Department to make targeted reductions to programs that will deliver key capabilities in later years to preserve the joint force's ability to fight and win in the near term. The budget request strategically invests in future joint force operations, readiness, procurement, and research and development for combat capabilities to retain our strategic edge across every domain. In the long term, possible CRs along with potential FY25 impacts resulting from FRA sequestration actions can create a misalignment of DoD funding, resulting in shortfalls within DoD appropriations that disrupt readiness gains and slow capability enhancements. Impacted military capabilities such as the modernization of the Nuclear Triad, Munitions MYP to address PRC pacing challenges, and future shipbuilding for the Virginia and Columbia class submarines are already strained and would be set back further by FRA sequestration.

Question. I firmly believe in the strong deterrence effect created by our nuclear programs, including the Sentinel program. Sentinel will replace the Minuteman III intercontinental ballistic missile, but due to cost and schedule delays, the program is currently under review. Even before these cost increases, there was little to no margin in the schedule to replace the Minuteman III before the end of its service life in 2036.

General Brown, some suggest that one way to reduce cost of the Sentinel program is to reduce the number of our nuclear-capable interceptors at our 3 ICBM sites. What would the operational impact of that reduction be, and do you agree with that assessment?

Answer. The replacement for the ground-based leg of the nuclear triad, the Sentinel weapon system, remains one of the largest, most complex programs within the Department. Reduction in the quantity of Sentinel missiles at each base would undermine DoD's ability to achieve Presidential objectives and DoD employment guidance ascribed to the Land Leg of the Triad. The Department notified Congress in January 2024 that Sentinel had experienced a critical cost overrun, and reviewed the program as required under the Nunn-McCurdy Act. This review considered a range of alternatives to the program, to include fielding a smaller silo-based force.

The review concluded that there is no alternative to Sentinel itself that provides acceptable capability to meet the joint military requirement at less cost.

Question. I have repeatedly called upon Secretary Mayorkas and President Biden to step up and secure the southwest border. The status quo is not working, despite the assistance of our troops. DHS continues to rely on DoD support at the southwest border. But once again, no funding is included in the budget for DoD personnel and operations.

General Brown, the Homeland Security budget request includes $114 million to buy and deploy technology at the border to reduce the number of DoD troops required there. In your assessment, will this technology help stop the deadly flow of fentanyl coming across the border that is hurting Montana communities?

Answer. I am proud of the men and women of the Joint Force as they stand ready to support the whole of government approach to every challenge our nation faces. In regard to the southwest border, our joint warfighters have continued to answer the call in support of the Department of Homeland Security mission of border security to include countering the cross- border flow of fentanyl. While our warfighters have supported this mission with highest honors, I must defer to the Department of Homeland Security on the assessment of the effectiveness of employment and deployment of technology to assist in combatting the flow of fentanyl across the border.

Question. Two months ago, in response to a growing humanitarian crisis, the President directed the Department of Defense to establish a pier on the Gaza coastline to provide critical food and water deliveries for Palestinian civilians. The initial estimate for 60 days of operations was $154 million; we understand that DoD now estimates the cost to be $320 million for 90 days of operations.

General Brown, how much risk are U.S. service members under while supporting this operation? What measures are in place to protect U.S. forces?

Answer. I am extremely proud of the joint warfighters that supported the Gaza aid pier and all of the leadership that supported the planning and execution through all of the challenges. The primary mitigation measures put in place were 1) General Officer (ARCENT Commander) leadership on the ground with daily risk assessments, 2) multiple defensive capabilities at sea and on land to protect U.S. Service Members from any form of threat (air, direct fire, and indirect fire), and 3) daily threat analysis that drove Commander decisionmaking and execution on the ground. As a result of these mitigation measures, risk to force was LOW and there were zero casualties, wounded or killed, that resulted from the threat environment in and around Gaza.

Question. In recent years, Congress has established unprecedented acquisition and budget authorities to drive more innovation into DoD. Yet the results are mixed: many of these programs suffer from cost overruns and schedule delays, and we have yet to see prototypes successfully fielded at scale. My concern is that we are at risk of falling into the trap of 'perennial prototyping', and not actually delivering capability in relevant numbers to our troops by increasing procurement.

General Brown, for years, research and development funding has been used to mature and prototype technologies like hypersonic weapons and artificial intelligence. These technologies would give us decisive capabilities in a near-peer competition with China, so when will they become real programs that are fielded at scale?

Answer. Our Nation needs us to both be ready to fight today's battles and prepare for tomorrow's wars. We must prepare by modernizing and aggressively leading with new concepts and approaches. The Joint Warfighting Concept (JWC) provides a framework for how the Joint Force will modernize and how we will fight in a future conflict. We must modernize our force, through innovation and by building a bridge to the defense industry to deliver capability in a timely manner. As we work to shorten the timeline between prototype and program of record, there is growing importance for collaboration between the Services, our industry partners, and Congress to deliver at scale, develop training programs, and provide required sustainment so our warfighters can operationalize the delivered capabilities.

To accomplish this, the Department has established programs that are laser focused on transitioning prototype technology across the valley of death and at scale. For example, the Replicator initiative is a Department-wide effort to expedite innovation adoption within the Department while enhancing adaptability and resiliency in warfighting strategy. Also, the Rapid Defense Experimentation Reserve is a whole-of-Department effort focused on advanced technologies to close gaps in the JWC's required capabilities. Finally, the Department is championing the newly established Accelerate the Procurement and Fielding of Innovative Technologies (APFIT) program to inject small-business oriented programs with required funding

to bridge them from development into production, accelerating production by one to 2 years earlier than previously baselined.

QUESTIONS SUBMITTED BY SENATOR SHELLEY MOORE CAPITO

Question. Has the Biden Administration made a policy decision to withhold certain weapons from delivery to the State of Israel?

Please provide the list of weapons this policy applies to.

Answer. This policy applied only to one shipment of 2,000-pound bombs and 500-pound bombs. Subsequently, the 500-pound bombs have been delivered.

Question. What is the reason for this decision?

Answer. The Department, under the Administration's direction, paused the shipments with a focus on the end-use of the 2,000-pound bombs and the impact they could have on the safety of the Palestinian civilians.

Question. Were Israeli officials notified in advance of this course of action?

Answer. The Department maintains persistent communication with Israeli officials in order to communicate all security assistance actions, including this action.

Question. Is it possible for Israel to achieve its strategic and operational objectives without entering Rafah?

If so, how?

Answer. Precision in operational execution is a luxury that the U.S. Military and only a few of our allies has at their disposal. Major ground combat operations is not the only strategy that can effectively defeat Hamas. Alternatives do not preclude Israeli military operations in Rafah where Hamas has embedded itself with the civilian population. Such alternatives may focus on targeted raids, precision strikes, the safe and timely evacuation of civilians from the battlespace, the protection of civilians, and the facilitation of humanitarian assistance.

Question. The Administration has stressed that it is only pausing deliveries of offensive weapons and has continued to deliver defensive systems to Israel. What is the Department's assessment of the reduction in Israel's ability to deter aggression from Iran, Hezbollah, and Hamas if the United States publicly pauses deliveries of offensive weapons?

Answer. We have continued to provide both offensive and defensive systems to Israel. The Department, under the Administration's direction, paused the shipment of 2,000-pound bombs, but continued the deliveries of other weapons, munitions, and equipment, including 500-pound bombs.

Our continuous adjustments to force posture and security assistance have continued to promote regional stability and deter attacks from adversaries.

Senator TESTER. Special thank you, even though you didn't say one word, Mike McCord, thank you very, very much. You are a critical part, critical component of making all this stuff work, and I want to recognize your good work. Thank you very, very much.

Mr. MCCORD. Thank you, Chairman. And I appreciate the opportunity to engage with this subcommittee throughout the year in multiple forums.

SUBCOMMITTEE RECESS

Senator TESTER. Absolutely. This subcommittee is going to reconvene on Wednesday, May 15, at 10 a.m. to hear from the Under Secretary of Defense for Acquisition and Service Acquisition Executives.

As of right now, we stand in recess.

[Whereupon, at 11:58 a.m., Wednesday, May 8, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, May 15.]

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2025

WEDNESDAY, MAY 15, 2024

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Jon Tester (chairman) presiding.

Present: Senators Tester, Reed, Baldwin, Shaheen, Murphy, Coons, Murkowski, Moran, Hoeven, and Boozman.

DEPARTMENT OF DEFENSE

DEFENSE ACQUISITION PROGRAMS

STATEMENT OF HON. DR. WILLIAM A. LAPLANTE, UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND SUSTAINMENT

OPENING STATEMENT OF SENATOR JON TESTER

Senator TESTER. We'll call this committee to order. Good morning. Today, we're going to hear from the Department of Defense's Acquisition Experts. We want to welcome Under Secretary of Defense for Acquisition, Dr. William A. LaPlante and the service acquisition executives Douglas R. Bush, Nickolas H. Guertin, and Andrew P. Hunter.

Welcome gentlemen. Your leadership is vital to getting capability into the hands of our war fighters and to modernize our force. And I want to thank you all for being here. I want to point out that the Space Force brethren are absent today and it's because we will have a classified hearing to discuss space related matters in a few weeks.

The fiscal year 2025 budget request for the development and procurement of weapons systems is $310.7 billion. While the Fiscal Responsibility Act required you to make some tough decisions on certain programs, this is not an insignificant number. So, we're having this hearing to better understand how the department leverages those resources to field the programs that we need, preferably on time and on budget.

After multiple continuing resolutions, Congress finally enacted the fiscal year 2024 appropriations bill just last March. However, in many instances, the funds necessary to execute acquisition programs are still not in the hands of the program managers. Many factors affect getting acquisition right, but it cannot be denied that repeating continuing resolutions affect the ability of program man-

agers to effectively get the most bang for the taxpayers' buck and feel the programs on cost and on schedule.

That said, over the past 5 years, Congress has provided the Department of Defense several new acquisition authorities and funding flexibilities. Such as Rapid Prototyping Authority and the establishment of software pilot projects. Recent appropriations bills have also supported numerous DOD (Department of Defense) initiatives to facilitate rapid innovation outside of traditional budget cycle. Yet the reviews are mixed. A recent Navy study showed that most ship building programs are over budget and behind schedule;

The Air Force's Sentinel Program incurred a Nunn McCurdy breach and is on review; and the Army recently terminated its fourth attempt in 20 years to modernize its scout helicopter. We'll continue to work with the Department of ways to improve the acquisition process but I must say we all share responsibility for the state of our acquisition enterprise; and I would tell you that it isn't good, and for a number of reasons.

Number one, Congress needs to enact appropriation bills on time. The department needs to stabilize its program requirements, utilize realistic acquisition strategies, and request the right amount of funding and sign good contracts, and industry needs to flat out deliver on time. DOD acquisition is not an academic exercise. It's is responsible for getting the war fighter what it needs, when they need it so that they can do their job in an increasingly dangerous world.

I look forward to hearing from each of you on how we can do better. Senator Murkowski will be joining us shortly. She will have a few statements. Susan is not here at this moment in time but she will put her opening. I ask unanimous consent that her opening statement be put into the record.

[The statement follows:]

PREPARED STATEMENT OF SENATOR SUSAN M. COLLINS

Thank you, Chairman Tester, for holding this hearing. This is the first time that I can remember having the acquisition leadership of the Department of Defense appear before the Subcommittee together.

This hearing reflects the growing need to improve acquisition outcomes through applying the lessons of past acquisition programs—both good and bad. We also want to ensure that cutting-edge innovation happening around the United States as well as with our allies can be fielded as rapidly as possible to address our most difficult military threats and to better protect the warfighter.

On lessons learned, I have had a front row seat on how not to build a lead ship and how uncertainty can lead to years of damage to the industrial base. When the Navy abruptly reduced the number of DDG–1000 ships from 32 to 11 and finally to just three after the Navy decided to buy DDG–51s again, this created extremely challenging circumstances for large surface combatant shipbuilders and their suppliers that reverberated for many years. I am pleased to see the three ships of the Zumwalt-class are now being outfitted to carry the Navy's first hypersonic weapons, but there are many lessons to be learned from that program.

On a positive note, I have also seen great benefits in both cost savings and industrial base stability from multi-year procurement contracts. Five multi-year contracts have formed the foundation of the DDG–51 program since 1998. I supported the expanded use of these contracts to munitions in the FY24 appropriations bill. I would welcome an update from our witnesses on what other steps the Department is taking to ensure the industrial base is postured to manufacture the weapons our military requires.

Shifting to innovation, I see three obstacles to innovation that need to be addressed. First, too often the career incentives for DoD program managers inhibit in-

novation. I am concerned that military program managers are rewarded for embracing the status quo and not taking prudent risks.

Second, the civilian personnel system at DoD too often is slow and overly bureaucratic. I was recently briefed on a major defense acquisition program where the number of DoD civilians involved grew 10-fold. As the small army of acquisition professionals went about validating the technology, one of the design reviews resulted in literally thousands of comments, all of which must be addressed before the program moves forward.

Third, we have to make it easier for a small, innovative company with useful technology for the warfighter to penetrate the Pentagon bureaucracy. The first budget that included Air Force Secretary Frank Kendall's highest priority capabilities for great power competition was the budget signed into law a month and a half ago. Yet, he has been Secretary for nearly 3 years and identified these needs at the beginning of his tenure! If that is the fastest Secretary Kendall can go, think about how much more difficult it is for a small business owner who has not been steeped in defense issues for 50 years.

In our last defense appropriations bill, we took a number of steps aimed at making it easier to bring more innovation into the Department, including a one billion dollar investment in the Defense Innovation Unit and accelerating roughly $300 million for the Replicator initiative, even though funding for it was not originally included in the budget request for 2024.

It is now up to the Department and each of you to make sure that these investments translate into fielded capabilities for our Soldiers, Airmen, Sailors, Marines, and Guardians.

Lastly, but perhaps most important, we must acknowledge that more money and more flexible authorities cannot solve all these problems. At the end of the day, there's no substitute for sound acquisition best practices implemented by smart, savvy, experienced program managers at DoD.

There is clearly much to discuss today. I look forward to hearing from our distinguished witnesses.

Senator TESTER. With that we will start with you Dr. LaPlante, for your opening statement. I believe—hang on for a second. Yes.

Each one of you have 3 minutes. Know that your full written testimony will be a part of the record. Go ahead, Dr. LaPlante, you have the floor.

SUMMARY STATEMENT OF DR. WILLIAM A. LAPLANTE

Dr. LAPLANTE. Yes. Thanks Chairman Tester and Ranking Member Collins, who I know will be here and distinguished members of the subcommittee. Thanks to all of you. It's a pleasure to be here today with our service acquisition executives representing department's acquisition and sustainment. As the Chairman just said in recent years, thanks to you all, you've given us more authorities, more ways to do acquisition, increasing flexibility in getting—to get things at speed and capability and we really appreciate it.

We will give you in this hearing and to the extent that you have questions and talk about it. Examples of what seems to be working there, where still the challenges but an example of what you've given us and how it's being used are the middle tier acquisition authorities, rapid fielding, rapid prototyping that is being used right now by my three colleagues down the table, as well as the Space Force and putting together proliferated Leo Constellation.

So, a lot of goodness happening there. The Army of course, has also done things with the Software Pathway as well as others, and Mr. Bush can talk to the Integrated Air and Missile Defense which uses Software Acquisition Pathway in a hybrid form. In overall there's 60 programs that are using Software Pathway, and that's only been with us a few years. So, it shows you what we've been

able to do with your help. I think we need to do a lot more, but anyway, it's a positive sign.

The other piece is flexible contracting. As the Chairman said, contracting is a key part of this. What we've relearned or learned or relearned in Ukraine is the department can do contracting extraordinarily fast when it puts its mind to it. We have methods like the Undefinitized Contracting Actions, or UCA, that can be put in place within days or weeks.

And I would say in Ukraine we've seen that. There's no reason we can't extend that and continue that across other contracts in the Department of Defense. Another very important tool that you've given us and industry has paid attention is multi-year procurements for munitions. Thank you for giving us this. And it shows a degree of trust.

Industry has been saying for years we don't see a demand signal. We need to understand a demand signal. A lot of us have been frustrated by that saying what else do you need, we've got all these supplementals coming. Well, I think what the multi-year shows is that we're committed in these cases for those contracts, that it won't be a one and done in 1 year. It's going to be in multiple years and we'll get the savings appropriate with it and your help in getting those multi-years are a big part of it.

We've also done things with the service and service specific acquisitions. I would say when you're talking about acquisition there's really three legs of the stool. One leg is acquisition, which is the contract. The second is the requirement and this is what the Chairman was talking about getting what the department needs right for the war fighter. And the third is having the money in the right year.

Those three legs of that stool moving across all three in an agile fashion is the secret of really effective acquisition. And so, we remind the service acquisition executive that and we work with folks like this committee to make sure we can move across that.

Again, I think there's a lot that we can talk about. There's a lot of good that has happened at acquisition, continues to happen. We also have a lot more work to do. So, subject to the later questions, that's my opening statement.

[The statement follows:]

PREPARED STATEMENT OF DR. WILLIAM A. LAPLANTE

I. INTRODUCTION AND BACKGROUND

Chairman Tester, Ranking Member Collins, and distinguished Members of the Senate Appropriations Subcommittee on Defense, thank you for the opportunity to testify today on Department of Defense (DoD) acquisition programs.

I am honored to be here alongside the Service Acquisitions Executives (SAEs) from the Army, Navy, and Air Force representing the Department's 187,000 acquisition and sustainment professionals. Together, they are building enduring advantages for our nation, allies, and partners every day by delivering capability quickly and cost effectively at scale.

Acquisition is a profession and an expertise that takes an incredible amount of knowledge and skill built over time. Put simply, our warfighters are successful largely because of the acquisition workforce and as the Department's acquisition leadership, the SAEs and I are immensely proud of the work these professionals conduct to pace the challenges we face as a nation.

As outlined in the 2022 National Defense Strategy (NDS), the Department of Defense identifies four top-level defense priorities to strengthen deterrence, including defending the homeland; deterring strategic attack against the United States, our

allies, and partners; deterring aggression and being prepared to prevail in conflict when necessary; and to ensure our future military advantage. While the People's Republic of China (PRC) remains our pacing challenge, the United States and our allies are also actively and concurrently providing security assistance in Europe and the Middle East.

For those of us in the acquisition world, the NDS is a call to action. Building enduring advantages to enable integrated deterrence requires the right mix of capabilities and technologies woven together to defend against current and future threats. Our acquisition system must be able to deliver secure, resilient, and preeminent capabilities quickly and at scale—and we remain committed to using all of the tools and authorities available to do so at speed and scale.

II. THE DEFENSE ACQUISITION SYSTEM

In recent years, DoD redesigned and reissued its acquisition policies to improve responsiveness to warfighter requirements. The Adaptive Acquisition Framework (AAF) comprises six "pathways," each tailored to the unique characteristics and risks of the capability being acquired and reflecting modern business practice.

Section 804 of the Fiscal Year 2016 (FY16) National Defense Authorization Act (NDAA) authorized the operation of the Middle Tier of Acquisition (MTA). This authority allows the Department to rapidly develop fieldable prototypes to demonstrate new capabilities, or to rapidly field production quantities of systems with proven technology that require minimal development. Since receiving MTA authority from Congress, programs across every Service have used the pathway to deliver capability faster or accelerate "traditional" acquisition processes by combining MTAs with other AAF pathways.

For example, Space Development Agency is using MTA to harness commercial development for increased speed and lower costs. Through a spiral development strategy that plans to infuse new technology every 2 years using MTA, the agency will be able to be more responsive to warfighter needs in delivering a proliferated space architecture. Additionally, the Army's M10 Booker Combat Vehicle, formerly known as Mobile Protected Firepower, used MTA to prototype and refine requirements before transitioning to the Major Capability Acquisition pathway for full-rate production. There are currently 106 total programs using the MTA pathway representing more than $24 billion across the Future Years Defense Program (FYDP). Of the 236 programs that have utilized the MTA pathway since the policy went into effect, three have transitioned to full operational capability, 107 have transitioned to another acquisition pathway, and 15 have terminated.

Similarly, Section 800 of the FY20 NDAA provided statutory flexibilities for the creation of the Software Acquisition pathway. This pathway helps relieve programs from procedural bottlenecks of major defense acquisition programs and the Joint Capability Integration and Development System (JCIDS) process, instead driving DoD away from waterfall approaches to focus on rapid, iterative software delivery with active user involvement. Together, these authorities have allowed us to focus on delivering smaller increments of software capability faster, incrementally generating requirements, prioritizing customer participation throughout capability development, and increasing the use of automated testing. Today, there are more than 60 programs using the software pathway.

We are actively reviewing lessons learned from our initial AAF implementation and determining both where policy updates may be needed as well as where workforce development efforts can be bolstered to ensure comprehensive understanding and application of the AAF pathways' flexibilities.

Beyond the AAF, the Department is further tailoring acquisition approaches through a range of complimentary contracting authorities such as Other Transactions (OT) and Commercial Solutions Openings (CSO). Over the past 7 years, DoD's use of OT agreements for prototype projects has increased from $620 million in FY15 to more than $15.5 billion in FY23. Last year, we published an updated DoD OT Guide to address recent changes in statute and regulation, as well as recommendations from the DoD Inspector General and Government Accountability Office. The Defense Acquisition University has likewise increased dedicated resources to educate acquisition professionals on best practices for OT use, including the introduction of the OTA Credential, training courses, and focused webinars.

Section 803 of the FY22 NDAA similarly provided DoD with permanent authority to use CSOs to competitively select proposals received in response to a general solicitation based on review by scientific, technological, or other subject-matter expert peers. The authority was used in the Federal COVID–19 response to procure quantities of therapeutics worth more than $20 billion in obligations since the summer

of 2020. In FY23, the Department executed 163 actions with an aggregate value of $1.8 billion under the CSO authority.

Under Section 1244(a) of the FY23 NDAA, the Department also continues using flexible procurement authorities to rapidly acquire munitions, equipment, and other support for Ukraine, Israel, Taiwan, and other allies as well as to replenish DoD stocks. Such flexibilities include use of other than competitive procedures, Special Emergency Procurement Authorities (SEPA), Undefinitized Contract Actions (UCA), temporary exemption from certified cost or pricing data requirements, and delegation of some sole source justification approvals. As a result, contracts that used to take months are being awarded in a matter of weeks and the cumulative effect is the rapid acceleration and sustainment of critical systems and munitions.

These authorities have already been used by the Army and Air Force, and we anticipate additional use throughout the period extended through 2026.

III. MAJOR ACQUISITION PROGRAMS

While Section 825 of the FY16 NDAA delegated milestone decision authority (MDA) for most major defense acquisition programs (MDAPs) to the SAE of the military department or component that is managing the respective program, I remain the MDA for 11 of the Department's largest and special interest programs. This includes the B–21 Raider, *COLUMBIA-class* submarine, and Sentinel programs that make up our nuclear triad, as well as the F–35 Joint Strike Fighter.

As stated in the NDS, nothing the Department does is more important than deterring strategic attack. Our nuclear forces serve to deter nuclear employment of any scale directed against the U.S. homeland or the territory of allies and partners. For the foreseeable future, nuclear weapons will continue to provide unique deterrence effects that no other element of U.S. military power can replace. The 2022 Nuclear Posture Review reaffirmed the longstanding conclusion that the combination of all three triad legs is the best approach to maintaining strategic stability. For the air-based leg of the triad, the B–21 Raider entered productionin 2023 and will replace the B–2 and conventional-only B–1 bombers. The B–21 will be a visible and flexible deterrent capability for decades to come, and provide operational flexibility across a wide range of military objectives.

The B–21 Raider entered limited rate production in November 2023 and the program is currently conducting its flight test campaigns. The program is on track to procure a minimum of 100 aircraft and continues to successfully execute within cost, schedule, and performance goals defined in the government's Acquisition Program Baseline (APB). B–21 remains on track to meet its key performance parameter for Average Procurement Unit Cost (APUC) of $550 million in Base Year 2010 dollars and has negotiated fixed price production options for the first 40 aircraft.

The Long-Range Standoff (LRSO) weapon will likewise replace the nuclear-armed AGM–86B Air Launched Cruise Missile. The LRSO program is a joint effort involving DoD and Department of Energy National Nuclear Security Administration (DOE/NNSA), with the Air Force responsible for cruise missile development and integration and DOE/NNSA responsible for the W80–4 warhead. With the ability to penetrate and survive advanced integrated air defense systems, the LRSO program will maintain the viability of the B–52H fleet for the nuclear mission and ensure the United States continues to field a visible, flexible, and credible nuclear deterrent through the airborne leg of the triad. The LRSO program is meeting cost, schedule, and performance measures in successfully progressing through the Engineering and Manufacturing Development Phase. The program remains on track to meet its planned fielding date.

For the first time since the 1980s, the Navy is building a new class of Ballistic Missile Submarine (SSBN). As recently announced, the Navy is projecting to deliver the first *COLUMBIA-Class* SSBN 12-to-16 months late based on current shipbuilder performance.

Lead ship delivery schedule remains at risk due to challenges with first-time construction as well as the availability of specialized industrial capabilities and facilities, adequate work force recruitment and development, and supply chain and material availability across the nuclear enterprise. Currently, all options to recover schedule are being considered for the *COLUMBIA-Class*. The *COLUMBIA Class* will eventually be equipped with the modernized Trident II D5 Life-Extension 2 strategic weapon system, which will ensure the effectiveness of the sea-based leg of the triad through the 2080s. The *COLUMBIA-Class* SSBN remains a critical component of our triad modernization efforts, and DoD will continue to explore all options to drive improvement in schedule and mitigate associated risk.

The modernization of the land-based leg of the triad through the Sentinel program is the most complex program the Air Force has undertaken in decades. The

program is intended to replace the Minuteman III weapon system with new missiles, command and launch infrastructure, support equipment, and trainers. On January 18, 2024, the Air Force formally notified Congress and DoD of a critical Nunn-McCurdy breach for the Sentinel program. The Office of the Under Secretary of Defense for Acquisition and Sustainment (OUSD(A&S)) is executing its statutory responsibilities by conducting a robust review of the program and a detailed root cause analysis. OUSD(A&S) has assembled six review teams that are assessing all aspects of the program's schedule and cost growth to ensure the review is comprehensive and accounts for all potential sources of change. We expect to complete this in-depth examination of the Sentinel program in the timeframe required by statue. It is also important to note that even while we execute this review process, every day, the Air Force and DoD are actively mitigating program risks to ensure there are no capability gaps as we maintain our Nation's nuclear deterrent.

The F–35 is the most capable multi-role fighter aircraft anywhere in the world, and it is integral to our concept of integrated deterrence. As the preferred choice of our military services, allies and partners, the F–35 acquisition program also represents a strategic instrument of foreign diplomacy and a model for co-development, co-production, and co-sustainment activities. In March 2024, I approved the F–35 acquisition program's Milestone C and Full-Rate Production Decision, formally authorizing entrance into the Operations and Support acquisition phase. With more than 990 F–35s delivered, the program has demonstrated production stability, agility, and mature manufacturing processes, and F–35 is ready to fight tonight. In addition to the United States, around the world, 17 countries have acquired or plan to acquire F–35s.

The F–35 program continues to address challenges with modernization efforts. Development and fielding of Technology Refresh 3 is taking far too long to deliver, and the program seeks to provide a truncated, training version of the software later this calendar year. Block 4 development is re-baselining the most crucial capabilities into a future F–35 major subprogram structure on a combat-relevant timeframe, which will improve reportability and increase acquisition oversight. Additionally, Engine Power Thermal Management Modernization efforts are conducting technology maturation and risk reduction to support future F–35 mission capabilities and sustainment. Continued F–35 modernization is essential to keep pace with our adversaries, we just need to deliver these capabilities sooner.

IV. INTEGRATION

As we continue to drive the cultural shift to embrace flexible acquisition and contracting authorities granted by Congress in recent years, we also recognize that the integration of emerging technologies into existing capability is critical.

The complexity of today's security environment demands a joint force that is underpinned by integrated system-of-systems capabilities in order to outpace adversaries that are unbounded by specific missions or Service structures. This requires aligning efforts across the Department, holistically looking more broadly across the entire "three-legged stool" that comprises enterprise acquisition to solve these challenges: (1) requirements development through the Joint Capabilities Integration and Development System (JCIDS), (2) resourcing through the Planning, Programming, Budgeting, and Execution (PPBE) process, and (3) program management through the Defense Acquisition System (DAS).

To align disconnected, Service-specific system acquisitions and better inform requirements and resourcing needs, my office established a new Acquisition Integration and Interoperability, or AI2, organization. This team is translating portfolio management gaps into joint system-of-systems technical solutions and acquisition strategies. AI2's efforts are aligning and delivering key joint capabilities by closing seams between requirements while institutionalizing lessons learned through Competitive Advantage Pathfinders (CAPs) and Department-wide processes such as Integrated Acquisition Portfolio Reviews (IAPRs).

In February 2022, the Deputy Secretary of Defense established CAPs to identify barriers in capability fielding resulting from disconnects among the three "legs," as well as to subsequently demonstrate corresponding solutions. Six pathfinders comprising the first CAPs Sprint demonstrated several successes in accelerating capability delivery and identifying scalable reforms. The second Sprint, which is currently ongoing, includes seven pathfinders that are illuminating actionable recommendations to institutionalize acquisition approaches, lessons-learned, and enduring policy reforms across the Department. In most cases, pathfinder programs are accelerating capability deliveries by an average of two to 4 years—and often without any additional funding. Instead, they are focusing on modular, open systems approaches to streamline development and cross-Service integration. Each

CAP program necessitates stakeholders across the Department coming together to solve problems in innovative ways, driving not only process efficiencies but also identifying how solutions can scale to similar mission sets.

For example, CAPs have proven that development cycles can be shortened by taking advantage of existing investments, open architectures, and cross-Service use of technologies. By partnering with the Navy, the Army didn't have to start at the design or development stages when they began investigating improved electronic warfare (EW) technologies. Modularity of Navy shipboard EW components enabled near-direct use on ground vehicles, allowing the Army to successfully enter at the demonstration stage with minimal hardware, software, or firmware changes. From ship to shore, the EW capability provides the ability to degrade and deny adversary sensors for both Navy and Army missions from the same set of equipment.

Similarly, a Navy capability called Medusa provides vital ship-based situational awareness and electronic attack functions to degrade and deny adversary anti-access/area denial capabilities. Previously, this capability has been too large for aircraft to use in highly contested environments; however, through a CAP, the Navy and Air Force are developing a new, miniaturized capability that compacts the ship-based system into a size, weight, and power that is suitable for aviation platforms. Aptly called Pegasus, when deployed, the capability will significantly reduce risk to ship and aircraft during a range of critical missions from air anti-submarine warfare and expeditionary troop movement to anti-surface warfare combat search and rescue. By leveraging the CAPs approach, the effort has shaved nearly 3 years off the development cycle: the time from funding availability through development completion is estimated to be only 18 months. This pathfinder has likewise demonstrated that the broader set of DoD platforms with this antenna configuration are immediate candidates to benefit from this capability, ultimately delivering situational awareness and electronic attack functions at scale to benefit our warfighters.

The Department has a relatively good track record of delivering on deliberate, long-term acquisitions to modernize major platforms and systems of the Joint Force—albeit with some continued challenges for containing cost growth—as demonstrated by the technological advantage we maintain over our adversaries. The Department appreciates the authorities granted by Congress in recent years that enabled the AAF reforms and a more robust contracting toolbox to accelerate the DAS where practical and appropriate. However, as the pace at which those adversaries accelerate their own technological advancement, the scalable reforms being identified by CAPs present additional opportunity to further enable speed across the "three legs" beyond the DAS.

For example, increasing flexibility for relatively small subsets of the Department's total budget would allow DoD to be more responsive to emergent and evolving threats. In certain instances, such as counter-unmanned aircraft system (c-UAS) capabilities in Ukraine, we're seeing the threat change and adapt as frequently as every two weeks. Coupled with the devastating events at Tower 22, having funding aligned with the prosecution of capability areas as opposed to specific, by-name systems would better enable procurement to outpace adversarial advancements and mitigate the risk posed by UAS to our Service members, allies, and partners worldwide. Our resourcing agility must match or exceed the adversary's ability to field agile capabilities. I applaud the work of the PPBE Commission and look forward to continued partnership with the Committee on areas for potential implementation.

We also recognize that cultural reform and partnership is critical to institutionalizing CAPs across the Department. Defense Acquisition University (DAU) is developing educational resources and courses to increase awareness and utilization of the many tools and approaches that CAPs have illuminated.

To better identify and address interdependencies and critical risks, we continue to build, refine, and align capability portfolio management approaches across the Department. Integrated Acquisition Portfolio Reviews (IAPRs) are holistic reviews that bring together stakeholders across the Office of the Secretary of Defense and the SAEs to look at a specific mission thread—such as nuclear command, control, and communications (NC3) or integrated air and missile defense—to assess and prioritize static portfolio requirements and risks associated with dynamic mission-based requirements. At their core, IAPRs strengthen the synchronization of warfighting concepts, requirements, technologies, and program execution to directly align decisionmaking with operational needs. Through this mission engineering mindset and focusing on the kill chain, IAPRs ultimately deliver integrated suites of capabilities that are collectively stronger together than the sum of their parts.

Last year, we conducted five IAPRs focused on sustainment, NC3 situation monitoring and conferencing, air and cruise missile defense of the homeland, cyber hardening of priority defense systems, and tactical air capabilities for air-to-air and air-to-ground missions. Each continued to illuminate the need for greater integration

and interoperability across systems and portfolios as threats increasingly require the development of more complex warfighting capabilities spanning multiple Services, systems, and operating domains.

Earlier this year, the Deputy Secretary of Defense also signed DoD Directive 7045.20, Capability Portfolio Management, that established the policy for using portfolio management across the Department to advise senior leadership on capability investment, divestment, and management. The policy aligns the Joint Staff requirements and Office of the Under Secretary of Defense for Research and Engineering's science and technology efforts to support IAPRs.

V. PRODUCTION AT SCALE

Regardless of which AAF pathway—or combination of pathways—is employed, a clear acquisition strategy to production at scale is fundamental. Simply stated, if a technology is not in production, we are not providing our warfighters the capabilities they need.

The conflicts in Ukraine and Israel have put into sharp focus significant challenges across both domestic manufacturing and international supply chains. While we are seeing new, innovative combinations of technologies and concepts being developed and implemented on the battlefield in mere months, if not weeks, the conflicts have illuminated the enduring need for a strong, secure, and resilient industrial base to deliver and sustain capabilities at scale.

Following the end of the Cold War and the resulting decrease in anticipated demand, the traditional defense industrial base restructured itself. Consistent investments in the defense industrial base decreased dramatically, production capacity shrank, defense-oriented companies consolidated significantly, and the associated manufacturing and production workforce declined by nearly two-thirds. For example, the submarine and shipbuilding sector alone will need to hire thousands of skilled workers to continue the production cadence of all three Navy nuclear platforms, including the *COLUMBIA-Class* and *VIRGINIA-Class* submarines.

As across the broader global economy, we remain challenged by the tyranny of lead time. Producing nearly any modern munition—such as a Javelin, Stinger missile, or Guided Multiple Launch Rocket System (GMLRS)—still takes at least two to 3 years, and their complex production lines cannot immediately be turned on or off overnight. Industry also reasonably remains reluctant to build additional capacity "at risk" until they have a clear, consistent demand signal from DoD, often with specific procurement quantities contracted for multiple years.

To ensure we pace the challenges outlines in the NDS, we cannot continue the "feast or famine" behavior we've typically employed each time a contingency arises. The FY23 NDAA, as amended by the FY24 NDAA, authorized multiyear procurement (MYP) contract authorities for 20 munitions programs to create the stability those suppliers need to accelerate procurement. This type of language enables the Department to enter more economical procurements from suppliers and more efficient production as compared to a series of annual contracts. The Army subsequently awarded and is executing the first five MYP contracts for aspects of 155mm artillery ammunition production, to include metal parts and containers, and load, assemble, and pack.

The Department appreciates the Committee's approval of MYPs for GMLRS, Patriot PAC–3, Naval Strike Missile (NSM), Advanced Medium-Range Air-to-Air Missile (AMRAAM), Long-Range Anti-Ship Missile (LRASM), and Joint Air-to-Surface Standoff Missile—Extended Range (JASSM–ER) in the FY24 budget and intends to execute MYP contracts for the majority of these systems throughout the Fiscal Year. However, to fully realize the cost savings and strategic benefits afforded by MYPs, I welcome the opportunity to further collaborate on funding for Advanced Procurement of long-lead items and subcomponent materials that underpin production of critical systems.

The first-ever National Defense Industrial Strategy (NDIS), which my office published earlier this year, is likewise intended to guide the Department's engagement, policy development, and investment in the industrial base over the next three to 5 years. As the strategy outlines, our industrial base is hampered by workforce challenges, brittle supply chains, a lack of excess industrial capacity, and inconsistent demand signals from the DoD. These challenges are the result of decades of policy decisions and will not be fixed overnight. Urgent action is required now, and accordingly, the NDIS focuses on four strategic priorities: resilient supply chains, workforce readiness, flexible acquisition, and economic deterrence. We recognize that a strategy is only as good as its accompanying implementation plan and continue working to finalize its development in the coming weeks.

We are grateful for the Committee's enduring partnership on industrial base matters.

Together, we must continue working to better incentivize the private sector to be more prepared to scale production and meet emergent national security needs. Production is itself a deterrent, but at the end of the day, you get the industrial base you pay for. Recent base appropriations coupled with supplemental funding for Ukraine, Israel, and Taiwan have been instrumental in jumpstarting our rebuilding of the defense industrial base. However, significant sustained investment is required into the future in order to realize the modernized defense industrial ecosystem the NDS necessitates.

VI. CONCLUSION

A flexible, responsive acquisition system that delivers capability at speed and scale underpins the Department's ability to maintain warfighting advantage against the pacing challenge. Across the DoD acquisition enterprise, we remain focused on using all available tools and authorities to maximize value to the American taxpayer while effectively and efficiently meeting the needs of our warfighters, allies, and partners. We appreciate the Committee's steadfast support and look forward to continued partnership as we work to improve acquisition outcomes together.

Senator TESTER. Thank you, Dr. LaPlante.

Secretary Bush.

STATEMENT OF HON. DOUGLAS R. BUSH, ASSISTANT SECRETARY OF THE ARMY FOR ACQUISITION, LOGISTICS AND TECHNOLOGY, UNITED STATES ARMY

Mr. BUSH. Chairman Tester, distinguished members of the Senate Appropriations Subcommittee on Defense, thank you for the invitation to appear before you to share our views on successes and challenges we face in developing, procuring, and fielding major acquisition programs.

The Army's fiscal year 2025 budget represents a sustained commitment to our key modernization portfolios. It also continues modernization and procurement of enduring platforms that will remain with us for some years to come.

However, as members of the subcommittee have, I'm sure, noted in reviewing our fiscal year 2025 budget, the Army's base budget for procurement research accounts are under pressure in an overall flat budget environment. In that context the Army is committed to getting every bit of modernization we can get out of the funds we receive.

The Army cannot do that without your support, and I thank you for your strong support of Army Programs in the fiscal year 2024 Appropriations bills and the fiscal year 2024 Supplemental. Passages of those bills were critical in ensuring we stay on track with modernization and replenish our stocks as rapidly as possible.

In terms of how programs are doing, I'm overall very pleased with where things stand in most Army Programs right now. With a few exceptions, Army acquisition programs are delivering on time, on cost and providing a level of combat effectiveness that is world class something one can observe in Ukraine and elsewhere, where our systems are in high demand and performing exceedingly well in high intensity combat against a very capable enemy. Patriot, Javelin, HIMARS, GMLRS, Bradleys, Abrams Tanks, and 155 artillery, just to name a few, are showing what U.S. weapons can do on the battlefield.

That combat performance is in my view the only standard that truly matters. In the end because whether it's our soldiers using

this equipment or an ally, it makes the difference between life and death for the people on the front line.

There are of course programs where everything is not going perfectly and I'm happy to dive into the reasons for that with members. But I am pleased to support that with this committee's support, Army acquisition officials are feeling empowered to take informed thoughtful risk and when appropriate—where appropriate to increase our overall pace of development, production, and fielding.

From an acquisition policy perspective as Dr. LaPlante said, the Army continues to aggressively implement and employ the many reform initiatives provided by Congress. Middle tier acquisition is one. We have 35 programs using it. We've had many success stories. The M10 Booker Combat vehicle went from program start to production in 4 years.

Our new 6.8-millimeter rifle went from an idea to production in just 3 years. And the other very exciting thing is the software pathway doctoral plant mentioned. This pathway is critical to allow us to go at the same speed industry goes when they're doing their programs.

And finally, I should mention that the Army is pursuing multiyear programs. We did four in fiscal year 2023 for artillery, where with this committee support, we're pursuing two more for PAC 3 and GMLRS (Guided Multiple Launch Rocket System) in fiscal year 2024. And a last thing to mention is this committee's strong support for rapid acquisition authority to allow us to respond to urgent threats. We used that authority doing a contract in less than 30 days to meet a critical Counter UAS (Unmanned Aircraft Systems) need in central command which was under attack last fall.

That kind of flexibility when used responsibly with correct oversight is absolutely essential to meeting critical war fighter needs quickly. In closing, I want to say thank you on behalf of the Army for both the funding and authorities we need to support our modernization efforts. With continued support from Congress, we are building a force capable of competing across the spectrum of competition and conflict to deter conflict and failing that prevailing conflict. Thank you for your time today. I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF DOUGLAS R. BUSH

INTRODUCTION

Chairman Tester, Ranking Member Collins, distinguished members of the Subcommittee, thank you for your continued support to our Soldiers, Civilians, and Families. On behalf of the Secretary of the Army, the Honorable Christine E. Wormuth, and the Army Chief of Staff, General Randy A. George, we thank you for the opportunity to appear before you today to discuss defense acquisition and the Army's modernization programs.

The Army's Fiscal Year (FY) 2025 budget reflects the Army's comprehensive approach to modernization, so the Army can adapt to the challenges of an unpredictable era marked by rapid and disruptive technological innovation and great power competition. The budget request sustains momentum in our modernization initiatives, including the ability to invest faster in rapidly developing technology, while simultaneously prioritizing our role as the Joint Force linchpin in the Indo-Pacific, improving our Nation's industrial base and relationships with its innovation base, and continuing to support our Allies and partners. Most importantly, this request

will provide our Soldiers the materiel solutions needed to fight and win our Nation's wars as part of the Joint Force.

MODERNIZING THE FORCE

The FY 2025 budget request puts the Army on a sustainable path to equip today's Soldiers with modern equipment while we invest in the technologies and systems necessary to build the Army of 2030–2040. We have also ensured that our requested resources are synchronized with the Secretary of the Army's six operational imperatives around which we are building the Army of 2030–2040:

—First, to sense deeper and more persistently than our enemies at all echelons.
—Second, to concentrate combat forces from dispersed locations to overwhelm our adversaries.
—Third, to deliver long range precision fires as part of the Joint Force.
—Fourth, to deliver air and missile defense at echelon to protect our forces.
—Fifth, to reliably communicate amongst ourselves and our Joint and coalition partners and secure ourselves from enemy cyber and electronic attack.
—Last, to sustain the fight for whatever the duration.

Front and center in this effort is our sustained commitment to our key modernization portfolios—Long Range Precision Fires, Next Generation Combat Vehicle, Future Vertical Lift, Network, Air and Missile Defense, Soldier Lethality, Synthetic Training Environment, All Domain Sensing, and Contested Logistics—and we are grateful to Congress for the stable funding provided to advance these initiatives.

Long Range Fires Programs:

—The Army demonstrated the Precision Strike Missile's (PrSM) capability to achieve ranges well beyond the legacy Army Tactical Missile System and began production qualification testing in 4Q FY 2023.
—We successfully tested the Land Based Anti-Ship Missile seeker and the Extended Range Propulsion ramjet, setting conditions for subsequent increments of the PrSM program.
—The Army concluded the Extended Range Cannon Artillery (ERCA) Middle Tier of Acquisition (MTA) Rapid Prototyping effort in October 2023, with a determination that the current effort required further maturation and redesign. As part of a shift in strategy, the Army is planning a "commercial off the shelf" performance demonstration in the summer of 2024 that will provide decision makers a better understanding of the artillery systems available and capable of meeting the Division Artillery Lethality capability gaps validated by Army Futures Command led Tactical Fires Study.
—The Army's Rapid Capabilities and Critical Technologies Office, in partnership with the Navy, is on track to deliver the first Long-Range Hypersonic Weapon (LRHW) battery in CY 2024.
—We delivered the Army's Mid-Range Capability (MRC) initial hardware in 1Q FY 2023 and are on track to equip three MRC batteries between FY 2024—FY 2026.

The MRC prototype effort leverages existing Service missiles, launchers, software, and offers a maritime strike capability. MRC is projected to operate in the U.S. Indo-Pacific Command (USINDOPACOM) area of responsibility (AOR).

Next Generation Combat Vehicle Programs:

—The Army remains fully committed to the XM30 (Formerly Optionally Manned Fighting Vehicle) program, executing a multi-phased acquisition approach to maximize competition. In 3Q FY 2023, the Army awarded the competitive contract to two vendors for the Phase 3 (Detailed Design) and Phase 4 (Prototype and Test) portions of program. Final vendor selection targeted for 2Q FY 2028.
—The Robotic Combat Vehicle (RCV) program continues to make progress, informed by extensive experimentation with the RCV Full-System Prototype effort. At the end of FY 2023, the Army awarded four contracts for demonstrator vehicles. Final vendor selection is scheduled to occur in 2Q FY 2025.
—The M10 Booker (Formerly Mobile Protected Firepower) program began low-rate initial production in 3Q FY 2022, with the first LRIP vehicles arriving in 2Q FY 2024 and fielding planned for FY 2025.

Future Vertical Lift Programs:

—The Army is committed to the Future Long Range Assault Aircraft (FLRAA), which remains our highest aviation modernization priority. FLRAA will provide effective assault and MEDEVAC capabilities, with significantly increased speed, range, and endurance.
—The Future Tactical Unmanned Aerial System (FTUAS) is leveraging a competitive rapid prototyping approach to deliver transformational reach to ground forces with an organically sustained, rapidly deployable, runway-independent,

and on-the-move control platform. FTUAS provides the BCT organic airborne reconnaissance and security with real-time situational awareness and effects vital to cross-domain maneuver at the speed required in Multi-Domain Operations. FTUAS will use an open systems approach to continually upgrade the system with the latest technology.

—The Army continues development of Launched Effects, a family of operationally consumable Uncrewed Aircraft Systems that are launched from both air and ground platforms to extend tactical and operational reach across multi-domain operations and enhance the overall range of lethal and non-lethal effects. This will include loitering munitions, additional sensors, and a vast array of payloads to support varying mission requirements.

Network Programs:

—The Army is transforming our command and control (C2) network to ensure we have the right capabilities at echelon to fight and win in Large Scale Combat by delivering simpler, more intuitive, lower signature, and more flexible capabilities.

—The Army is adapting its electromagnetic spectrum training, operations, and technology for Large Scale Combat, including equipping commanders with the materiel they require to see, understand, and reduce their electronic signature to manage risk to mission.

—Over the next year, deployed Army units will conduct real-world experiments to reduce network complexity and get the right capability in place at the right echelon.

—The Army is also accelerating delivery of the Unified Network through unified requirements, unified governance, a realigned PEO, and centralized delivery of services.

—FY 2025 continues the fielding of modernized C2 network capability while evolving to more agile methods of development and deployment.

—In FY 2025, the Army is investing in key capabilities that increase network resiliency, modernize backhaul, and upgrade post/camp/station network infrastructure worldwide.

—In total the Army is fielding more than 450 Army, Army Reserve and Army National Guard units with modernized network and/or C2 capability in FY 2024—2025.

Air and Missile Defense (AMD) Programs:

—The Army fielded the Initial Operational Capability for the Integrated Air and Missile Defense Battle Command System (IBCS) in 3Q FY 2023 and recently completed the Full Rate Production decision for this critical Air and Missile Defense system that will link Army and Joint sensors to shooters.

—The Army is improving the Maneuver-Short Range Air Defense capability, which was fielded to the first battalion, with the second battalion fielded in 1Q FY 2024.

—The Army continues to make progress on its Directed Energy Maneuver—Short Range Air Defense (DE M–SHORAD) effort, a 50 kilowatt-class laser on a Stryker. Four prototypes have been accepted by the Army.

—We are advancing directed energy efforts for Indirect Fire Protection Capability (IFPC) by developing high-energy lasers (HEL) and high-power microwaves (HPM) for a layered defense of fixed and semi-fixed sites against an array of threats. As of 2Q FY 2024, the Army has accepted four IFPC–HPM prototypes. Two prototype IFPC–HEL 300kW-class laser weapon systems will be delivered by the end of FY 2025.

—Six Lower Tier Air and Missile Defense Sensor (LTAMDS) prototypes have been manufactured and are in developmental testing, with residual operating capability first demonstrated in 1Q FY 2024. Testing will continue to validate additional capabilities through an Operational Assessment with Warfighters in 1Q FY 2025.

—In November 2023, the United States Government leased the two Iron Dome Defense System Army (IDDS–A) Batteries to the Government of Israel for a period not to exceed 11 months.

—The Army has accepted the first set of Indirect Fire Protection Capability (IFPC) launchers for test and evaluation and is on path to complete delivery of all 16 launchers to begin an operational assessment in 4Q FY 2024.

—The Army continues to procure Counter-small Unmanned Aircraft Systems (C-sUAS) to address Unmanned Aircraft Systems threats. In 1Q 2024, the Army began procuring one Division C-sUAS set with 172 Coyote interceptors, complete with procurement of 59 fixed sites that cover globally prioritized critical sites. In FY 2025, the Army will procure a second Division set of C-sUAS systems, seven Family of Counter-Unmanned Aircraft Systems to provide C-sUAS

capabilities for USASOC, continue to field C-sUAS capabilities to protect Secretary of Defense approved covered facilities and assets, and support emergent requirements in support of Joint Urgent Operational Needs. Additionally, the Army will finish fielding C-sUAS capabilities to the first two Army Combat Divisions.

Soldier Lethality Programs:

—Based on results from Integrated Visual Augmentation System (IVAS) FY 2022 operational testing, the Army conducted a program re-plan to address areas of improvement. The Army and Microsoft have identified solutions to address these areas through refinements driven by Soldier-centered design. The Army initiated IVAS 1.0 fielding to Training and Doctrine Command (TRADOC) units in late FY 2023, and is on pace to field IVAS 1.1 systems to the Combat Training Centers in FY 2024. The Army intends to field IVAS 1.2, the full rate production goggle, to the Close Combat Force as early as 4Q FY 2025.

—The Army has procured approximately half of its Enhanced Night Vision Goggle Binocular (ENVG–B) procurement objective. Additional procurement funding in FY 2023, along with programmed funding in FY 2024, facilitated the purchase of an additional 10K ENVG–B systems and maintains ENVG–B production through 4Q FY 2026.

—Production of the Next Generation Squad Weapon (NGSW) Rifle, Automatic Rifle, Fire Control, and General Purpose Ammo began in FY 2022, and First Unit Equipped occurred in 2Q FY 2024.

Synthetic Training Environment (STE) Programs:

—STE Software (STE–SW) and Reconfigurable Virtual Collective Trainers (RVCT) delivered initial prototype capabilities in FY 2023 and is on track for First Unit Equipped (FUE) in 4Q FY 2024 to Army Fort Cavazos, Fort Moore, and Fort Novosel. One World Terrain, a key component of STE–SW, is in the hands of Soldiers now providing operational battlefield visualization.

—We continue progress on the Squad Immersive Virtual Trainer which remains aligned with IVAS, with development focused on hardware productization, cybersecurity, reliability, and other enhancements.

—The Army's Live Training System (LTS) to conduct force-on-force and force-on-target live training will deliver initial capability to the Joint Readiness Training Center in FY 2024.

—The Soldier Virtual Trainer (SVT) conducted its first Soldier Touchpoint in 1Q FY 2023, with a second STP scheduled for 3Q FY 2024. The program is on track to deliver initial capability in 1Q FY 2025.

All Domain Sensing Programs:

—The Army transitioned to M-Code Global Positioning System (GPS) and alternative Position, Navigation, and Timing (PNT) beginning in FY 2022, following the first fielding of Dismounted Assured PNT Generation I Quick Reaction Capability System, fulfilling the Directed Requirement.

—The Mounted Assured PNT System Generation II Program of Record, an M-Code GPS capable system, will initiate fielding in FY 2024.

—Success in the APNT/S Cross-Functional Team (CFT) allowed the Army to transition the team and its efforts into the All-Domain Sensing (ADS) CFT. The ADS CFT will address multi-sensor dominance, sensing architecture, advanced processing and dissemination, and other operational enablers to facilitate successful understanding and decisionmaking in multi-domain operations.

—The Army continues to invest in the ground segments of space-based technologies that close operational gaps in deep sensing and targeting activities. The Army prototyped and live-fire demonstrated the first-ever use of Low-Earth Orbit Satellite-based Alternative Navigation technology to guide a Precision Guided Munition in a totally GPS-denied environment and successfully engage a target at long range.

Contested Logistics Programs:

—AFC instituted the Contested Logistics Cross-Functional Team (CL CFT) to lead a deliberate transformation effort by developing Army and Joint Signature Sustainment Modernization Capabilities aligned to pacing threats associated with contested Multi-Domain Operations (MDO) and Large-Scale Combat Operations (LSCO).

—The CL CFT reached Full Operational Capacity (FOC) on 31 OCT 2023.

—The CL CFT is currently addressing the challenges presented in a contested environment through four key portfolios: Precision Sustainment, Human Machine Integration (HMI) Supply & Distribution Systems, Advanced Power, and Demand Reduction.

—Recently, an Army Requirements Oversight Council (AROC) approved Predictive Logistics with an initial focus on firing platforms, specifically Abrams, Paladins, and Bradleys.
—The CL CFT pursues continuous transformation with autonomous/robotic solutions and HMI to increase operational reach and endurance for commanders.

The Army's budget request also continues procurement and modernization of our key systems for our operational aviation platforms, Ground Combat Systems, Intelligence programs, Logistics, Armaments, and Ammunition. We carefully balanced the overall Research, Development, and Acquisition portfolio, including fine-tuning between Research, Development, Test and Evaluation funding, and Procurement funding, as we transition from enduring systems to our new modernized systems.

The Aviation portfolio strikes a balance between prudent investments to maintain the viability of the enduring fleet, while also investing in future aircraft and capabilities designed to provide reach, standoff, and overmatch against peer competitors in Multi Domain Operations. Beyond investments in FLRAA, the Army is making key investments in Apache, Black Hawk, and Chinook helicopter modernization, to include CH–47F Block II for conventional units and MH–47G for special operations units. The Army also continues investments in munitions and aircraft protection by sustaining Joint

Air-to-Ground Missile production, an improved lethality option to the current Hellfire missile, and through continued investment in Aircraft Survivability Equipment, a suite of systems that protect Army aircraft from threat infrared missiles, radar guided missiles, and lasers through detection and defeat systems.

Armored Brigade Combat Team modernization and combat vehicle protection remain a priority. With this budget, the Army will procure 30 Abrams M1A2SEPv3s Tanks, 51 Strykers, 20 Self-Propelled Howitzer Paladin Integrated Management (PIM) vehicle sets, and 26 Joint Assault Bridges.

The Intelligence and Electronic Warfare (IEW) Portfolio enables Commanders to see and sense more, at greater distance, and more persistently at every echelon. The IEW portfolio is making key investments in critical Multi-Domain Intelligence capabilities to provide better analytics, Deep Sensing, and Indications and Warning (I&W) in support of Targeting. These investments include the Terrestrial Layer System which will provide electronic warfare and cyber enabled effects; the Army Intelligence Data Platform (AIDP) that is the Army's first cloud native web based intel program of record; The Multi-Domain Sensing System-High Accuracy Detection and Exploitation System (MDSS-HADES), which will provide collection at extended ranges; and the Tactical Intelligence Targeting Access Node (TITAN), which will provide processors to exploit and disseminate critical intelligence, at every echelon. These critical investments are required to meet our pacing threat challenges.

The Air and Missile Defense portfolio invests in integrated command and control, sensors, and shooters to provide 360-degree, tiered, layered defensive fires against a wide range of air and missile threats. It continues to invest in Counter-small Unmanned Aircraft Systems (C-sUAS), Lower Tier AMD Sensor prototypes, Patriot radar upgrades, and procurement of critical AMD munitions, such as the Patriot Missile Segment Enhanced. The Fire Support portfolio continues to invest in modernization priorities to address long-range missiles fires and capabilities needed for today, with a focus on the INDOPACOM AOR. In FY 2025, we will procure 236 PrSM Increment 1 missiles, support PrSM Increment 2 seeker development, and begin procurement of 19 Maritime Strike Tomahawks (MST) to support the priority theater.

The Command and Control portfolio continues to align resources required for networks and command posts to be simpler, more intuitive, lower signature, and more flexible.

The portfolio will increase Command Post mobility and survivability through investments in modular command posts, on-the-move and low earth orbit SATCOM, and secure wireless capabilities. The portfolio procures modernized radios to meet the National Security Agency cryptographic modernization requirements and joint and coalition interoperability; continues investments in Unified Network Operations, software-defined network capabilities, and network security to enable data centricity. It will also continue to procure and develop Assured Position, Navigation, and Timing capabilities.

The Logistics portfolio invests in Army Watercraft, a combat multiplier in support of Army operational concepts and the Geographical Combatant Commander in large scale combat operations; invests in contested logistics capabilities to reduce demand and provide point of need production and sustainment; and realigns funding to support critical ammunition program lines and Army Training Strategies to ensure contractual requirements are met to maintain Industrial Base Minimum Sustainment Rate capacities; and procures of 1,353 Joint Light Tactical Vehicles, 16 High Mobil-

ity Multipurpose Wheeled Vehicles (HMMWVs) and 2,167 HMMWV antilock braking system/electronic stability control kits to improve our existing tactical wheeled vehicle fleet.

Finally, the Human Machine Integration (HMI) portfolio consolidates Army efforts to bring autonomous and machine learning advantages to our tactical formations. Integrating virtual training capacities in emerging weapon systems and enduring systems with add on modules/effects ensures continuous training of Soldiers and formations to operate efficiently and effectively as part of the joint force. Observations from ongoing conflicts in Europe and the Middle East, as well as an understanding of the significant threats in INDOPACOM demonstrate a need to rapidly develop an HMI capability inside our Army formations at echelon. Our investments in autonomous and semi-autonomous ground and aerial systems are essential to extend our battlefield effects, maintain an advantage over the enemy, and enhance the lethality and survivability of our formations. The Army will employ robotic systems to offload risk from Soldiers onto machines and leverage autonomy and machine learning to reduce Soldier mental and physical loads. This allows our number one asymmetric advantage, the U.S. Army Soldier, to focus on those tasks that only humans can do—the ethical application of force, utilize curiosity and intuition, and apply the art of command. The ability to make first contact with the enemy using a robot instead of a Soldier is essential to continue to protect our most precious resource. Investment in the HMI portfolio allows the Army to do this.

MODERNIZING OUR BUSINESS PRACTICES

The Army has embraced industry best practices, such as the use of Soldier-centered design and rigorous experimentation with prototypes, to enable feedback from Soldiers and commanders earlier in the development process. This is accomplished in phases—first by getting prototype equipment into the hands of Soldiers from the operational force early, through Soldier touchpoints, to refine requirements before more investments are made. In subsequent phases of experimenting with prototypes in increasingly complex scenarios, we assess how we would organize and fight using this technology. This provides the Army not only valuable feedback on the technology itself, but we learn how we need to train and integrate across Doctrine, Organization, Training, Materiel, Leadership and Education, Personnel, Facilities, and Policy.

The Army continues Project Convergence, a Joint and multi-national experimentation campaign of continuous learning to inform capability design with Soldier touchpoints that culminates in a major field experiment. Working closely with our counterparts from the other Services, we identify Joint warfighting problems to solve. Experimentation objectives, operational scenarios, and data collection plans are managed by the Project Convergence Board of Directors, which includes representatives from all the Services, the Joint Staff, and coalition partners. Events range from field experimentation with the signature modernization capabilities from the Army's Cross-Functional Teams to embedding experimentation objectives in annual operational exercises, such as Northern Edge, Valient Shield, Balikatan, and Avenger Triad. These events include focused learning on integration with multi-national partners, including FVEY, NATO, and many Pacific partners (Japan, Republic of Korea, Philippines, Singapore, etc.). The PC series also features a Capstone event that establishes an Army-hosted Joint experimental venue. The Capstone event is designed to inform the Joint Warfighting Concept, the OSD vision for CJADC2, and CCMD priority areas (such as the Joint Fires Network from INDOPACOM).

The Army continues to implement and employ the reform initiatives granted by Congress that were designed to streamline and gain efficiencies in the acquisition process. In recent years, Congress has authorized more flexible approaches to acquisition, which have resulted in the establishment of DoD's Adaptive Acquisition Framework (AAF). The AAF provides the Army with six acquisition pathways that enable the acquisition workforce to tailor strategies to deliver better solutions faster. For example, the Army is judiciously using Middle Tier Acquisition (MTA) rapid prototyping authority to experiment with innovative, mature technologies to quickly demonstrate new capabilities. The Army is using MTA rapid fielding authority to quickly field production quantities of new or upgraded systems with minimal development, potentially resulting in faster capability delivery and lower costs. In all, the MTA pathway enables a "try before we buy" framework that reduces risk, reduces cost, and accelerates capability development and deployment. The Army currently has 32 programs executing MTA rapid prototyping or rapid fielding efforts and is using these authorities to accelerate select Army modernization priorities including FLRAA, XM30, MRC, and IFPC.

The Army also benefits from the establishment of the Software Acquisition Pathway (SWP). The SWP is a new acquisition pathway used to facilitate rapid and iterative delivery of custom software capabilities to users, recognizing that technology development cycles are more rapid in software systems. Programs using the SWP will demonstrate the viability and effectiveness of the capability within 1 year. The Army currently has 17 programs executing on the SWP, and we continue to seek more opportunities to use this tailored pathway. In addition to the SWP, the Secretary of the Army issued a new policy in March 2024 to drive adoption of agile software development practices. The directive institutionalizes modern software development approaches across the Army, in line with industry best practices. These approaches—which include agile and lean practices—focus on iterative development and delivery of software in close coordination with users. This type of development allows software to be rapidly developed and refined over time, accelerating the Army's ability to deliver needed capabilities to Soldiers. To enable broad adoption of these modern approaches, the directive reforms many of the institutional processes that underpin the software development lifecycle, from requirements through sustainment, which have historically been cumbersome and time intensive. This represents one of the first significant efforts across the Department to comprehensively adjust legacy software development processes in line with private sector best practices.

Rapid Acquisition Authority (RAA) continues to enable the Department to quickly acquire and deploy capabilities in response to urgent operational needs. This authority applies to capabilities that can be fielded within 2 years and are based on already proven or available technologies, or to capabilities that can be developed or procured under MTA authority. RAA significantly streamlines acquisition requirements to enable a rapid response to existing threats. The Army most recently used this authority to award a production contract for 600 Coyote Interceptors to help protect U.S. forces from Unmanned Aerial System attacks. Congress further enhanced RAA in the FY 2024 National Defense Authorization Act (NDAA) to better enable the Department to respond to emergent technological advancements or threats, or to U.S. allies and partners who have been subject to an armed attack by a "country of concern," respectively.

The Army also benefits from expanded use of Other Transaction Authority (OTA), which can include follow-on production awards. OTAs are contractual instruments other than standard procurement contracts (i.e. FAR), grants, and cooperative agreements that lend themselves to working with small companies and non-traditional defense contractors, two known sources of technological innovation. The Army effectively uses OTAs to streamline the acquisition of basic and advanced research activities, prototype projects, and follow-on production efforts. In FY 2023, the Army awarded more than 1,767 OTA agreements valued at $6.9 billion. The Army updated its OTA Policy in February 2024 to address recent statutory changes, including the expanded definition of prototype efforts and incorporate innovative pilot programs to use OTAs for construction.

Congress also made permanent the authority for Commercial Solutions Opening (CSO) in the FY 2022 NDAA. Since its establishment as a pilot program, the Army has leveraged the CSO authority to obtain innovative commercial products and solutions to fulfill requirements, close capability gaps, and provide technological advances. The streamlined nature of the CSO procedures also serves to lower barriers to entry and incentivize small and non-traditional vendors who have not previously worked with the Department. The Army used CSO authority extensively as part of its pandemic response efforts.

In addition, in the FY 2016 NDAA, Congress encouraged delegation of Milestone Decision Authority (MDA) for most acquisition programs from the Office of the Secretary of Defense to the Military Departments. The Army further delegated MDA for some of these programs to the Program Executive Officer level, when appropriate. This delegation allows the Army to appropriately align program oversight with risk, resulting in reduced bureaucracy and increased efficiency.

Lastly, Congress recently provided temporary authorities to streamline acquisition and contracting requirements to support Ukraine, Taiwan, and Israel, and to replenish domestic stocks of equipment. Section 1244 of the FY 2023 NDAA, as amended by section 1242 of the FY 2024 NDAA, enables the Army to reduce procurement lead times by several months. It also provides streamlined multiyear procurement authority for select munitions, which the Army is using to stabilize the industrial base. These flexibilities have been critical in helping the Army move quickly to deliver capabilities in response to Russia's war against Ukraine and to replenish U.S. stocks.

All these initiatives, individually and in combination, allow for better and faster modernization decisions and faster requirements development.

CONCLUSION

The Army is modernizing and adapting to ensure we can deliver leading-edge capabilities to our Soldiers at the speed of relevance and innovation. With continued support from Congress, we are building a force capable of competing across the spectrum of competition and conflict to deter war and, failing that, prevail in war. With stable funding, newly enacted authorities, forward-leaning leadership, and fiscally agile processes, as well as a rigorous technology experimentation regime, we are even further down the modernization path than envisioned at this point last year.

Modernization is a central element of Army transformation, translating materiel modernization into capability and lethality in our formations. The nature of our adversaries and their ability to harness if not control the direction and pace of technological innovation to achieve overmatch across the warfighting domains demands that we adapt continuously in how we modernize and transform. With your support, we are committed to doing that.

Thank you again for this opportunity to discuss Army Modernization and for your strong support of our Soldiers, civilians, and their families.

Senator TESTER. Thank you for your statement.

Secretary Guertin, you are on the floor.

STATEMENT OF NICKOLAS H. GUERTIN, ASSISTANT SECRETARY OF THE NAVY FOR RESEARCH, DEVELOPMENT AND ACQUISITION, UNITED STATES NAVY

Mr. GUERTIN. Chairman Tester and distinguished members of the committee, thank you for the opportunity to appear before you today to address our acquisition programs and the defense industrial base. We'd like to thank the subcommittee for your leadership and support to the ship building naval aviation and ground programs that maintain maritime superiority in defense of our Nation.

Maintaining the health of our acquisition programs while strengthening the industrial base is a top priority. Through strategic partnerships between the Department of Defense, Congress, our sister services, and industry, we are more efficiently and affordably procuring ships, aircraft ammunitions by leveraging the advantages of opportunities such as block by, and multi-year procurement authorities.

The fiscal year 2025 budget requests fully funds the Department of Navy's top defense acquisition priority, the Columbia class nuclear ballistic missile submarine, prioritizes resources for the Navy shipbuilding account to fund investments in the submarine industrial base and includes the San Antonio Class Landing platform dock in support of the Department of Navy's requirement for 31 amphibious ships.

We're also making targeted investments in critical munitions to address today's threats and posture ourselves for tomorrow's challenges. The Department of the Navy continues to invest funds in the weapon industrial base to ensure we can surge and ramp to production in the immediate future.

The passage of multiple Security Supplementals enables us to replenish stocks of U.S. weapons and provide equipment to key allies and partner nations. Supplemental legislation also facilitated and funded our partnerships with industry to expand capacity, modernize existing production lines and improve resiliency by qualified additional suppliers and streamlining certification capabilities.

These investments positively impact our primes, their subcontractors and critical suppliers across the U.S. while supporting our allies and partners. With deliberate approach, the Department of Navy has increased ships and aviation maintenance and readi-

ness accounts to improve availability while modernizing existing platforms. The Department of Navy continues to make robust strategic investment in our four public shipyards and ensure they're able to execute ship maintenance effectively and efficiently.

In aligning with my secretary's priorities, the Department of Navy continues to identify and overcome obstacles that threaten the success of our acquisition programs and the industrial base. The launch of the Merit Main Defense Industrial Alliance in cooperation with Federal and local government as well as industry demonstrates our commitment to developing and maintaining a well-trained, skilled, and motivated workforce in support of growing and fostering the ship building industrial base.

The Department of Navy appreciates the continued support and investments from Congress. Thank you for the opportunity to appear before you and your subcommittee today and look forward to answering your questions.

[The statement follows:]

PREPARED STATEMENT OF NICKOLAS H. GUERTIN

Chairman Murray, Ranking Member Collins, and distinguished members of the Subcommittee, thank you for the opportunity to appear before you today to address challenges to our industrial base. Maintaining a healthy industrial base is a Department of the Navy (DON) priority. We can only achieve our strategic goals and objectives of strengthening maritime dominance, building a culture of warfighting excellence and enhancing our strategic partnerships by building and maintaining resilient supply chains, engaging in flexible acquisition practices, employing sound economic deterrence principles as well as training and retaining a robust and knowledgeable workforce.

The National Defense Industrial Strategy demonstrated that building industrial advantages through a resilient defense ecosystem is imperative. The Navy articulates its future efforts to improve its Defense Industrial Base across five strategic categories: resilient supply chain, workforce readiness, flexible acquisition, economic deterrence, and advanced technology to achieve industrial advantage.

Our industrial base must build the future fleet while sustaining today's fleet. A strong, resilient, and effective shipbuilding, aviation and munitions industrial base, composed of shipyards, depots, original equipment manufacturers (OEMs), suppliers, ship designers, and associated supply chains, is essential to accomplishing and sustaining operational readiness.

Growing and modernizing vital production and repair facilities is a national security imperative. We must invest in our industrial base, alongside our allies, partner nations and industry partners with a collective goal to accelerate the production, throughput, and sustainment of the ships, submarines, aircraft and munitions we require.

Strengthening our industrial base is a priority and strategic partnership between the Department of Defense (DoD) and industry partners. In partnership with Congress and industry, we can more efficiently and affordably procure ships, aircraft and munitions by leveraging the advantages of initiatives, authorizations and waivers such as block buy and multi-year procurement (MYP) authorities where in the best interests of the U.S. Government. These flexible acquisition tools coupled with stable procurement budgets and on-time appropriations can provide our industry partners with solid and predictable demand signals that ultimately support and strengthen the industrial base. This enables benefits such as improved workforce hiring and the establishment of dedicated training centers and pipelines resulting in over 3,500 people trained since 2020, and approximately 1,000 new workforce personnel in about 120 small/medium industry partners.

The FY25 budget request fully funding the Nation's top Defense acquisition priority, Columbia Class Nuclear Ballistic Missile Submarine, and the nuclear architecture that underpins it, prioritizes resources in the Navy shipbuilding account to fund investments in the Submarine Industrial Base, and includes a San Antonio Class Landing Platform Deck (LPD) to maintain 31 amphibious ships per our Title 10 requirement. With a deliberate approach, the DON increased funding in ship maintenance/readiness accounts which designed to increase the fleet's ship avail-

ability in parallel while modernizing existing platforms to put more players on the field.

Additionally, the DON continues to make the robust strategic investment in four public shipyards to maximize our players on the field today and the next few decades.

We are making targeted investments in critical munitions to address today's threats and posture ourselves for the future. The DON continues to invest funds in the weapons industrial base to ensure we can surge and ramp up production in the immediate future.

We appreciate Congress's support through the passage of multiple security supplementals enabling us to replenish stocks of U.S. weapons and equipment provided to key allies and partner nations through our security cooperation activities. Supplemental legislation has facilitated and funded our partnership with industry to expand capacity, modernize existing production lines, improve resiliency by qualifying additional suppliers, and streamline recertification capabilities. These investments positively impact our primes, their subs, and critical suppliers across the U.S.

A resilient, healthy, diverse, dynamic, and secure supply chain is required to ensure the development, production and sustainment of ships, aircraft and munitions critical to our national defense on time and within budget. We're making progress on gaining valuable insight into our critical supply chains to ensure investment opportunities are identified and prioritized to provide the greatest impact. The DON continues to invest and explore ways to better assess the health of the supply chains and industrial base. Through relationships with our industry partners and strategic utilization of our Organic Industrial Base (OIB), the DON will achieve a more resilient, modern industrial base that is economically and environmentally sustainable, and does not rely upon adversarial foreign sources of capital, technology, raw materials, and critical inputs.

Equally important is ship and aviation maintenance via the OIB. Critical to ship and aviation maintenance is the ability of the DON to acquire technical data needed to maintain and repair our systems during wartime scenarios. In March, 17 F/A–18E/F Block III aircraft were placed on contract with Boeing with the final F/A–18E/F scheduled to deliver in FY27. This

contract also procures critical technical data absolutely necessary for the DON to organically maintain the F/A–18E/F after the production line shuts down.

We are realizing significant reductions in days of maintenance delay across ship and aviation platforms, through targeted improvement efforts and the use of data analytics. We are trending in the right direction and will continue to do better. The investments we are making in the Shipyard Infrastructure Optimization Program (SIOP), Fleet Infrastructure Optimization Programs (FIOP) and Marine Corps Organic Industrial Base (MCOIB) Infrastructure Optimization Plan (MIOP) will help get us there.

145 day Shipbuilding Review

The Secretary of the Navy's Maritime Statecraft initiative promulgates whole of government awareness, advocacy, and action to rebuild the comprehensive maritime power of the nation including a commitment to strengthen the U.S. commercial shipbuilding and repair industry. Efforts today and beyond contribute to a national effort to build comprehensive U.S. and allied maritime power, both commercial and naval.

Ensuring the timely delivery of ships that are capable and on-budget is critical to maintaining our national security and maritime dominance. However, recent challenges, including workforce shortages in craft trades and design engineers, supply chain disruptions, and technical challenges, have impacted our ability to meet our shipbuilding goals and prompted Secretary Del Toro to direct a comprehensive review of our shipbuilding enterprise. This 45 day Shipbuilding Review identified common issues from lingering COVID impacts across a national workforce and supply chain landscape, with industry reticent to invest. On average, schedule delays are over a year to contracted delivery dates for many of our ships under contract, with costs increasing commensurately as a result of these delays and continued elevated inflation. The review identified major initiatives to drive improvement, and I have recently tasked for implementation, several of these initiatives to include:

—Establishing a shipbuilding "Get Real Get Better" forum for improved real-time performance transparency,

—Aligning contract risk sharing approaches between Navy and industry,

—Conducting a design and engineering workforce health assessment, and

—Assessing the Navy's shipbuilding acquisition workforce posture.

With the support of Congress and working with local, state and national organizations, the DON and its shipbuilders will continue to identify opportunities to gen-

erate resiliency and productivity at our shipyards, within the shipbuilding workforce, and in the supply chain.

Submarine Industrial Base (SIB)

As highlighted in the Navy's 45 day Shipbuilding Review, our submarine programs are challenged. The Navy is assessing that the Columbia lead ship delivery will be 12–16 months late due to the contract requirement, and the Virginia class submarines are delivering two to 3 years late.

The SIB, consisting of the public shipyards and two prime shipbuilders, General Dynamics Electric Boat (GDEB) and Huntington Ingalls Industries Newport News Shipbuilding (HII–NNS), along with the 16,000 suppliers across the country, support both new-construction submarines and sustainment of the in-service submarine fleet. The SIB faces an increase in demand across the enterprise as the Navy ramps up production of the Columbia Class and continues to increase production to two Virginia Class submarines per year beginning in FY26, while increasing SSN operational availability and supporting international commitments under the Australia, United Kingdom, United States (AUKUS) partnership. The unprecedented demands on the SIB requires a whole-of-nation effort.

The Navy's FY25 budget request expands upon the foundational investments made in prior budget cycles and also addresses in-service sustainment health. These investments are critical to shore up the SIB to produce Virginia and Columbia, sustain in-service submarines and put us on a path to support AUKUS requirements. Investments are targeted in six key areas to include infrastructure, supplier development, scaling of new technologies, workforce development, strategic outsourcing and government oversight of these efforts.

The Navy has seen significant benefit from investments made to date including installation of multiple additive manufactured components on in-service submarines; graduation and placement of nearly 500 people from the Accelerated Training in Defense Manufacturing programs, which will scale to train and place 800–1000 skilled trades annually by FY25, will increase hiring at our shipbuilders and the building up of additional infrastructure for submarine production through the groundbreaking of the multi-class submarine production facility at Newport News, VA. The Navy will continue its investments in the Virginia Class Material strategy to improve public shipyard availability execution with a North Star Goal of 80% operational availability for our in-service submarines.

In FY25, $4.0 billion in funding is requested in support of the SIB, which exemplifies the Department of Defense's commitment to bolstering supply chain resiliency, workforce development, and flexible acquisition. The Navy appreciates congressional support to the submarine enterprise, including approval of the Administration's $3.3 billion in FY24 supplemental funding request which will increase and accelerate investments in the SIB.

Surface Ship Industrial Base

The surface shipbuilding industrial base that produces aircraft carriers, surface combatants, amphibious ships, combat logistics and support vessels, is facing challenges comparable to those seen across the broader industrial base. The Navy's 45 day Shipbuilding Review also included our major surface ship programs. The review assessed that CVN 80 delivery is 18–26 months late, Constellation Class Frigate lead ship is 36 months behind, and Landing Helicopter Assault (LHA), LPD, fleet replenishment oilers (T–AO), and the Arleigh Burke class destroyer (DDG 51) programs are late to contract, however stable and tracking to program managers estimates.

The Navy is taking proactive steps to improve the surface shipbuilding industrial base capability, capacity, and quality through investments in shipyard infrastructure, supplier development, and workforce initiatives; bolstered by congressionally added large and small Surface Combatant Industrial Base (SCIB) funding. Since FY20, Congress has provided over one billion dollars in SCIB funding against the DDG 51 and Constellation-Class Guided-Missile Frigate (FFG 62) program lines. Those SCIB investments provided through FY 2024 addressed risk in schedules, increase capability to meet future force structure, promote job creation and economic security, and address risk in single source or fragile supply chains. Expanding the capabilities of suppliers and shipyard infrastructure in the surface ship industrial base promotes greater industrial base stability and improved efficiency.

The Navy provides investments in the needed facilities at our U.S. Shipbuilders to produce this nation's most capable warfighting vessels. These investments not only address the infrastructure to build ships, but also provides for facilities that support our sailors and shipbuilding workforce. Recent examples include:

—Upgraded transportation and childcare

—On-yard commercial food service
—Office spaces shared with Navy personnel at General Dynamics-Bath Iron Works
—Construction of a sailor multi-use facility with exercise facility, food court, Internet cafe, laundry facility and work control office at HII–NNS
—Installation of a new watertight intermediate gate lodge at HII–NNS Dry Dock 12 to split the dry dock into two sections that enables simultaneous construction of two FORD Class aircraft carriers in the same dry dock
—Workforce retention bonuses at Fincantieri Marinette Marine for the FFG 62 program.

The Navy has also incorporated a dedicated Workforce Incentive on the DDG 51 Multi-Year Procurement (MYP) contract (FY23–FY27), applying over $100M towards workforce development incentives at BIW and HII-Ingalls.

The Navy is invested in addressing the recruiting and retention challenges to ensure a skilled workforce is available today, and in the future, to support the Navy's shipbuilding and repair needs. We will continue to invest in and maximize the use of the American workforce to build and sustain our forces. The Navy continues to prioritize stability in procurement profiles and design configurations to maximize workforce development and improve cost, schedule and performance.

The Navy continually monitors and works with industry and Government partners, including sub-tier suppliers, to assess the general health of the industrial base and identify opportunities for strengthening areas in need of reinforcement. The resources provided by Congress have been instrumental in progressing the surface ship industrial base to support both shipbuilding and repair needs.

Weapons Systems/Munitions Industrial Base

Given the Department's strategic focus on preparing for protracted, high-intensity conflict against near-peer adversaries, prioritizing investments in munitions remains paramount within the budgetary landscape. Sustaining ample stockpiles of missiles and munitions stands as a cornerstone of operational readiness.

Recognizing industry's current constrained capacity for rapid production surges during crises underscores the necessity for preemptive measures. Recent conflicts in Ukraine and Israel, along with heightened activity in the Red Sea, highlight the imperative for bolstered investments to support allies and partners, necessitating increased industrial capabilities.

The DON is investing resources toward essential munitions like the Tomahawk, Standard Missile, Long Range Anti-Ship Missile (LRASM), Advanced Anti-Radiation Guided Missile- Extended Range (AARGM–ER), Advanced Precision Kill Weapon System (APKWS), AIM–9X, AIM–120, MK 48 Heavyweight Torpedo (HWT), and Naval Strike Missile (NSM) to expedite production, enhance resilience, and foster interoperability.

In the past, munitions have often borne the brunt of budgetary trade-offs within the DON. Redirecting investments toward industry as well as recertifying existing munitions sends a clear signal that building munitions inventories and replenishing stockpiles is a top priority.

Augmenting the OIB serves as a critical support mechanism for the industrial sector, providing essential facilities and skilled personnel for surge production. Leveraging Public- Private Partnership authorities enables rapid expansion of the industrial base, though maintaining a delicate balance is crucial to prevent exceeding production capacity. Examples of this include a proposed $185M in the PB25 budget request and $675M across the FYDP for the DON Energetics Comprehensive Modernization Plan (ECMP) which aims to enhance the DON capacity to meet immediate munitions requirements, foster innovation in energetics technology and streamline operations to address urgent demands.

The DON is aggressively improving our OIB's safety and readiness at Naval Surface Warfare Center Indian Head Division (NSWC IHD). In FY23 and FY24, we invested $345M, across over 200 projects to jumpstart this plan and unlock a doubling of capacity by FY26.

In addition, our Naval Industrial Reserve Ordnance (NIRO) plant, Allegany Ballistics Lab (ABL), operated by Northrup Grumman, is supporting urgent national security requirements associated with the restocking of DoD munition stocks and support of U.S. national interests in Europe and the Pacific Area of Operations. We recently awarded $178M to Northrop Grumman to construct new facilities ('Plant 5') to expand production, adding 50% more capacity by FY27.

Further PB25 initiatives target the backlog in missile recertification, aiming to streamline processes and allocate additional resources. This includes efforts to return missiles to the Fleet, enhancing the capacity of the recertification rotatable pool to expedite parts repair and replacement.

Tactical Aviation

The safeguarding of our national interests remains dependent on the most superior naval force in the world, one that is deliberately postured to meet the constantly evolving geopolitical challenges and threats. The DON is investing in lethality, capacity, capability, and readiness across the Naval Aviation Enterprise to provide our warfighters the necessary spectrum of abilities to deter or defeat enemy aggression.

The very center of our tactical air investment and the continued strengthening of our industrial base is our request for 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. Additionally, seventeen F/A–18E/F Block III aircraft were placed on contract with Boeing with the final F/A–18E/F scheduled to deliver in FY27.

The DON continues to invest in broadening the Electromagnetic Warfare industrial base with Next Generation Jammer and numerous self- protection systems. Our Navy and Marine Corps team must continue to invest in the defense industrial base to maintain warfighting capacity, supremacy of rapid innovation, capability modernization and an efficient and effective acquisition process to provide for our Joint Force as well as our Partners and Allies.

Rotary Wing Aviation

The health of the Rotary Wing aircraft industrial base continues to be one of our top priorities as a critical enabler to meeting capability, readiness and affordability objectives. Industry-wide inflation, workforce instability, and supply chain challenges present significant concerns, but the Department is making every effort to ensure that these issues do not deter our delivery of mission capable rotary platforms. While key platforms, such as the H–60, H–1, MV/CMV–22, and VH–92A will end production in the next few years, ongoing full rate production of the CH–53K, aircraft modifications of the H–1, MV/CMV–22, and VH–92A platforms, and H–60 service life extension efforts will sustain key suppliers while the Department explores options for Future Vertical Lift capability. Other service procurement plans will also keep the major prime contractors and key component and technology suppliers working beyond the FYDP.

We are making every effort to preserve stability and affordability through Foreign Military Sales and procurement opportunities that encourage longer-term industry investments in facilities and workforce. The DON is requesting FY25 Congressional authorization for a two-year block buy contract for CH–53K airframes and a five-year multi-year contract for CH–53K engines which will leverage volume quantities to realize significant cost savings, provide a constant demand signal to industry and encourage improved production efficiencies. The Rotary Wing industrial base, although fragile, has production capacity to meet current and future requirements if we continue to strengthen these partnerships and send a consistent development and procurement demand signal.

Unmanned Aviation

MQ–25 remains a top DON priority as the pathfinder to the Air Wing of the Future and foundation for Manned-Unmanned Teaming and autonomous aircraft carrier operations.

Through the team's implementation of the Navy's "Get Real, Get Better" management principle, the program has emerged from the past 2 years' production delays and subsequent re-baselining, and has been tracking positive trends in build productivity with schedules expected to hold steady through CY24. The Static Test Article (STA) aircraft recently completed final assembly and there are now five developmental aircraft in production flow, including the first System Development Test Article (SDTA)—the first of three aircraft to deliver to the Fleet for the first deployment. Production is currently being conducted at the Boeing facilities in St.

Louis, sub-optimally as it spread amongst other manufacturing lines. Boeing has invested in a new, dedicated MQ–25 facility, nearing completion, at nearby Mid-America Airport in Illinois with a projected capacity of 15 air vehicles per year. The first low-late initial production (LRIP) contract award for three aircraft is planned for late FY25. The timing of this award is critical to avoid a break in the production line and the loss of learning and talent.

The Navy is collaborating with the Air Force and Marine Corps in the development of the Combat Collaborative Aircraft (CCA). A Tri-Service Agreement details the unified approach that features a modular and open systems architecture, shared autonomy and air vehicle software, and a common control station. The Air Force recently announced a down select to two vendors to continue with system design and development while the Navy conducts technology maturation and demonstrations to

inform requirements development. The platform agnostic strategy ensures that the Services will avoid vendor lock, as has been typical with traditional programs, and will encourage competition, innovation and affordability amongst a widening industrial base.

The Marine Corps has partnered with the Office of the Undersecretary of Defense for Research and Engineering (OUSD(R&E)) and the Naval Air Systems Command in the research, development, test and evaluation of Kratos' XQ–58A Valkyrie as part of its Penetrating Affordable Autonomous Collaborative Killer—Portfolio (PAACK–P) program. These efforts will inform requirements definition for autonomous and affordable tactical UAS, and mature manned-unmanned teaming (MUM–T) capabilities.

Supply Chain and Supplier Management

Supply Chain Improvement Program (SCIP) sustainment performance data integration continues to improve weapon readiness and reduce costs. Additionally, SCIP is developing Supply Chain Illumination and Platform Risk (SCIPR) tool to understand, highlight, track, and mitigate Supplier Risk and allow real-time analysis of supplier health. SCIP continues to expand its sustainment performance measurements across the DON. This includes the development of data architecture program, SCIPR. SCIP also reduces inventory lead time and maintenance repairs, increases reliability to SYSCOM programs, evaluates cross-cutting supply chain assessments for programs with multiple SYSCOM impacts, and targets high risk supply chain architecture OEM/market spaces.

Our adversaries increasingly employ economic statecraft to enhance their military advantage, degrade our access to emerging and critical technologies, undermine our supply chains, and threaten the broader industrial base. The DON is proactively addressing this threat through the concentrated efforts of SECNAV's Maritime Economic Deterrence Executive Council (MEDEC). This group consolidates expertise and authorities to establish a centralized approach for economic deterrence practices across foreign investment, innovation protection and policies, critical technology, technology program protection, intelligence, and supply chain risk management.

The Foreign Investment Review (FIR) coordinates a holistic economic deterrence strategy for the DON and leads regulatory due diligence for the Committees on Foreign Investment in the United States (CFIUS) and the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Team Telecom). Priorities include protecting technology and growing monitoring and compliance to ensure mitigation efficacy and alignment with risk management best practices. FIR recognizes increasing attention for broader economic security, growing interest from Congress and SECNAV, and greater focus on reduction and mitigating risk. It participated in the creation of a new Defense Acquisition University (DAU) course on foreign investment risks, as well as provided guidance during the development of the Small Business Innovation Research (SBIR)/Small Business Technology Transfer (STTR) due diligence process.

The DoN Damage Assessment Management Office (DAMO) encourages program offices to deliver routine cyber training to be understood by all governmental personnel. Additionally, DoN DAMO continues to encourage program offices to reduce cyber incident through proactive cybersecurity, Systems Engineering, and System Security Engineering measures. It is funded within the Secretariat Review Board (SRB) budget under ASN(RDA).

The Wartime Acquisition Sustainment and Support Program (WASSP) efforts help the DON's acquisition enterprise to be ready to support the warfighter in time of conflict. Through tabletop exercises with industry focused on munitions, warfighting platforms, and contested logistics; WASSP is improving how we acquire and sustain in peacetime so that there is a better foundation from which to pivot in support of warfighter. WASSP will continue integrating headquarters staff and Fleet activities in cooperation with industry.

The Acquisition Enterprise must push authority to the lowest possible level, empowering personnel with the requisite responsibility and authority to act effectively and rapidly in wartime conditions. WASSP will continue to train and drive the practice of expedited contracting methods to better prepare for wartime response. This is accomplished by familiarizing the acquisition communities with expedited contracting methods, waivers, and authorities.

In the industrial base, WASSP seeks to identify ways to build the surge capacity necessary for contested logistics; in DON terms, these are the 5 Rs (rearm, refuel, resupply, repair, revive). WASSP also seeks to improve how we acquire and sustain in peacetime so that there is a better foundation from which to pivot in support of warfighters

Organic Industrial Base (OIB)

The DON's OIB depots are critical to maintaining our warfighting posture. This contrasts with the current state of the infrastructure portfolio. Individual facilities and utilities are antiquated, beyond service life, in poor condition, inefficient, and not resilient.

The OIB is executed as the Shipyard Infrastructure Optimization Program (SIOP), Fleet Readiness Center Infrastructure Optimization Program (FIOP) and the Marine Corps Organic Industrial Base (MCOIB) Infrastructure Optimization Plan (MIOP).

SIOP is executed by the Program Executive Office for Installations and Infrastructure. The public shipyards are located in Pearl Harbor, Hawaii (PHNS), Puget Sound, Washington (PSNS), Portsmouth, New Hampshire (PNSY), and Norfolk, Virginia (NNSY). FIOP is executed

by the Commander, Fleet Readiness Center (FRC). The FRCs are located in Cherry Point, South Carolina, Jacksonville, Florida, and North Island, California. MIOP is executed by the Marine Corps Logistics Command. The Marine Corps depots are located at Albany, Georgia and Barstow, California.

SIOP, FIOP and MIOP are executed using a mixture of appropriations. Military construction (MILCON), Operations and Maintenance (OMN), and Procurement (OPN) are delivering dry docks, infrastructure/facilities, and industrial plant equipment/advanced manufacturing equipment.

SIOP

The SIOP will deliver dry docks to support current and planned classes of nuclear- powered warships, optimize workflow through significant changes to the shipyards' physical layout, and replace obsolete capital equipment with modern technology that increases productivity and safety. Recapitalizing century-old infrastructure improves the working conditions for our 30,000+ shipyard employees. Due to the cost of the proposed Multi-Mission Dry Dock (M2D2) at PSNS, a change in the USS KENNEDY's maintenance schedule and the sensitivity of the surrounding environment, CNO requested further review of the alternatives to the current proposal. The Resourcing Requirements Review Board (R3B) decision expected September 2024.

FIOP

The FIOP is a strategic investment plan for the Naval Air Systems Command depot facilities, equipment, and infrastructure related to the aviation OIB. It transforms WWII-era organic aviation depots into modernized Maintenance, Repair, and Overhaul (MRO) repair centers by streamlining production workflows, upgrading aged equipment and facilities, building new optimized facilities, and implementing digital technologies to increase readiness at a reduced cost.

MIOP

Industrial Systems Transformation is the central objective of MIOP. Defined simply as people, process, technology and property transformation, this strategy balances workforce development, technology insertion and process improvement with infrastructure optimization. Investments in people/workforce is an underlying key tenant of good performance. MCOIB is executing according to plan.

CONCLUSION

One of our top National Defense priorities is stabilizing, strengthening and growing our industrial base to increase our ability and capacity to provide goods and services at speed and scale to meet current and future Defense requirements. This takes a partnership and a collective, teaming strategy inclusive of Congress, the DON, our allies and industry partners.

The DON will continue to identify and overcome obstacles to success as Industrial Base Strategy implementation continues across the Department. The Department will address manufacturing capacity, economic risks to supply chains, and labor training and adequacy in addition to improving information integration.

The DON appreciates the continued support and investments from Congress to strengthen our industrial base in an effort to achieve an enduring maritime and naval aviation advantage that ensures current and future operational readiness.

Thank you for the opportunity to testify before you today regarding the challenges that face the industrial base.

Senator TESTER. Thank you for your statement.

Secretary Hunter, you have the floor.

STATEMENT OF ANDREW P. HUNTER, ASSISTANT SECRETARY OF THE AIR FORCE FOR ACQUISITION, TECHNOLOGY AND LOGISTICS, UNITED STATES AIR FORCE

Mr. HUNTER. Thank you, Chairman Tester, and thank you to the other members for having me here today to provide testimony in the U.S. Air Force Acquisition programs and also for the support you provide to us in terms of resources and flexible authorities. They are critical to our success in the acquisition enterprise.

We need that flexibility and those resources because the way in which we have to do acquisition and the current security environment is changing and must change, be less platform centric and more focused on the integration and the tight integration between systems in order to be effective in the future fight.

It requires tight partnerships also between the operational and acquisition communities in the Department of the Air Force and developing the necessary capabilities to deter when future conflicts. And the Secretary of the Air Force has also made clear to the Congress and also to us within the Department of the Air Force that we're out of time.

And so, we have to reoptimize our organization to move faster and also to prepare for a very challenging future fight. And therefore, we're shifting a focus from platforms operating individually to mission threads and capabilities that are required to close those threads reliably and consistently over time in a resilient fashion. This requires us to work across our stove pipes and integrate in ways that are often stymied when our existing organizational structure and that require flexibility within our acquisition approaches in order to execute successfully.

So, we're adapting our acquisition approaches and our capability development organizational structure to meet the challenges of great power competition. Recognizing the challenges laid out in the defense strategy and our operational imperatives in our reorganization—reoptimization initiative, we've gone to implement a next generation acquisition approach that builds upon a foundation of government expertise, technical architectures that enable open systems approaches and the constant injection of new technologies.

It ensures there's continuous competition throughout the lifecycle of a program to allow the Air Force to take advantage of new advances in technology through incremental development while lowering the barriers to entry for companies including non-traditional companies. I want to particularly highlight the Collaborative Combat Aircraft Program as the exemplar of our efforts to develop and field new capabilities rapidly, affordability, and at scale.

In fiscal year 2025, we'll begin the concept refinement for the next CCA (Collaborative Combat Aircraft) increment as we continue to explore international partnership participation and expand our approach to continuous competition. Since time is of the essence and capability of development, we're very thankful to the Congress for providing quick start authority and the NDAA (National Defense Authorization Act). And I know this committee was very helpful in getting to a successful resolution of that issue.

I also want to highlight that we just put through that authority and through that process a program to provide C3 battle management for moving target indication at scale, which I think is a very

effective use of that authority. We look forward to working with Congress as we organize into a more agile and integrated acquisition system that delivers capabilities quickly and at scale.

We welcome the opportunity to provide you more details on our key Department of the Air Force efforts, where we can use help including the establishment of our new software directorate, our implementation of the defense acquisition workforce development account, to build that government expertise that I referred to and our approach to digital material management.

Thank you again for the opportunity to testify.

[The statement follows:]

PREPARED STATEMENT OF ANDREW P. HUNTER

INTRODUCTION

Chairman Tester, Ranking Member Collins, and distinguished members of the subcommittee, thank you for having us here today to provide testimony on The United States Air Force acquisition programs.

The Department of the Air Force (DAF) is critical to our national defense. Our capabilities underwrite the capabilities of the entire of the joint force, and we are uniquely suited to provide this cornerstone of the Nation's defense. We have made significant progress in identifying the capabilities the DAF will need to develop and field to prevail against our adversaries. However, the DAF is facing a significant, dangerous shift in the strategic security environment. The DAF has historically adapted to key inflection points to best compete in emerging security landscapes.

Although we are still the strongest Air Force in the world, deterrence and operational success are at risk and as Secretary Kendall has repeatedly emphasized, we are out of time. The People's Republic of China (PRC) remains our most formidable strategic competitor and while conflict with the PRC is neither desirable, inevitable, or imminent the DAF is moving expeditiously to ensure we're ready to deter, and, if required, prevail in conflict.

CURRENT ACQUISITION LANDSCAPE

Over the last 2 years, the DAF focused on establishing the modernization programs needed to maintain conventional superiority. In Fiscal Year (FY) 2024 our seven Operational Imperatives and three Cross-Cutting Enablers will produce new investments and programs. The DAF's FY25 President's Budget (PB) reflects our commitment to developing a threat-informed, concept-driven future Air Force but our resources have been limited by the 2023 Fiscal Responsibility Act (FRA). The FRA spending caps force difficult tradeoffs as the DAF strives to produce next-generational capabilities, sustain existing platforms, and ensure that our workforce is prepared to meet the pacing challenge posed by the PRC.

The COVID–19 Pandemic put a spotlight on shortfalls within the Air Force acquisition ecosystem that showed a lack of resiliency in our supply chains and dependence on diminishing manufacturing sources and materiel shortages. The recently released National Defense Industrial Strategy reflects our understanding of the state of the Defense Industrial Base (DIB) and provides a coordinated approach to our priorities. Led by the Office of the Under Secretary of

Defense for Acquisition and Sustainment, DAF programs continue working with their Industry partners in making tremendous strides to recover and improve DIB capacity in the years since.

The DAF continues to face an increasingly competitive labor market. Our DAF acquisition workforce is essential to our mission and we are working to recruit, develop, and retain the critical skills and experience needed across the enterprise. For 25 years, the DoD Civilian Acquisition Workforce Personnel Demonstration Project (AcqDemo) has provided an inherently flexible pay and personnel management system enhancing the quality, management, and professionalism of the acquisition workforce.

The DAF also appreciates Congressional support in enactment of the "Quick Start" authority in Section 229 of the FY24 NDAA. The authority has already been a vital tool in helping the DAF accelerate its efforts in Moving Target Indication (MTI) at Scale and Resilient GPS. In particular, MTI was an outgrowth of our Operational Imperatives analysis and Quick Start allows us to perform activities that are

necessary to our overall approach towards battle management. We look forward to updating the Congress about our progress on both MTI and Resilient GPS.

Finally, the DAF is working closely with DoD to evaluate the recommendations of the Planning, Programming, Budgeting, and Execution (PPBE) Reform Commission. The ability to implement change at the scale and speed the DoD requires is key to overcoming our pacing threat. Transitioning from the 1960's PPBE process to the defense resourcing system process is an enormous opportunity to revisit the need for flexibility on new starts and programs transitioning between milestones in order to foster innovation and adaptability and oversight. We look forward to collaborating with Congress, DoD, the Office of Management and Budget, and other stakeholders to undertake the single most important defense resourcing reform for our generation: a return to predictable and routine resourcing to ensure the Federal government can meet the nation's national security needs.

APPROACHES AND ORGANIZATIONS FOR GREAT POWER COMPETITION

The Secretary of the Air Force has made clear we are out of time and must reoptimize now. To achieve a more competitive posture, the DAF is implementing changes centered on how we develop people, generate readiness, project power, and develop integrated capabilities. The Operational Imperatives work highlighted the challenges of integration and the importance of tight partnerships between the operational and acquisition communities. Reoptimizing the DAF for GPC increases mission readiness by eliminating stovepipes to deliver cross-functional and lethal combat capabilities with the speed and agility required to meet challenges now and for the foreseeable future. We are shifting focus from platforms operating individually to mission threads and what capabilities are required to close those threads reliably, consistently, over time, in a resilient fashion. This requires us to work across our stovepipes and integrate in ways that are often stymied within our existing organizational structure. We are adapting acquisition approaches and our capability development organizational structure to meet the challenges of Great Power Competition including accelerating fielding of technology through better integration and adaptation of internal and external S&T.

Cross-Portfolio Integration (Horizontal Integration)

Driving cross-portfolio mission systems integration and capability development reprioritizes "platform-centric" kill chains to integrated, mission-focused "system-of-systems" kill webs. This underscores the importance of adopting common open architectures and cross- platform integration from the outset, enabling greater flexibility, agility, and rapid system upgrades at the speed of software coding.

We must work across stovepipes to horizontally integrate capabilities from the air fleet with our space capabilities and onto ground capabilities in operationally meaningful ways. The establishment of the Program Executive Officer for Command, Control, Communications and Battle Management (PEO/C3BM) was a pathfinder for horizontal integration. PEO/C3BM's work on DAF BATTLE NETWORK spans many programs within the DAF and delivers a critical capability for kill chain in future conflicts and combines interoperability at the Joint Level with the flexibility for service needs.

Capability Development Pipelines (Vertical Integration)

The Skyborg effort is a prime example of how to build development pipelines that result in warfighting capability in the least time possible, through accelerated vertical integration. Skyborg, which was a major Air Force Research Laboratory (AFRL) science and technology Vanguard, was not originally connected to a specific program of record. When development showed promise, it was essentially turned into a program of record as the foundation for a collaborative combat aircraft (CCA), which we are now accelerating rapidly into production.

Next Generation Acquisition Approach

The DAF has already recognized many of the challenges laid out in the NDIS, Operational Imperatives, and GPC. These challenges stem from the need for the DAF and the joint forces to be positioned to respond to the pacing challenge both in the near- and long-term. While Reoptimizing for Great Power Competition provides us with the organizational structure to rapidly deliver capabilities to the warfighter over time, taking a next-gen approach to acquisition ensures that we have a framework to build a responsive and resilient industrial base capable of providing us the best capabilities. Traditional acquisition practices organize capability delivery around platforms and have often led to a "winner-take-all" approach with a single prime contractor who essentially controls the development and sustainment of a platform for decades. Subsequently, this has resulted in worse acquisition out-

comes, such as: less flexibility in contract negotiations; challenges with data rights, integration of emerging capabilities, and sustainment; and a diminished industrial base.

In contrast, a next-gen approach builds upon a foundation of government expertise, technical architectures that enable open systems, and constant injection of new technologies. It ensures that there is continuous competition throughout the lifecycle of a program, to allow the DAF to take advantage of new advances in technology through incremental development while lowering the barriers to entry for companies, including nontraditional companies. For example, Collaborative Combat Aircraft (CCA) was a Pathfinder for Our Next-Gen Acq Approach that will allow the DAF to ensure both affordable mass and delivery of capabilities quickly, and at scale. It leveraged the existence of two government reference architectures (GRA), AMS GRA and A–GRA, the Air Force's Agile Development office, and preexisting prototypes. In Increment 1, the DAF established vendor pools that allowed the DAF to work with multiple vendors in the design process before deciding to proceed with two vendors. Vendors not awarded an option for CCA Inc 1 design, build and test of production representative test articles remain eligible to compete for CCA Inc 1 production and future CCA increments. The DAF plans to make a competitive CCA Inc 1 production decision in FY26. All current (more than 20), and potential future, industry partners in the CCA vendor pool will compete for the CCA Inc 2 concept refinement activities. The DAF is also exploring opportunities for international participation in future increments. Using the next-gen approach allows the DAF the agility to respond to near-term operational needs while building a long-term, affordable force structure.

A successful next-gen approach requires the DAF to continue to implement digital acquisition approaches and enterprise digital tools through digital materiel management, GRA, and a workforce ready to rethink how we acquire programs and engage industry. From efforts like the Digital Acquisition Task Force to the development of GRAs, we will continue to engage in constant and consistent communication with industry so that we all benefit from the strengths that the government and industry each bring to the table. Traditional acquisition approaches will always have a place in our acquisition system, but just as the threat has evolved, it is also time for us to revisit what has worked and where there is opportunity for improvement.

GPC Organizational Changes

The capability development-related GPC organizational changes we are making at the Secretariat and Air Force Materiel Command (AFMC) institutionalize the lessons learned through the Operational Imperatives by establishing offices and Program Executive Offices (PEO) that will drive integration across the Service.

Integrated Development Office (IDO)

AFMC's IDO will support early integrated capability development planning and ensure requirements development is informed by technological opportunity and risk. As requirements are defined, the IDO will work with the Systems Centers, Air Force Research Laboratory (AFRL), and AFWERX, to ensure continuous pipelines of competitive technology development, and with the Program Executive Officers, or PEOs, to structure execution-ready Programs-of-Record for transition to, and management by, the PEOs and Program Offices within the AFMC Systems Centers. The IDO will work in close cooperation with operators to define and implement early systems acquisition prototyping, experimentation, and mission engineering; execute enterprise-focused and integrated early systems engineering and systems acquisition; and apply the technical architectures developed and managed by the three Systems Centers.

Air Force Information Dominance Systems Center (AFIDSC)

This new Center will consolidate and increase focus on information dominance capabilities: Command, Control, Communications, and Battle Management; Cyber; Electronic Warfare; Business and Enterprise Systems; and Enterprise Digital Infrastructure. Establishment of the Center will follow traditional Air Force processes. There will be minimal impact to the Program Offices designated to become part of this Center, as personnel are expected to re-align in place.

Air Force Air Dominance Systems Center (AFADSC)

Air Force Life Cycle Management Center will be re-designated as the Air Force Air Dominance Systems Center, reflecting the portfolio focus on aircraft, conventional weapons, and associated systems, with an elevated emphasis on readiness through enterprise product support. The Center's headquarters will remain where it is and there will be minimal impact to personnel.

Air Force Nuclear Systems Center (AFNSC)

The Air Force Nuclear Weapons Center will become the Air Force Nuclear Systems Center, focused on the foundational strategic deterrent role of the nuclear mission and importance of nuclear modernization and integration. The biggest change is the creation of the new PEO ICBM to manage the modernization and transition of the land leg of the nuclear triad. In addition, we will strengthen the nuclear material management role of the Center to enable true integration and more effective sustainment of the nuclear enterprise. The Center's headquarters will remain where it is, with minimal impact to personnel.

The other four AFMC Centers—Air Force Research Laboratory, Air Force Test Center, Air Force Sustainment Center, and Air Force Installation and Mission Support Center—remain largely unchanged in structure and mission but will adjust as needed to meet stakeholder needs as other organizations in AFMC and the DAF reorganize and refocus around GPC requirements.

As we implement GPC, we will work closely with our operators and the communities in which we reside in order to achieve the level of integration and collaboration necessary for the counter the pacing challenge.

CONCLUSION

Thank you again for the opportunity to testify. We look forward to working with this subcommittee to ensure the Department of the Air Force maintains the necessary military advantage to secure our vital national interests and support our allies and partners in Fiscal Year 2025 and beyond.

Senator TESTER. Yes, I want to thank all four of you for your testimony. We'll get into the questions right now. We have heard a lot in recent years about the challenge that the defense industry has to attract and retain a manufacturing workforce to build weapon systems on time. This is concerning and we will be discussing that more today. But my primary question is about the Department of Defense's own workforce.

This is for all of you. What is the DOD's acquisition workforce? Our acquisition budgets have grown significantly but do we have enough qualified and experienced contracting officers? Do we have enough auditors? Do we have enough cost estimators to manage this workload? We'll start with you, Dr. LaPlante.

Dr. LAPLANTE. Yes, thank you. And with the authorities that this committee and others have given us they're of course only as good as the workforce to implement them. I would say broadly, like a lot of our economy and our society, there's been a generational change in our workforce. I would say that we have put in place many of the tools that you have given us including the one that just was mentioned by Honorable Hunter on the acquisition demonstration and the funds to train next generation.

I would say the area that I'm most focused on really beefing up is contracting officers. A couple of comments on that. Number one, I'm biased but I actually think that the contracting officers in Department of Defense are some of the best in the United States government. As a result, they're also highly desirable both in other parts of the U.S. government which is not a bad thing necessarily but out in the private sector.

We also—and this is something perhaps that's not fully appreciated. During the years in Iraq and Afghanistan many contracting officers did service downrange in country four or five times in some cases. Many of those got burned out. So, we're rebuilding many parts of the contracting workforce. I would say in pockets we still have work to do. Net overall, I'm pretty pleased with where we are but I would also defer to my other colleagues here.

Senator TESTER. And we'll go to Secretary Bush next. From an Army perspective, where are we on those three?

Mr. BUSH. Senator, I agree with Dr. LaPlante. If I worry about one workforce, it's the contracting workforce. There's only about 9,000 people, they've doubled their workload frankly. They did Covid, then they rolled straight into Ukraine.

Senator TESTER. So, 9,000 optimal, or do you need more?

Mr. BUSH. Sir, I—some more would be helpful. However, we are in the meantime focused on giving them better technology and tools to be more efficient. So, I think a little help in both realms, efficiency, investment, and perhaps some more people would be wanted.

Senator TESTER. If you could get back to us. You don't have to do it now, because I want to go to Secretary Guertin, but get back to us with how many more people you would need. Secretary Guertin.

Mr. GUERTIN. Thank you, Senator. Echo of my colleagues at contract officers. A key component of our future, one of the things IVAC (Interagency Veterans Advisory Council) advocated for years is a better application of modularity and open architectures in order to invoke competition more broadly. And all of those require contracts.

So, we need contract officers to grow. And honestly, the Navy grows great contract officers because people keep hiring them. So that's something we continually have to refresh. Also, a particular note is waterfront workforce. We need more people out on the deck plates, building and maintaining ships. It's a big problem for us. Hope to talk more about that later.

Lastly, I'd like to note that we also need to up our game in understanding how to build ships. Naval architects and marine engineers is something that we have a deficit of. It happened over the course of many years, something I'm particularly focused on so we do a better job of understanding our business of building ships.

Senator TESTER. Okay. And from an auditor's and cost estimator standpoint we're okay?

Mr. GUERTIN. Well, in one of the key areas of auditing includes keeping an eye on waterfront——

Senator TESTER. I got you.

Mr. GUERTIN [continuing]. Ship production——

Senator TESTER. That's fine.

Mr. GUERTIN. But in the area of supervisor of ship building, that's an area we particularly need more help with.

Senator TESTER. Okay. Secretary Hunter.

Mr. HUNTER. Yes. Thank you, Senator. We really value the resources that we received in 2024 for the data account, that workforce development account, $42 million. Areas of need for us include, I would say software expertise. So, while we still rely on industry produce the vast majority of our software, we need enough government expertise to really be a good customer for that.

And we are also increasingly doing organic development of software in our sustainment center. Not just for systems that are in sustainment but also for new development programs like B–21 in partnership with our prime. So that is a—that software workforce expertise is a key area of need.

And I did want to also mention our acquisition workforce demonstration pilot which has been a pilot since the late-1990s. I personally believe it should be permanent but in a—at a minimum we need to extend it because that is a key way of—we keep our talent.

Senator TESTER. Last follow up really quick and you got to answer this very quickly. I got 20 seconds left. Do you guys have a plan to fix the shortages that you perceive within the contracting. Yes, or no?

Mr. HUNTER. Yes. We are executing that——

Senator TESTER. Secretary Guertin.

Mr. GUERTIN. Yes, but we could definitely need some help.

Senator TESTER. Secretary Bush.

Mr. BUSH. Not with the funding I have right now Senator.

Senator TESTER. Okay. Thank you very much.

Senator MURKOWSKI. Thank you, Mr. Chairman. Thank you all for being here and your focus on what we need to be doing better when it comes to accelerating in the acquisition space. I think we recognize that sluggish is one of those words that perhaps best describes what happens in a bureaucracy like we are faced.

I appreciate your response to the Chairman about workforce because that is key to most everything. But I want to start, Dr. LaPlante, if you were to give the department a letter grade here on its current efforts to reform and to improve the acquisition process and I noted Mr. Hunter that you said that you've got an acquisition pilot that has been in place for—since the '90s.

Maybe sluggish is even too kind of a word but if you have to really critically assess where we are in and how we're improving the acquisition process, utilizing the new authorities that can help you move faster. What is that? And really what we need to know is what more can Congress do to help move you through to some better reforms here?

Dr. LAPLANTE. Yes. I would give it a grade of a B and the reason I give it a grade of a B on the positive side is the American equipment is the best in the world. The demand for foreign military sales from U.S. equipment is at record highs. Everybody wants the equipment. Everybody sees it work in Ukraine and other places. They know it can also be trained for and sustained.

The demand for our stuff is through the roof. We are seeing that every day. Why is it not higher than a B? Because number one, we still are too slow in certain areas particularly when involves with adapting modern software. Number two, we still do not have enough parts and pieces that are interchangeable that we can use and they're not proprietary to one company. The third area, which is still frustrating sometimes is we still over—don't get the requirements and the acquisition right and aligned up.

So, we have a lot more work to do to get faster and to align those. But I would say there's still—when you look at cost schedule performances, my colleague in the Army, said largely net costs increases are coming down, performance is good and schedule is the one area we still need to make improvement on.

Senator MURKOWSKI. Let me ask you, Secretary Guertin, you mentioned that within the Navy you need to focus also on how you're building ships, I think is how you framed it. It's my understanding that some of what we're dealing with when we're looking

at where the Navy is and the ship building demands is, is whether it's approving construction when design is not yet complete or perhaps altering existing requirements during the build itself.

In other words, you don't have a flow here that is consistent. Can you expand on some of the internal lessons learned that the Navy is working to rectify as it faces some of these concerns with ship building.

I think many of us in this committee, in this Congress are very concerned about where we are with our naval fleet.

Mr. GUERTIN. Senator, I share your concern. I was given a charge by the Secretary of the Navy to, you know, look at ship building when I was fairly new into the position. And one of the things that came out of it was to understand our risk balance. And one of the things we haven't always done well is have a robust, stable design prior to launching into ship construction.

One of the things that I intend on doing going forward is to make sure we're taking better advantage of modern development tools that we have for doing upfront modeling and naval architecture prior to going forward with construction. That's a fairly robust set of practices in the commercial industry but we need to take better advantage of them in how we build our naval ships.

We need the right kind of people and the right kind of tools in order to be able to do that.

Senator MURKOWSKI. Let me ask, back to you, Dr. LaPlante. And this relates to our ground-based missile interceptors. As you know in Alaska, we have a pretty important project up there.

Can you give me an update on the next generation interceptor program? Are we on track? Is it delayed? Is it possible that it could even be ahead of time? Where are we?

Dr. LAPLANTE. Yes. The program is on track, the next generation interceptor, as you know, the—we were keeping and missile detector is keeping two contractor teams much later in the process than we typically do almost up to CDR (Critical Design Review). They're going through a down select as we know in the last couple of months. And I expect that to be on track and on time. Thank you.

Senator MURKOWSKI. Thank you.

Thank you, Mr. Chairman.

Senator TESTER. Senator Shaheen.

Senator SHAHEEN. Thank you all for being here. I'm going to begin a little parochially. Assistant Secretary Hunter, we're very proud that in New Hampshire, the 157th Air Guard flies the KC–46. They were the first unit in the country to get those KC–46s. So, I have watched very closely the delays in the rollout of the new remote vision system. I understand it's delayed yet again. So, what do we need to do to address that and how do we make sure that doesn't happen again?

Mr. HUNTER. Yes. It's a combination of factors, I would say the key thing right now is making sure we heal our supply chains. That has been related to access to the right microelectronics for that system and also getting FAA certification that's not particularly the case it's the engineering work required to get FAA certification. So, it's having that, that correct engineering expertise within the industrial base to achieve that necessary standard. So those are the two main things that are, that we need there. I think we're

on path today to getting there. And I think we'll hit our current timelines for completing the RVS work. We've gone through the hardest part of the design stages, and we are very close to achieving that FAA certification.

Senator SHAHEEN. So, what's the current timeline?

Mr. HUNTER. It is about 26——

Senator SHAHEEN. Thank you. I will hold you to that. Secretary LaPlante, actually this is all of you, mentioned the importance of the flexibility reforms, the acquisition reforms that have been done in the last couple of years. And one of the concerns that I think we all have is how do those procurement authorities address the situation in Ukraine and allow us to prepare for future conflicts? So, Secretary LaPlante, do you want to start with that?

Dr. LAPLANTE. Yes, well, the authorities that have been provided and we talked already about the software authorities and mid-tier acquisition have really allowed us to get started very, very fast and to move basically in an agile fashion if you want to use the agile term and go through sprints.

So those were already up and being used across the services when Ukraine happened. What we've added to that with Ukraine was what we learned from Covid and how to do rapid contracting. A lot of the PPE (Personal Protective Equipment) and a lot of the stuff that was done with the vaccines during Covid was done by the Department of Defense. That same rapid contracting was put for Ukraine. So, we learned that.

I think the other piece that we've learned from Ukraine with these authorities is even if you have these rapid capabilities you have to do, what sometimes one of my colleagues here calls the adult stuff, you have to worry about it being sustained. You have to worry about being trained to it. And so, you can go fast but you have to go fast with putting these other pieces in line. And that's what we're learning with Ukraine. But I'll turn over to my other colleagues.

Mr. BUSH. Senator, I would echo Dr. LaPlante's comments. I think the reforms are much appreciated. They do let us start programs faster which is a good thing. However, the basics still apply. You need good cost estimates, you need realistic requirements and you need at some point to do the whole package which is something we do better than any other country which is the logistics, the military construction that goes with a device like a new range for a new rifle.

So, ma'am, I think as long as—you know getting started fast is good but it's not the whole story. However, it is a big deal and lets us respond more quickly to new technology and new threats.

Senator SHAHEEN. Before I'm going to follow up on that. So, I don't need to have the other responses. I was just in the Indo-Pacific, one of our stops was in Japan, whereas you know, they have doubled their defense operations.

And one of the things we heard there was concern about how fast their industrial base could respond to that directive. I have also heard that from our European friends about responding. How are we working with our allies to help them respond and why has Russia been able to rebuild its systems in a way that has allowed them

to put out what appears to be so many more munitions than we've been able to get to Ukraine?

Dr. LAPLANTE. I'll try to get to this very quickly and turn over my colleagues on.

First, the Russia, we're all monitoring both an open source and other places. What is Russia doing in its industrial base. We saw that Putin just replaced his Minister of Defense with an economist with an emphasis, and I think a lot of us have taken away that this is not—they're not in it for the short term, they're in the long term.

The second is the estimates that they're at 7 percent of their GDP (Gross Domestic Product) for military, and they're staying there, and they're on a wartime footing. Whatever you want to say about the United States, we are not. And I'm not suggesting we should or shouldn't, it's just we're not.

Senator SHAHEEN. Right.

Dr. LAPLANTE. The second thing on your point about allies and partners. Across the board, allies and partners are recognizing both in Europe and in Indo-Pacific, that they need an industrial base. Basically restart.

For all of the criticism we give ourselves, rightfully so, they're envious of what the United States has been able to do. What we're talking to each of these countries, and I'll talk about Japan and then I'll turn it over as a specific example, is doing co-development, co-production with them to help their industrial base and ours at the same time.

The next generation of missile defense interceptor is going to be called Glide Phase Intercept. It's beyond NGI (Next Generation Interceptor). That's a collaboration with the Japanese and Japanese companies and American companies. So, that's where this is all headed. You're going to see much more co-production, co-development co-sustains with allies and partners.

Senator SHAHEEN. Thank you.

Senator TESTER. Senator Moran.

Senator MORAN. Chairman, thank you. One of the things that's taking place that I think has a consequence to the industrial base, the Defense Industrial Base, Spirit AeroSystems is a company that employs 12,000, 13,000 people in Kansas.

Does a lot of sub work for nearly every prime defense contractor in the country. The indications are that it may be purchased by Boeing. Boeing, I assume is interested in its—and Spirit does significant work for Boeing today on the commercial side but there's a significant component of Spirit AeroSystems that is defense related.

And I'm interested whether any of you are paying attention to this issue in part to understand what it might mean to our defense industrial base and to supplies, should this merger occur. I'd be interested in knowing how this may expand or contract our defense base?

Dr. LAPLANTE. I'll say a few words, and then I'll ask my——Senator Moran: I should have asked Mr. Hunter—

Oh, maybe Andrew——

Senator MORAN. No, happy to hear from you——

Dr. LAPLANTE. Yes, Doug. So, I'll give the standard caveat right at the beginning. I don't comment on any pending M&A obviously because it's a process that go through. I would also say a couple things. Number one is each one has to be——

Senator MORAN. Do you have input in——

Dr. LAPLANTE. We do, on any of these M&A's (Mergers and Acquisitions) what happens—whether it's done by the FTC (Federal Trade Commission) or Department of Justice. The Department of Defense provides input on the—any collateral good or collateral bad that would come out of this. And we take each on a case-by-case basis. I would just say that, but obviously, the health of the U.S. industrial base particularly companies that do commercial as well as defense in their portfolio is something of keen interest to us. I'll turn it over to——

Senator MORAN. I only indicated, Mr. Hunter, because he just recently returned from visiting.

Mr. HUNTER. Yes, Senator, it was a great opportunity to visit Spirit and developed a deep appreciation for all the ways in which Spirit is contributing to a variety of U.S. Air Force programs and as you noted across a number of our key suppliers, our key prime vendors and in particular the manufacturing expertise that is resident there and the ability to leverage new production techniques that are very significant and important to our more cutting edge newer weapon systems leveraged out of the commercial development particularly 787.

That is, I think, a key asset for the Nation. And so, we'll work closely with Dr. LaPlante in terms of the department's feedback to ensure that those capabilities are still able to be utilized in the best way possible.

Senator MORAN. Any, either. Under Secretary.

Mr. GUERTIN. So, in just camping a little bit on what Dr. LaPlante said about how the Defense Department looks at this, but we also look through the lens of is it helping or hurting competition? We want competition in as many places as we can that helps us get a better deal from industry. So that's one of the lenses that we'll look at that through.

Senator MORAN. Let me highlight that Spirit AeroSystems, this tier one supplier, supports programs like the B–21, the V–280, the CH–53K. Its wide array across all of the department. And in my view the Defense Department ought to be at least encouraging me and others if not the—in addition to the administration to make sure that if there is a merger that the defense capabilities of Spirit are not somehow lost in the process.

My assumption is that Boeing is almost exclusively interested in this for commercial manufacturing and yet if the absence of Spirit AeroSystems, we lose a lot of defense capabilities. I have visited with nearly—well four or five of the CEOs (Chief Executive Officer) whose companies do work in defense for—with Spirit. And it—there's a general feeling is I don't know where else we would go in the absence of Spirit doing what it does today.

Honorable La Plante: And rest assured as the process as with others, we will weigh in on the defense implications both good and necessarily not good on that case. We will absolutely weigh in.

Senator MORAN. Thank you.

Senator TESTER. Senator Reed.

Senator REED. Thank you very much, gentlemen, and thank you, Mr. Chairman.

And I want to reemphasize two points the Chairman made. First of all the responsibility for this predicament and it is a very serious one is shared by both Congress and the Executives. So, we have to work together. Also, the attrition of our government workforce is a key factor, and I don't think we're doing enough to remedy that.

My impression on the decks if you will, there's a 27-year-old foreman talking to a 27-year-old representative of SUPSHIPS where before the pandemic there were 50-year old's talking to each other which makes a bit of a difference.

But I want to go right to the Submarine Industrial Base. As you know, Congress initiated funding directly to rehabilitate and strengthen the Submarine Industrial Base. Four years later the Navy took up the course. But right now, the Columbia is behind and it's slipping further. We cannot produce two attacks submarines a year. We're at about 1.2 and I think everyone can see this platform is probably the most critical and decisive—both of them—in our inventory.

So, Secretary LaPlante, you sent up a budget this year—the President did, which is only buying one Virginia Class boat but also putting a significant amount of money into the Submarine Industrial Base for parts for additional boats. Can you give us the rationale and logic?

Dr. LAPLANTE. Yes, thank you, Senator. And as you well know and appreciate the help of this committee on the Submarine Industrial Base, the department had the difficult choice of either adding to the backlog that was there or take the money and invest it in increased capacity knowing that that's going to be delayed before we see the increased—and it's the increased capacity was what the department chose to do.

Senator REED. And do you have metrics to measure whether you're doing this efficiently or effectively?

Dr. LAPLANTE. Yes. The closest metrics that we look at when—I know my Navy counterparts, I know probably you do as well and others, is we look at the work, take Columbia for example. We look at the plan of where they are in the work progress compared to the plan. Are they maintaining the plan? Are they falling behind? Are they ahead? And we're tracking it. I mean, I know the Navy is tracking it almost every week.

We watch it at my level every month. And for example, in Columbia we lost some ground in the fall. It looks like we're gaining some of it back right now. The question is can we gain enough back to get the 1 year which is the nominal behind on Columbia to get that shortened. We're watching it very, very carefully.

A lot of it has to do as you know with the technical data packages, the work instructions, getting to the workforce in a way that they can implement and with proper learning and efficiency. And we're also tracking how Columbia compares, which is 826 to the 827, which is the next submarine and where that is. And we're seeing the learning and the growth there, but we track it all the time. And I'd ask Nick if you want to add anything.

Senator REED. Please.

Mr. GUERTIN. So, Senator as you know we are going to be up to the point where we need to be able to build two and a third Virginia's a year plus serial production on Columbia. We need to position ourselves for success in that regard. And the investments we're getting from Congress to be able to improve the throughput of the Submarine Industrial Base is critical to be able to get to that point where—and it'll be historic even when we are building Ohios, we're only building two Los Angeles as a year in both of those types of submarines or much simpler than these Virginias and Columbias will be.

So, we absolutely support that investment. So, we could get to the point where we can build two and a third Virginias a year and serial production of Columbia and get to that historic high level of throughput.

Senator REED. Do you think you have the capacity to do that?

Mr. GUERTIN. No sir we don't, but with the investments that we are going to be executing over the course of the next few years, we will get to that point.

Senator REED. That would mean investments in additional shipyards or additional capacity in shipyards.

Mr. GUERTIN. So, the capacity we're looking at right now is to improve the shipyards we have in the near term, that's where we need to put our money. I would like to for—we have actually are thinking about and looking at where else we might have shipyard capacity but right now we're driving more of the work out of the shipyards where they are right at the waterfront and trying to push more of that work into other facilities that can support bringing those submarines together in the couple of places that are unique to that capacity.

Senator REED. Thank you very much. And Secretary Hunter, in 2023, in the NDAA, we created a site activation task force resident at Air Force Global Strike to bring operational views into the process of the Sentinel Program. How is that task force working, and how are they helping, I hope, with the Nunn-McCurdy breach?

Mr. HUNTER. Senator, they are helping. I work very closely with General Connor who leads that task force, meet with him on a very regular basis as we go through the Sentinel Nunn McCurdy process. But of course, we continue to execute that program while we're going through the Nunn McCurdy process. So that's a key partnership.

We view B–21 as the best model for integrating our operators and our acquirers as I referenced in my opening statement. And that is the model we are looking to execute with Sentinel. We haven't reached quite that B–21 level of integration yet, but we are well on our way. We have staffed up in the program office with operators from Global Strike, both operators and maintainers. And we are starting to see benefits of that especially as we go through some of the design choices that we have to make to get to where we want to be with the Nunn McCurdy process.

Senator REED. Thank you very much.

Senator TESTER. Senator Boozman.

Senator BOOZMAN. Thank you, Mr. Chairman.

Dr. LaPlante, we are faced with urgent need to prioritize critical munitions and replenish our stockpile commodities against the

backdrop of budget hindered by constraints. This fiscal year missiles and munitions comprise of 10 percent of the department's investment funding at $29.8 billion. Dr. LaPlante, how will current budgetary restrictions coupled with inflation affect your long-term acquisition strategy for munitions?

Dr. LAPLANTE. Thank you for the question. Yes. I think what we've all seen in the last couple of years and actually this is probably the fourth time it's happened since 2000, where when a crisis happens within a year or two, we realize that precision munitions, that we run low on inventory. And part of this is because we bought munitions historically 1 year at a time.

As I mentioned in my opening, the fact that this committee helped us get multi-years, really gives that demand signal back to industry to say we're not just going to buy these key munitions 1 year at a time, we're going to buy them in multi-year. And you can commit your own capital, your own workforce to this.

So, what we have for multi-year, thanks to this committee and others, we have multi-year contracts we're putting in place—the Army already for 155, we're going to put them in for LRASM—Long Range Anti-ship Missile, for JASSM, for Patriot, MS–3 which is the advanced Patriot and Naval Strike Missile.

That's what we're doing to begin to build this back to show the commitment to industry that not just for this year, but you perform, you're going to have this work 3, 4 years from now. So that's what we're doing. But I would say overall, the budget obviously constrains it. As I've said, we've always dialed down on manufacturing and production, because you can. And so, it is one of the bill payers. It's historically been one of the bill payers.

Senator BOOZMAN. So again, we've given you this authority. Will you be able to in the next year or two, then be able to give us good data, working with your partners as to the positive effect that this is going to have?

Dr. LAPLANTE. Absolutely and I would say we're already seeing some of the positive effect, but we'll do.

Senator BOOZMAN. Good. Thank you very much. Also, I want to highlight the domestic availability of ingredients necessary to manufacture smokeless gunpowder including nitrocellulose, nitroglycerin, and acid production. A supply chain shortage in these areas could not only impact the ability to manufacture ammunition but also increase the cost.

Dr. LaPlante, has the department studied the domestic availability of these ammunition components. And is the department concerned with the current limited availability of nitrocellulose? What are the limitations for current and future production of nitrocellulose?

Dr. LAPLANTE. Thank you. And it has been said many times, energetics, which some of these are in the category of energetics actually is the limiting factor for some of these munitions in terms of global actually.

So, in the cases of almost all the items you mentioned we are—and I can actually ask the Army to jump in here finding alternative sources, domestic sources to really replace these very rare things that many of them were from overseas. But I'd ask Doug if you want to add anything.

Mr. BUSH. Senator, on the Nitrocellulose front specifically, we have this year coming online at a Radford Army ammunition plant, a $700 million previous investment made years ago by Congress to go to a fully modern, very high-capacity production capacity that's on our ammo plan.

So, Senator, I think that one, we are going to end up ahead of the problem not behind which is great to see. However, we do have other sources. We have focused on making sure those are friendly countries. Of course, we want allies providing these things not our potential enemies.

Senator BOOZMAN. Right.

Mr. BUSH. We have other tasks sir, directed by Congress to—by 2028, not have any I would say unfriendly sources in our ammunition chemical supply chain I would call it.

And we're committed to achieving that sir. And it's going to require some investments here but also working with members on working through how we can do that with allies as well.

Senator BOOZMAN. Good. So that's the one we're hearing the most about the nitrocellulose. Anything we can do to support your efforts you know, just let us know. The National Defense Industrial Strategy prioritizes the need for skilled and staffed workforce. Camden, Arkansas has become a leader in the defense industry at a time when our country needs it the most. We recognize there's more work to be done to recruit, retain and provide skilled workers with the best opportunities as we ramp up production and capacity.

Dr. LaPlante, to what extent is the department working with industry partners to invest and renew interest in industrial jobs to optimize workforce readiness?

Dr. LAPLANTE. Thank you, Senator. Almost every meeting that we have with industry that I have, or my colleagues have, most of the meeting is talking about workforce. And each company is in sort of a different place, which you'd expect but writ large, for example, welders across the country in any industry are—they're, very prized right now.

The other piece that we're seeing is the price differential between what the defense industrial base will pay for, let's say some type of workman, HVAC (heating ventilation and air conditioning) or whatever. The delta between that and the services industry has decreased. So, we have to work with the companies without—you know, we're doing a cost effective and how we can get some of the wages higher.

The other piece of this that we're finding is really important is supervisors. We had a whole generation of supervisors basically retire during Covid. What really matters to most workers is your direct supervisor. So, a lot of emphasis there, but this is a huge—it is the number one issue for our industrial basis workforce.

Senator BOOZMAN. Right. Very good. Thank you all so much for all you do. We really do appreciate you.

Senator TESTER. Senator Baldwin.

Senator BALDWIN. Thank you, Mr. Chairman.

Secretary Guertin, during a recent Senate Armed Services Committee hearing Senator Peters asked you about the Frigate program. I take issue with your answer and I want to—you seem to

minimize the Navy's shared responsibility for challenges facing that program.

In my view, it's not merely that the Navy failed to perform sufficient oversight as you mentioned in your response but that the Navy has directly contributed to the delay by requesting substantial design changes as well as a slowly approving design deliverable. By some reports, the Frigate was intended to maintain 85 percent of a prior design but now in part due to the Navy's request for changes retains only 15 percent of that previous design.

And while some changes related to enhanced survivability are to be expected, these drastic numbers tell me that the Navy is contributing to program delays. So, Mr. Secretary, yes or no, do you agree that the Navy shares responsibility for the ship design issues that have caused delays for the Frigate?

Mr. GUERTIN. Senator. Yes, I do. I'm sorry that I left that impression. This is absolutely a government industry partnership and the extent that—I mean we didn't change the requirements for survivability after the contract was let but I don't think we understood the full impact of what that was going to be when the ship designers and naval architects got to work and figured out, well, what did that requirement mean in terms of the impact to the base designs.

Senator BALDWIN. Thank you for that response. The Navy has identified growing and maintaining a skilled workforce as a primary challenge for the Frigate Program. For the last 2 years, I secured increases to the Navy's budget specifically to expand the Frigate workforce and industrial base.

And I'm working again this year to increase workforce funding because the need certainly remains. Mr. Secretary, how will this workforce investment address factors contributing to the Frigate delay?

Mr. GUERTIN. Thank you, Senator, for helping us with getting a workforce especially in the places where were necessary for building this Frigate. It's been especially helpful to make sure that we have the right people out in those build buildings. I had a chance to visit up there in Marinette a couple of times and it is a fantastic facility. We just don't have enough people out there building those ships and that will be a big help to attract people into that environment.

But we also need to work with the secretary specifically to make it an attractive place to work in terms of the equities for working in that environment, childcare and other kinds of aspects of the community nearby. And we can do that in partnership with industry with your support.

Senator BALDWIN. Thank you. Thank you, Mr. Chairman.

Senator TESTER. Senator Hoeven.

Senator HOEVEN. Thanks Mr. Chairman.

Secretary LaPlante, one of the most important things we're doing is updating the Nuclear Triad, incredibly important. And we're now doing a Nunn McCurdy review on the Sentinel portion. Are you committed to making sure that we work through that, that we stay on track and that we do the full Sentinel modernization on schedule?

Dr. LAPLANTE. Thank you for the question. Just to state the important thing right at the very beginning as you said. Senator,

number one, the modernization of our triad is the top priority of the Defense Department. The triad of course is the next generation bomber, B–21, the next generation SSBN Columbia we just spoke to and of course Sentinel that which replaces Minuteman III.

In the 2022 Nuclear Posture Review, Biden's administration reaffirmed the need for a triad. So, Nunn-McCurdy or not, we have a policy of our country of having and sustaining a triad. In the case of the Nunn McCurdy, I'm committed to working with the Air Force and with the cross DOD team to go through the letter of the law and make sure that we—if we do recertify and it's not a guarantee that we were recertify a program that is executable and will meet replacing that leg of the triad.

We're about a month and a half from the end of that process. We have a lot of work going on. And I'll just continue to keep this committee informed but separate from the Nunn McCurdy, we need a triad.

Senator HOEVEN. Okay. Thank you, Secretary. And then I know the Chairman of this committee shares my sentiments on this, but is there anything that we can do that is helpful to you in this process?

Dr. LAPLANTE. I think already there's been a tremendous help particularly, of course, by the Chairman here. I think a lot of the focus assuming if we go forward is going to be really on the localities on getting for the States impacted, of course Montana, Wyoming, Colorado, Nebraska, North Dakota, that we are reaching out as soon as possible to make sure the communities are ready for what's coming, to make sure we're listening to the communities.

And as I've spoken with the Chairman here, to make sure that things like the vocations needed that we're as early as possible get that into communities. And of course, you all know your communities better than anybody and so any of your help will be appreciated including letting us know when we're not making the mark.

Senator HOEVEN. Okay. Thank you, Secretary.

Next question relates to countering drones. We're seeing, obviously, in Ukraine, Israel, across the world the threat that is posed by drones. In some cases, we're using million-dollar missiles to shoot down a very inexpensive drone. And then you've got swarms. What are we doing on countering drones to get ahead of the curve here?

Dr. LAPLANTE. That is the problem of our time. So, we're doing a lot. Number one is that, I chair that started just in March and a senior integration group that moves counter drone equipment into theater ASAP.

At the same time, the Army is the lead service on building out towards and integrated capabilities. We now have a between 40 and 50 different counter drone technologies. We're finding out which ones work and which ones need to get fielded. To your point we also have to make the exchange ratio be cost effective. If we're shooting down a $50,000 one-way drone with a $3 million missile, that's not a good cost equation. We're working through it.

Many of the solutions we're looking towards with industry and with non-traditionals are very cost effective. That is our high priority. But I will say the technology is changing every couple of

weeks and the tactics are changing and it's going to be just a constant fight. But we're all over it.

Senator HOEVEN. At Grand Forks, we do an incredible amount of work with drones not only in terms of the base's mission there but we have a test site for UAS there, also we've got Customs and Border Protection co-located on the base.

We have responsibility for 900 miles of border, actually all the way out to contiguous with the Chairman's State. That would be a very good location for you to do some of this work. Are you aware of what's going on there and what about looking at it for some of this work?

Dr. LAPLANTE. The details that you just went through I'm not aware of, but I'd love to follow up on it. And to the point, the talent and the expertise in building drones oftentimes is exactly the same expertise in countering them. Because you understand actually what the technology is, what they're dependent upon. So yes, I'd be happy to follow up.

Senator HOEVEN. Yes. I'd like to get you out there. And also, Secretary Hunter, same for you. And I would like to add the ISR (Intelligence, Surveillance, and Reconnaissance) component. We need more ISR, what are we doing to make sure we lead the world in that ISR capability?

Mr. HUNTER. Well, thank you, Senator. We are working hard on that. Obviously, there's elements of that we can't talk about in this forum but that is a huge priority for the Air Force. And so, we will continue to dialogue with you on the investments that we're making there to advance those capabilities. I agree with you. They're essential particularly to our kill chains.

Senator HOEVEN. And I'd like to get you out to North Dakota, to Grand Forks area along with Secretary LaPlante. I think it would be helpful for both of you. Thank you. Thanks to all of you for being here today. Appreciate it.

Thank you, Mr. Chair.

Senator TESTER. Senator Coons.

Senator COONS. Thank you very much, Chairman Tester, and thank you to all of you.

I agree with you that we have widespread, I think, bipartisan grave concern about whether our defense system overall is appropriately aligned with the requirements of the war fighter. That we are taking advantage of innovation in the American system as we are producing and delivering weapons and weapon systems and platforms that are more and more dependent on software, on IT, on interoperability and communications.

I'm concerned we're not learning the lessons of the war in Ukraine. The MacGyvering of solutions in the midst of an otherwise very difficult and complex battle space. So, let me just briefly ask a few questions if I might as the newest member of the committee.

You recognize, if I might, that there's a huge acquisition workforce. I think 187,000 acquisitions professionals. And that just having the workforce to do the acquisition is important.

What work is being done, if I might Under Secretary LaPlante to make sure that the acquisition workforce is familiar with, comfortable with and able to use authorities like other transactions au-

thority, CSO (Commercial Solutions Opening) to take advantage of the MTA (Middle Tier Acquisition) pathway. What's being done to make sure that more broadly the acquisitions community that may have never seen or done one of these transactions is able to?

Dr. LAPLANTE. Yes. We have a whole education and training effort led out Defense Acquisition University. I was just there actually 2 days ago speaking to one of their graduating classes that it's all about having experts come in with case studies and say this is how you use the software acquisition pathway. This is what you need to know about modern software and teaching, teaching, teaching.

The best thing that can be done is experts that have done it in one part of the DOD teaching experts in another part. And that's what we're doing. We're spreading the word. It's a lot more of it is online and a lot more of it is also—we're bringing in industry.

In fact, the class that I spoke to the other day had—a quarter of it were from industry. So, I think all of the above is what we're doing. Knowing that you can be an expert in software acquisition today, 2 years from now you may not be an expert anymore. You have to keep up with it.

Senator COONS. I was struck in your testimony and maybe I just misread these numbers quickly. Of 236 programs that use the MTA pathway, 3 have transitioned to full operational capability and 107 to other pathways. Help me understand that ratio. Did I misunderstand what the other pathways meant?

Dr. LAPLANTE. Yes, let me tell you what I believe without having the numbers right in front of me. So, the mid-tier acquisition was put in place via section 804 of the fiscal year NDAA and there was a restriction on it that said or basically said with waivers, it's got to be out of it by 5 years.

So, by definition 5 years later, you're not going to be an MTA anymore for most of these that were started then. So, the question is when you're nearing the end of that MTA, which is rapid fielding or rapid prototyping, what do you do? Do you transition it into major capability which means, for example, now go into higher rates of production or do you do some other version of it? And I think that's what you're seeing. We do have examples of where they've reached the war fighter.

Senator COONS. Last question, if I might. A big piece of the NDIS (National Defense Industrial Strategy) partnering and our allies. AUKUS Pillar 2 is particularly intriguing to me. What do you see as priorities for co-development with close allies? And this may also be particularly relevant to the Navy, of capabilities that may be both in terms of workforce and in platforms we can't do on our own?

Dr. LAPLANTE. So, Senator, you mentioned earlier the lessons of Ukraine. One of the lessons of Ukraine is co-production of munitions. So right now, we're working a lot across Europe around co-production of 155, co-production of Patriot in Australia, separate from AUKUS. We're going to be doing co-production—the Army is of GMLRS (Guided Multiple Launch Rocket System) and eventually PrSM (Precision Strike Missile) and I mentioned earlier about Japan with the Glide. I think you're going to see much more co-production and co-sustainment with our allies and partners.

Senator COONS. Thank you for your testimony. I look forward to staying in touch and I will echo what you heard from several other Senators about the urgency of deploying the counter UAS platforms at speed that are effective and affordable.

Senator TESTER. Thank you, Senator Coons. We're going to do another round. And I've got a short question that I'm going to ask. It goes to the previous question that I started out with, and it goes actually to your answer.

Secretary Bush, you said you didn't have the money at this time so I want to kind of flesh that out a little bit. Congress established a distinct appropriations account to ensure sufficient funding to recruit and retain acquisition personnel. Have you used that account? Do you have access to that account? Is it effective?

Mr. BUSH. So, Senator, the DODF account, yes, we of course use it to train folks and if it was bigger that would actually be very helpful and it wouldn't have to be dramatically bigger, a little bit could go a long way across the services.

Senator TESTER. Okay. As far as the Navy and the Air Force goes, do you guys use that account and do you feel same way as Secretary Bush feels?

Mr. GUERTIN. Yes, Senator, we do. And it's been very effective, much like what the Army's experience has been.

Senator TESTER. Is it adequate?

Mr. GUERTIN. I'll have to get back to you on that. I don't have a number in front of me right now but I'd say we could probably use more.

Senator TESTER. Okay. Keep going, Secretary Hunter.

Mr. HUNTER. Senator, we do use it as I mentioned $42 million in the 2024 budget. Our request for 2025 is $52 million within that account. So, it is an increase and it reflects the fact that we are ramping up both development and production across a number of acquisition programs. So, we do need more resources and have requested them.

Senator TESTER. Did you have any questions? Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman.

Mr. Hunter, in the fiscal year 2025 budget, Air Force is acquiring less fighters than originally projected six less F–35s, six less F–15EXs than originally planned. We all get that it's right to get the right technology but at some point, it doesn't really matter how capable the fighter is, you have to have sufficient numbers.

In Alaska right now, the 18th Fighter Intercept Squadron, we think is accepting some increased risks because of the low inventory of the F–16s in the unit. So, question to you is as our threats and missions increase our aircraft inventory continues to decrease, does Air Force have a plan to increase the size of its fight or fleet in the out years?

Mr. HUNTER. So, we are continuing with purchase of our 5th Gen fighter aircraft F–35 and F–15EX in the 2025 request. We also intend to in effect multiply, force multiply that fighter force with the collaborative combat aircraft. And that's trying to, again, change that cost equation that Dr. LaPlante referenced that in terms of munitions, it's also very true in the tactical aircraft space that at

some point we need a mix of affordable aircraft along with our higher end fighter aircraft.

And so, we see the collaborative combat aircraft as being that affordable element that allows us to force multiply our fighter fleet, which the crewed fighter fleet, which remains essential but is always something where it's going to be challenging to get up to, you know, the hundreds of aircraft production numbers that would be necessary to stay completely even on the size of our fighter force.

Senator MURKOWSKI. So, let me ask a question about the expansion of research and the modernization funding in OSD (Office of Secretary of Defense) rather than in the military services, in this fiscal year that includes $1 billion in DIU (Defense Innovation Unit) and more than $500 million for the replicator initiatives to field thousands of autonomous attributable systems in the next 18 months.

One of the things that has been underscored in this committee is that OSD-led efforts have a clear path to be fielded at scale which is really the responsibility of the military services, drones or other innovative capabilities just can't be bought. They need to be incorporated into the tactics and the procedures for how the military services prepare and fight war as well as being maintained and modernized.

So, for each of you here there is—do we have sufficient rigor to ensure these sorts of efforts at the OSD level? That there's robust clear transition plans that include how the services are going to employ field and maintain these systems at scale.

Dr. LAPLANTE. I'll start by saying first, by asking the question Senator, you're actually making a really, really important point. The services lead on fielding at scale and organized training equip, not OSD——

Senator MURKOWSKI. Right.

Dr. LAPLANTE. Not OSD. And so, what's really, really important is much beyond the technology and the widget is what we call DOTmLPF, the doctrine, the training, the operations. So, if otherwise, it just doesn't really matter and we're seeing that with Ukraine. So, what's really important of these prototypes and efforts, whether they're done by OSD, DARPA (Defense Advanced Research Projects Agency), or done by in—you know, IRAD, is that if it's successful, a credible way to get this at scale and that the services can use it, can train to it, and can sustain it. So, it's a key point for us to watch rather than just get excited about the prototype by itself.

Senator MURKOWSKI. So, you think it's a good idea, but we're not quite there yet in terms of making sure that we are implementing to scale?

Dr. LAPLANTE. I would say it's a good idea but the—if it's like saying if you're three innings into a baseball game and the pitching's going really well don't celebrate because you have to finish the job and finish the job as the stuff has to get to the services.

Senator MURKOWSKI. Secretary Bush.

Mr. BUSH. Senator, I would suggest members think of it in two ways. One is OSE does have a times useful independent role in experimentation and prototyping with technologies that we haven't been able to focus on. And there needs to be a space for that. There

needs to be funding for that because sometimes they do discover things that we won't on our own.

However, when it comes to scale ma'am, the most productive efforts are ones that are paired with the services meaning they are collaborative and cooperative with a clear path to us from their work. We have had some successes.

The Army's new mid-range capability, which is our land-based anti-ship batteries started with the Scope Project and we took it, created, and made it an Army Program. We took their work, built on it and are now—we have fielded that. So, there can be successes, ma'am. We're doing that with replicator with the Army's effort that's been announced.

I think that tight coupling is where when the dollars get big there needs to be a service partner identified in advance before the money gets too big—would be my way to think about oversight.

Senator MURKOWSKI. Appreciate that. Secretary Guertin, anything final to add?

Mr. GUERTIN. So, the Navy has been very supportive of replicator. We actually brought two Navy and one Marine Corps projects to the first tranche of replicator in partnership with OSD. And I echo Mr. Bush's comments that that partnership is critical to fielding at scale.

One other aspect to that is when we're looking at these kinds of initiatives, we want to make sure we carry forward the sustainability and support work to make sure there are soldiers, sailors, airmen, marines, guardians can actually use this stuff in a reliable way when they need to in a fight.

Senator TESTER. Senator Murphy.

Senator MURPHY. Thank you very much, Mr. Chairman. Good to see you all. Thank you all for your service.

I wanted to turn to a very expensive program with a set of serious safety concerns attached to it. That's the Tilt Rotor V–22 Osprey Program.

At the end of November, 2023, we saw yet another fatal Osprey crash that claimed the lives of eight airmen due to a parts failure. From March, 2022 to November, 2023, we had 20 service members die in four fatal crashes. In February of 2023, DOD indicated that it had solved the hard-clutch engagement problem, thought to be behind these accidents with 99 percent certainty.

The department made that assurance only for two more Ospreys to go down in Australia in August and then in Japan in November of 2023, the accident I referenced. It's an important program. It's an expensive program but it's a program that seems to be plagued by significant and deadly safety concern.

So, Assistant Secretary Hunter, and Assistant Secretary Guertin, let me ask you this, I know you take these losses tremendously seriously. Can you update the committee on how your services are working to address these unanswered and ongoing safety problems with the V–22 Osprey?

Mr. GUERTIN. Senator, you're right. This is a particularly grave concern. The Navy and Air Force took it very seriously. We did a grounding of those aircraft after the November crash and we rigorously investigated. We looked at what the—we actually brought that craft back up out of the water. We investigated what was

going on to detailed analysis and we better understand what happened in that particular failure mode. We have established a crawl-walk-run approach to get back to the point where we can get back to the flight——

So, getting back to the crawl-walk-run, we're now in a limited envelope but we're characterizing and collecting data so that we can better understand where we are and be able to safely get back to the full flight envelope of that aircraft. The Marines have been flying that thing for years. They have a lot of them, they love that aircraft but we have to make sure that it's safe for them to fly.

Mr. HUNTER. And Senator, I appreciate the question. We obviously very deeply regret the loss of life. It was a terrible tragedy. We have been working very closely with the Navy on the sharing our engineering expertise. The Navy is the lead—has the lead engineering role and function for this platform but it's an important platform for the Air Force as well. And as secretary Guertin indicated with the crawl-walk-run approach, we have definitely taken great care.

And I know AFSOC (Air Force Special Operations Command) has taken great care to ensure that as we get on the path to return to flight operations every step of an echelon of the operating units and the support functions that support them are ready to go to the next stage to resume flight operations.

Senator MURPHY. 20 service members lost in the last 2 years. 60 service members lost overall to the Osprey. Look forward to continuing this dialogue.

To Secretary LaPlante, and Secretary Bush. I'll note that the Army decided in 2022 to move forward with a Tilt Rotor Aircraft for the future long-range assault aircraft despite these safety concerns. And despite the Tilt Rotor bid being close to twice the cost of the competing bid. And so, this committee is left with a contract award for a major program for the Army that has potential major cost implications and has serious safety concerns.

So, let me ask you can you talk about the steps that are being taken by the department and the Army with respect to the Flora contract that is underway to ensure that this new Tilt Rotor, the Valor, does not expose soldiers to the same risks that are apparent with the Tilt Rotor Osprey?

Dr. LAPLANTE. I'll just say a few words and then turn it over to my colleague Doug. Obviously, the safety considerations and the hard facts of what you've been saying about these terrible losses in the last year and a half weigh heavily on us. And I know the Army is—it's all part of how they're considering going forward, these programs. I'll let Doug continue.

Mr. BUSH. Senator, thank you for the question. I believe the Army—we believe we will benefit from the 20 years of engineering experience and knowledge that the Osprey has, will provide to our design which we believe will be fundamentally different in certain respects to make it as reliable and safe an aircraft as possible.

Senator, military aircraft do tragically crash sometimes. Military service is inherently dangerous, but we are committed to, of course, the safest aircraft we can possibly get. And we were happy to—we will work with members on that as we move forward.

Senator MURPHY. Well, I appreciate your answers, but I think anybody who has followed the history of military aviation would submit there have been particularly difficult problems with the Tilt Rotor, in part, because of the complexity of its design. And I certainly worry that we have not to any degree of satisfaction to these families settled the safety concerns on the Osprey.

And to your point Secretary Bush, we are developing a new version of the Tilt Rotor and so some of the lessons learned will be applicable but there's also just as good a chance that there are going to be a whole new set of safety concerns with the Valor that are going to add to the expense of this program that are ultimately going to be significant safety liabilities for our servicemen and cost liabilities for this committee. Thank you, Mr. Chairman.

Senator TESTER. Senator Moran.

Senator MORAN. Mr. Chairman, thank you.

Just a couple of questions in what time I have. Talk a bit about ammunition. Secretary Bush, you and I had a conversation I think in a classified setting about ammunition. We have an old army ammunition plant in Kansas that the Army has invested significant dollars to bring it back into production. And I think as a result of the passage of the Supplemental, that plant is now prepared to manufacture 12,000 155-millimeter ammunition as requested. So, thank you for that investment.

My question is, are we going to avoid the ups and downs and based upon the demand of the moment for ammunition, is there any demand signal to this plant or any other in the country? What happens when Ukraine is behind us? Is there a plan that precludes going through what we just went through with this significant investment that doesn't require that again in the future?

Mr. BUSH. Senator, yes. If I could first say thank you for the support and for the great folks in Kansas who are helping us build that load assemble pack facility. It comes online this summer as part of our overall ramp up to our desired level.

To your main question, we are thinking very carefully about that. What we don't want to happen is a cliff, where we have a rapid loss of workforce and an unwise ramp down that puts at risk these investments we're making in brand new facilities.

So, Senator, my ideal situation would be, oh, you know, over time when we are required to ramp down to lower production levels, we do two things, one, we maintain these facilities either—ideally with work—foreign military sales for example.

If we can keep that going, that lets us keep the high production rates going even longer and—but even if that winds down that we work share among the different facilities to maintain them in at least a warm status with enough people to be able to ramp up quickly.

One thing I will admit was not in place before was a really a kind of a war plan to ramp up production. Just like we have war plans for going in fighting wars. I believe we need one for mobilization and one that we should rehearse and think about and try out every now and then, even if it's simulated.

So that, Senator, needs to be a key lesson learned from this whole thing for the department, not just the Army, so that our potential enemies know that we can ramp up quickly and that should

deter them from taking us on. But we have to do it, Senator, not just talk about it.

Dr. LAPLANTE. Yes, just add to what Doug said. What we're putting in place with the methodology that Honorable Chris Lowman who works for me is doing with the services is not just have the requirement for the level of the munition, but to say what is the requirement after the conflict is over to replenish or reconstitute the munition, how fast, and to what extent, and put that in the requirements. And then we all have to budget to it.

So, we have to stick with it. I think because both the multi-year that we mentioned that you gave us and this concept that Doug's describing, we have to do it because we always get surprised.

Senator MORAN. Thank you both for your answers.

My final question, Mr. Chairman. Technology coordination between defense and commercial sectors seems important to me and a bit for what I talked about earlier in my questioning. To facilitate the speed and development of JADC2 (Joint All-Domain Command and Control) in this case capabilities. Dr. LaPlante, would you speak to the need for clarity and assigned responsibilities for JADC2 within the DOD?

Dr. LAPLANTE. Yes, thank you. The DOD is building out what's the JADC2, which in layman's terms is a way of doing the kill chain, if you will command and control of the kill chain across multiple weapons, multiple sensors, and multiple platforms. Doing that together with kinetic and non-kinetic is what JADC2 is all about. And it's what the department is building out. The services are working diligently on their piece. What OSD is doing is making sure that the standards are correct between the difference.

So, we have interoperability that we don't have vendor lock. And then to your point about commercial, that we take advantage of the best of commercial technology and make sure it's in there. Whether it's rapid networking reconstitution, whether it's artificial intelligence, that is what's being built with JADC2, the services are doing their piece. OSD is making sure that they can talk to each other as we build it together.

Senator MORAN. Would non-DOD experts in the development of this capacity be beneficial?

Dr. LAPLANTE. Absolutely, because if you think about what a 5G has had to do, which is build a terrestrial network that has high data rate, low latency, that is essentially what we need in JADC2 with the caveat that we're fighting these things in very contested areas.

Senator MORAN. Thank you.

Senator TESTER. I want to thank you for your testimony. I want to thank each and every one of you for the work that you do. We've got challenges out there in this acquisition sphere whether it's competition, whether it's workforce, whether it's timelines, whether it's meeting costs, whether it's the continuing CR baloney, and I'm being generous when I say baloney, that comes out of Congress, whether it's government shutdowns, whether it's budget adequacy. We've got to work together. We've got to be honest with one another. This is important stuff, especially at this moment in time.

ADDITIONAL COMMITTEE QUESTIONS

Senators may submit additional written questions. We would ask that you would respond to those questions, if they come in, at a reasonable amount of time. This defense subcommittee will reconvene on Tuesday, May 21, at 10 a.m. for a hearing with the Department of Army.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO DR. WILLIAM A. LAPLANTE

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. I strongly believe that competition drives better acquisition outcomes: it fosters innovation and keeps prices low. I assume you all agree with me on that? That said, often times the military services will reduce competition with the intent of achieving near-term budget savings—only to have to deal with vendor lock and lack of competitive alternatives later.

Secretary LaPlante, after laying out acquisition and funding strategies that ensured competition throughout development, the Missile Defense Agency in this budget is eliminating the competitions for the Ground-Based Interceptor (which defend the U.S. homeland against intercontinental ballistic missiles), and the Glide Phase Interceptor (which defend against hypersonic threats). I understand the budget pressures, but is this really a prudent approach? How do you ensure we don't pay for this decision later?

Answer. We acknowledge that earlier down select introduces additional risk into both the Next Generation Interceptor and Glide Phase Interceptor development; however, this risk is mitigated based on the technical maturity of the solutions, objective contractor-provided performance data, and technical rigor and testing built into the upfront design and development process. For the Next Generation Interceptor, the Department applied lessons learned from the Redesigned Kill Vehicle effort and mitigated risk throughout the acquisition and development process. The Glide Phase Interceptor program follows a similar approach leveraging learning and experience developing glide phase intercept weapon concepts through the Defense Against Hypersonics Analysis of Alternatives (AoA) and Regional Glide Phase Weapon System development efforts. GPI is also leveraging early high fidelity modeling and detailed technology maturation plans for its two vendors to drive demonstration of technical knowledge and resolve key engineering uncertainties, advancing the state-of-the-art, and mitigating associated critical program technical risks early in the developmental process.

In the current funding environment, maintaining competition for GPI teams would require slowing the pace of development and would delay flight tests and production decisions, jeopardizing our ability to meet Warfighter need dates. Down-selecting now allows the Department to focus its resources on the best single solution in the future, providing potential opportunities to realize cost savings while maintaining a schedule from only continuing one development effort on each program. Following down select to a single solution for both NGI and GPI, the Department will further control risk by continuing to measure progress through KPs, which continually assess technology maturation and critical technology element engineering. In addition for NGI, the Department is negotiating upfront, priced options to cover system integration, flight test support, manufacturing of flight test articles, and production of operational all-up rounds to establish a basis to influence contractor behavior.

Congress and the Department have significantly changed how DoD does acquisition since 2016. We are now more than 5 years into using an adaptive acquisition framework that allows for tailored and flexible acquisition strategies, yet the results are mixed.

Question. Dr. LaPlante, what have we learned over the last 5 years in terms of how these new processes have helped, and what still needs to change to get from demonstrating individual prototypes to fielding capabilities in relevant quantities?

Answer. The unique Adaptive Acquisition Framework (AAF) pathways, their flexibility, and the ability to combine and use multiple pathways enables acquisition at speed and scale better than ever before. For example, the Middle Tier of Acquisition Pathway (MTA) and the Urgent Capability Pathway (UCA) facilitate delivery of crit-

ical capabilities to the warfighter more rapidly when mature technology exists and is readily available. The Software Acquisition Pathway (SWP) enables better planning, execution and management of software intensive efforts while delivering initial capability more rapidly and facilitating iterative capability enhancements over time. SWP procedure can also be applied to Major Capability Acquisition Pathway (MCA) programs to ensure the most modern and efficient business practice is being employed. The ability to use two pathways in a complementary fashion facilitates a more rapid response with reduced (but still effective) administrative oversight.

The implementation of the AAF has also reminded us that we are only one of the three key systems (together with the Joint Capability Information and Development System (JCIDS) and the Planning, Programming and Budgeting and Execution (PPBE) process that guide DoD business operations and are often referred to as the "three-legged stool." To put it simply, all three legs must be aligned to ensure the objectives of the AAF are achieved. To that end, the Deputy Secretary of Defense established a Competitive Advantage Pathfinder (CAPs) program to identify systemic barriers to capability fielding resulting from disconnects among the "legs." As I mentioned in my testimony, we have conducted 6 CAPS that have identified process disconnects and demonstrated corresponding solutions that will help us achieve the goal of accelerating capability delivery and identifying scalable reforms. To ensure our AAF-supported investments are targeted on the right capabilities, we have initiated Integrated Portfolio Reviews (IAPRs) to identify program interdependencies and critical risks. The IAPRs bring together stakeholders from throughout the Department to ensure our acquisition investments are mission focused and, using the flexibility of the AAF, focused on delivering suites of capabilities that are collectively stronger than the sum of their parts.

Question. The Navy's MQ–25 program is multiple years behind schedule, and unit costs are at least five times greater than the initial award. The KC–46A program has over $6 billion in overruns and a 19-month-schedule delay past the original March 2024 fielding date. These are both Fixed Price Contracts, which means that the contractor has to pay for overruns, so you could argue that the cost overruns are not the Government's problem. There are also several other programs that fit this bill, such as the Frigate program, the B–21 Bomber, and others.

My first question is whether you are concerned that these cost overruns will eventually be handed over to the Government and therefore, the taxpayer?

Answer. The Department of Defense utilizes a variety of contracting mechanisms, to include fixed-price contracts, when acquiring products. Contracting officers consider a variety of factors when determining a contract type. Where appropriate, the Department of Defense can use fixed-price contracts to acquire major weapon systems. Fixed-price-incentive contracts can provide contractors with incentives to keep costs in check and stay on schedule. This contracting mechanism requires the contractor, not the Government, to pay for cost overruns and schedule delays.

Question. And second, are you concerned that industry will no longer bid on certain types of contracts, and what does that mean for future competitions?

Answer. The Department determines contract type based on acquisition planning and market research, along with the needs of the specific requirement and the risk the Department is willing to take. At the same time, industry must conduct their own risk analysis, including contract type risk, when making a bid-no bid decision.

The Department is committed to promoting maximum practicable competition. To that end we seek to select, or negotiate, a contract type that results in reasonable risk to both the Government and the contractor. Additionally, in most circumstances industry has an opportunity to voice any contract type concerns by participating in industry days or providing feedback on draft solicitations.

Question. Congress has provided substantial authorities and funding for multi-year procurement contracts of weapons that are critical to the Navy, Air Force, and Army. These contracts will to provide stability and funding predictability for the industrial base—even under the tight budget caps. We have been very clear that the Committee wants to see: Substantial unit cost savings; industry investing to expand and upgrade their facilities; and weapons being delivered on cost and schedule.

Can you give us an update on where you are in awarding these contracts? Are they generating savings, and are we getting weapons faster?

Answer. Since the inception of the MYP authorities, we have diligently executed approximately $801 million through five MYP contracts within our 155mm Artillery portfolio. This substantial investment, realized in August and September of 2023, has yielded an estimated cost savings of approximately $62 million, demonstrating the efficacy and fiscal prudence of this approach.

We plan to initiate four FY 2024 MYP contracts for the PAC–3 MSE, Naval Strike Missile, and JASSM programs, along with a JASSM/LRASM Economic Order Quan-

tity (EOQ) award. These contracts represent a total value of approximately $9.4 billion, with a projected cost savings of approximately $939 million.

At this juncture, it is premature to conclusively determine the extent of the cost savings, as certain factors have influenced the anticipated outcomes. The late approval of the 2024 budget has had a significant impact on pricing, further complicating the assessment of cost savings. Additionally, the 2024 congressional marks have impacted the projection of cost savings. Given these circumstances, it is evident that more time and analysis are needed before a definitive conclusion can be reached regarding the efficacy of the MYP authorities in generating cost savings.

It is important to note that production deliveries are contingent upon specific production lead times following contract award. In instances where there are shortages or constraints in the industrial base, it can result in delays in the delivery schedule. We are actively managing these factors to minimize any potential delays and ensure that weapon deliveries are carried out in a timely manner. Our priority remains meeting the needs of our armed forces while maintaining the highest standards of quality and reliability.

QUESTIONS SUBMITTED BY SENATOR LINDSEY GRAHAM

Question. The Department of Defense has long relied on global management consulting firms to advice various aspects of DoD operations including cost analysis of the F–35 fighter jet, integration of Space Force, Army, Navy, and Washington Center Office. Similar to other Federal agencies, the Pentagon operates under contractional provisions under Defense Federal Acquisition Regulation Supplement (DFARS). As publicly reported, many of these contractual agreements require vendors to immediately inform the Contracting office of any organization conflicts of interest. Some of these global management consulting firms hired by DoD have done sensitive work for U.S. advisories including SOE's in China and Russia.

For Department of Defense management consultant agreements, can you confirm all management consultant vendors have complied with conflict of interest disclosures?

Answer. The Department's contracting officers analyze all planned acquisitions, including those with management consulting firms, to identify and evaluate potential organizational conflicts of interest as early in the acquisition process as possible. Contracting officers are required to avoid, neutralize, or mitigate conflicts of interest prior to contract award.

The Department's contracting officers employ various methods to address potential conflicts, to include using tailored solicitation provisions and contract clauses that typically require, as a condition of contract award, limiting the contractor's eligibility for certain future prime contract or subcontract awards. In general, these solicitation provisions require the prospective contractor to provide additional information/disclosures concerning the actual or potential conflict. Failure to comply with such a provision or failure to adhere to conflict of interest disclosure requirements would make a prospective contractor ineligible for contract award.

Question. What specifically has the Department of Defense done to prevent organizational conflict of interest specifically for those consulting organizations that work on naval shipyards and the F–35 fighter jet program?

Answer. It is DoD policy that agencies obtain advice on major defense acquisition programs and pre-major defense acquisition programs from sources that are objective and unbiased.

The Department levies specific conflict of interest requirements on contracts for systems engineering and technical assistance for major defense acquisition programs. These requirements stem from the Weapon Systems Acquisition Reform Act of 2009 (Public Law 111–23) and prohibit the Contractor or any affiliate of the Contractor from participating as a prime contractor or major subcontractor in the development or production of a weapon system under the major defense acquisition program or pre-major defense acquisition program.

Question. Are an organization's internal "controls" sufficient for Department of Defense vendors who also have clients that include the China Construction Bank and China Resources (Holdings) Co., Ltd?

Answer. The current organizational conflict of interest rules do little to address a contractor's commercial business dealings with questionable foreign clients. Typically, the Government does not require contractors to disclose commercial business relationships, or if they have appropriate internal controls to mitigate any risks associated with questionable foreign clients.

Some additional support tools may become available when the "Preventing Organizational Conflicts of Interest in Federal Acquisition Act" is fully implemented in

the FAR. In the interim, the DoD will need to continue to evaluate each specific case based on the known facts.

QUESTIONS SUBMITTED BY SENATOR JERRY MORAN

Question. The National Defense Industrial Strategy called to "embrace COTS solutions to drive positive impact on innovation, cost-effectiveness, and expansion of the supplier base." The SOCOM Armed Overwatch Program is a recent example of integrating COTS solutions as the NDIS intended.

What other DoD programs can dual-use COTS avionics be practically integrated into?

Answer. Many large, fixed-wing aircraft leverage COTS avionics such as cockpit displays and equipment for navigation, and operation of the aircraft in the national airspace.

The DoD's Future Vertical Lift (FVL) efforts, including the Navy's FVL Maritime Strike and the Army's Future Long Range Assault Aircraft (FLRAA), were developed from inception using a Modular Open Systems Architecture (MOSA) approach to leverage COTS avionics. Legacy programs, such as the Army Black Hawk, continue to incrementally upgrade obsolete systems into MOSA to incorporate adaptable, affordable systems to address a rapidly evolving threat.

Industry primes assess the pros and cons for systems and subsystems to assess whether COTS components meet the requirements of the contract and are sufficiently available, reliable, and secure for use on a military system. COTS avionics can, in some cases, have an advantage of lower cost and have a significant amount of performance data available, but may not be effective for use in all environments.

Question. What steps has DoD changed in the acquisition process since the release of the NDIS to ensure COTS is being maximized across all of its programs?

Answer. DoD has always encouraged the use of COTS, so no changes to the acquisition process have been required based on the NDIS. The Adaptive Acquisition Framework (AAF), and its associate acquisition pathways, emphasize the use of COTS where it meets the requirements of the Department. However, the use of COTS must always be examined for appropriateness, sufficiency, security, and sustainability. Such considerations must be evaluated to determine the "best value" system design and procurement.

Question. What risk is the Department taking by accepting COTS solutions specific to avionics?

Answer. Potential risks from COTS solutions could arise from adversary manipulation of data, functions, and integrity of the products or services. Since DoD does not have visibility into the COTS solution providers' supply chain, it is challenging to ascertain foreign ownership, control, or influence of companies that make up the entirety of that supply chain. It is also challenging for DoD to determine if a product or service has been compromised, especially down to the hardware/software component and sub-component levels, without rigorous testing, which can negatively impact cost and schedule. There are several ongoing efforts within DoD that aim to address the risk, such as the new efforts for Supply Chain Illuminations and extensible Bill of Materials, and the enduring efforts of the Federal Acquisition Security Council, the Section 3252 Exclusion Order Scoping and Mitigation effort, the Committee on Foreign Investments in the United States (CFIUS), and various hardware and software assurance effort across the Department.

In addition, COTS vendors generally provide the Government with limited technical data and computer software deliverables and associated license rights, which can lead to challenges. Such challenges include an inability to (1) perform organic supply support, maintenance, and sustainment internal to DoD or by DoD allies or partners; and/or (2) competitively procure spares, repair parts, and services. This may also result in a lack of control over changes to interfaces and form, fit, and function of follow-on versions of the COTS component, and could result in the retrofit of replacement components being costly and complex.

Question. What other major DoD programs of record have encouraged the use of COTS products and seen increased participation from new suppliers?

Answer. The Department encourages the use of COTS in acquisition. For example, DoD's Future Vertical Lift (FVL) efforts are structured to leverage COTS as much as feasible. Additionally, the DoD's FVL efforts were developed using a Modular Open Systems Architecture (MOSA) approach to encourage the use of COTS software and hardware. Some legacy programs, such as the Army Black Hawk, continue to incrementally upgrade obsolete systems into MOSA to incorporate adaptable, affordable systems to address a rapidly evolving threat.

QUESTIONS SUBMITTED TO DOUGLAS R. BUSH

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. Congress and the Department have significantly changed how DoD does acquisition since 2016. We are now more than 5 years into using an adaptive acquisition framework that allows for tailored and flexible acquisition strategies, yet the results are mixed.

To Secretaries Bush, Hunter and Guertin, you all have examples of successful rapid acquisition programs, but also programs that have not delivered as promised. For instance, the Navy's Extra Large Unmanned Undersea Vehicle, the Army's Extended Range Cannon, and the Air Force's F–22 Sensor Enhancement Program all come to mind as rapid acquisition programs that have failed to deliver. Could you each please highlight your lessons learned for future approaches?

Answer. The use of rapid acquisition authorities such as the Middle Tier of Acquisition allows the Army to engage with industry more quickly to test novel approaches to address capability requirements. This earlier experimentation and testing often results in identifying both promising innovations and technical challenges earlier in the acquisition cycle. The Army learns from these efforts by incorporating successful elements while off-ramping elements lacking technical maturity without acquiring significant quantities of a particular system. This allows the Army to better evaluate and learn from various potential solutions from industry without the financial burden that would be required under the traditional acquisition system.

In the case of the Extended Range Cannon Artillery (ERCA) program, the Army made significant progress in increasing the range of tactical fires. While the effort ran into engineering challenges, the Army was able to identify the problem early on during prototyping, before committing resources to production. The knowledge gained from the ERCA effort allows us to quickly re-engage with industry and pivot to other potential technical solutions that may already exist.

Question. Congress has provided substantial authorities and funding for multiyear procurement contracts of weapons that are critical to the Navy, Air Force, and Army. These contracts will to provide stability and funding predictability for the industrial base—even under the tight budget caps. We have been very clear that the Committee wants to see: Substantial unit cost savings; industry investing to expand and upgrade their facilities; and weapons being delivered on cost and schedule.

Can you give us an update on where you are in awarding these contracts? Are they generating savings, and are we getting weapons faster?

Answer. Congress has been instrumental in providing the Army with the authority to enter into new multiyear contracts for Patriot Advanced Capability 3 (PAC–3), Guided Multiple Launch System (GMLRS) and 155mm artillery rounds, which will provide us stability and predictability of the supply chain and demand for those munitions.

The current target for award of the PAC–3 multi-year procurement (MYP) is by the end of June 2024. The Army anticipates savings of up to 3 percent and improved stability in the PAC–3 supply chain resulting from the MYP approach.

The GMLRS MYP contract will be for fiscal year 2024 (FY24)–FY27, with an already awarded FY24 delivery order being modified to become the base for the multiyear contract. Proposals are still outstanding and the Army is anticipates saving of 2.5%. MYP does not shorten the production timeline, however, GMLRS has Advanced Procurement funding, which will reduce production lead time from 34 months to 22 months.

With respect to 155mm artillery ammunition, the Army is executing several MYP contracts. Initial MYP contracts for Artillery Munitions and components were awarded in FY23. Additionally, delivery orders were awarded off the MYPs in FY24 for the Modular Artillery Charge System (MACS) containers, MCAS Load Assemble Pack (LAP), and M1128 Metal Parts. Delivery orders for the MYP for M1128 LAP are estimated to be awarded in 4QFY24 and deliveries are anticipated to begin in March 2025. The Army estimates savings ranging from 3% to 11% per awarded contract.

Question. The Navy's MQ–25 program is multiple years behind schedule, and unit costs are at least five times greater than the initial award. The KC–46A program has over $6 billion in overruns and a 19-month-schedule delay past the original March 2024 fielding date. These are both Fixed Price Contracts, which means that the contractor has to pay for overruns, so you could argue that the cost overruns are not the Government's problem. There are also several other programs that fit this bill, such as the Frigate program, the B–21 Bomber, and others.

My first question is whether you are concerned that these cost overruns will eventually be handed over to the Government and therefore, the taxpayer? And second,

are you concerned that industry will no longer bid on certain types of contracts, and what does that mean for future competitions?

Answer. The Army respectfully defers to the Navy and Air Force on the execution of the programs listed.

QUESTIONS SUBMITTED BY SENATOR LINDSEY GRAHAM

Question. For several fiscal years, Congress has increased funding for the M240 Medium Machine Gun (7.62mm) in its annual appropriations bills. However, while Congress increases funding for the M240, the Army continues to request fewer and fewer resources for the program, to include just $3,000 in the FY25 request.

What is the Army's strategy for the M240 line and does the Army have an account of how many guns are in the inventory to include a breakdown by model?

Answer. The Army's strategy for the M240 family of machine guns is to continue investigating and implementing various product improvements to increase reliability, extend service life, and reduce weight for enhanced mobility while the Army determines the path forward for a Future Medium Machine Gun. The Army has achieved the Army Acquisition Objective (AAO) for all M240 variants. Production is expected to continue to support Foreign Military Sales (FMS), replacements for Presidential Drawdowns, and other Service requirements. The Army will continue to replace weapons that reach the end of their service life with inventory stored at Anniston Army Depot (ANAD). The current inventory, broken out by model, is listed in the table below:

The Army will be happy to provide the requested inventory data to Senator Graham's office directly.

Question. How much, if any, of the 2024 National Security Supplemental funding has gone to sustaining the M240 line for use by the Army?

Answer. To date, the Army has received $7 million in supplemental funding to replace M240s sent overseas as part of Presidential Drawdowns.

QUESTIONS SUBMITTED BY SENATOR JOHN BOOZMAN

Question. Regarding the $700 million investment at Radford Army Ammunition Plant, when will we see that reflected in production levels?

Answer. The $700M investment at Radford Army Ammunition Plant includes the design and construction of the new Nitrocellulose facility and critical facilities that support the facility, such as the new Nitric Acid Concentrator/Sulfuric Acid Concentrator Process, acid tank farm, and ancillary improvements to acid area infrastructure. The project is scheduled to be completed by 1QFY25 and will support the production of 20M—28M pounds of Nitrocellulose per year.

Question. Is the plant already operating at full capacity or is it still being modernized?

Answer. The new Nitrocellulose facility is currently in commissioning and the plan is to complete commissioning and transition to support production in 1QFY25.

Question. Are there any obstacles in the way that Congress can help address if the Army is still working toward full capacity levels?

Answer. The government owned, contractor operated Army Ammunition Plants serve a vital role in protecting the nation's security. The Army is appreciative of Congress' support to its Ukraine Supplemental requests, and, specifically, efforts to accelerate the Army's Army Ammunition Plant Modernization program, which supports both the high demand of 155mm munitions and acquires state-of-art manufacturing equipment/technologies.

Question. Regarding other investments, what is the price tag to stand up additional facilities to manufacture nitrocellulose to avoid reliance on other countries? Is this already being considered, and if so, have other potential locations already been identified?

Answer. The Army does not have plans to invest or construct additional Nitrocellulose facilities. A second source for Nitrocellulose is being constructed within the National Technology and Industrial Base (NTIB), in Canada, to reduce risks of a single point of failure. The costs to build an additional facility would depend on the current infrastructure and supporting facilities at the selected site.

QUESTIONS SUBMITTED TO NICKOLAS H. GUERTIN

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. Congress and the Department have significantly changed how DoD does acquisition since 2016. We are now more than 5 years into using an adaptive acquisition framework that allows for tailored and flexible acquisition strategies, yet the results are mixed.

To Secretaries Bush, Hunter and Guertin, you all have examples of successful rapid acquisition programs, but also programs that have not delivered as promised. For instance, the Navy's Extra Large Unmanned Undersea Vehicle, the Army's Extended Range Cannon, and the Air Force's F–22 Sensor Enhancement Program all come to mind as rapid acquisition programs that have failed to deliver. Could you each please highlight your lessons learned for future approaches?

Answer. The Department of the Navy (DON) appreciates the changes made to acquisition policy, which resulted in the Adaptive Acquisition Framework (AAF). I am confident that, through the AAF, we have been provided the needed policy tools to respond to requirements. However, from a cultural standpoint, we have work to do to show our Program Managers and program offices that we support them, encourage them to utilize the most appropriate acquisition pathways for their programs, and in fact expect them to tailor their acquisition approaches. We are also adjusting our thinking, encouraging programs to embrace the flexibility of the adaptive acquisition framework through the use of multiple pathways to deliver capability.

In terms of lessons learned for rapid acquisition, we have found that successful programs have:

—Ensured that funding and contracting vehicles were fully ready prior to formally starting the program.

—Obtained support from the resources & requirements communities.

—Used iterative design approaches.

—Prioritized schedule by off-ramping capabilities when necessary.

In our Middle Tier of Acquisition (MTA) portfolio, we have had 10 programs exit the pathway: 50% completed successfully, 30% transitioned to another pathway (which is often pre-planned), while 20% were terminated as a result of changing needs. Through the use of MTA, programs have been able to get started faster and in some cases fail faster, allowing us to quickly adjust resources to more promising outcomes.

While I concur that results have been mixed, for the reasons stated above I believe they are broadly positive. The AAF's pathways are still in their early stages, and I respectfully request your support and the support of this committee in maintaining the flexibility afforded by the AAF.

Question. Congress has provided substantial authorities and funding for multi-year procurement contracts of weapons that are critical to the Navy, Air Force, and Army. These contracts will to provide stability and funding predictability for the industrial base—even under the tight budget caps. We have been very clear that the Committee wants to see: Substantial unit cost savings; industry investing to expand and upgrade their facilities; and weapons being delivered on cost and schedule.

Can you give us an update on where you are in awarding these contracts? Are they generating savings, and are we getting weapons faster?

Answer. The use of smart acquisition strategies like Multi-Year Procurements (MYP) provide stability to the defense industrial base and save the department billions of dollars when compared to buying on an annual basis. Savings are achieved through efficient material purchasing, optimal production planning, and overhead rate efficiencies associated with stable, firm workload. Additionally, multi-year and block buy procurement authorities support faster fielding of systems through optimal build sequencing, continuous production lines, and predictability for the broader supply base.

Naval Strike Missile (NSM): The NDAA for FY23 authorized the Navy to enter into a MYP contract for up to 1250 NSM All Up Rounds (AURs). The Navy is on schedule to award the NSM MYP, which will address FY24–FY28 requirements, to Kongsberg Defense and Aerospace (KDA) by August 2024. The Navy estimates savings attributable to this MYP strategy at $153.6M or 13.6% cost savings through the FYDP. KDA invested company funds to increase production capacity to 450 AURs per year to meet worldwide demand and expedite deliveries throughout the FY2024–FY2028 MYP.

Standard Missile (SM): The FY23 and FY24 NDAAs authorized a MYP contract for SM–6 Block IA/IAU (up to 1500 rounds). This authority and the provisions of annual appropriations acts, however, further require specific authority for this MYP contract to be provided in the appropriations act. The FY24 Consolidated Appropria-

tions Act did not authorize a MYP contract for SM–6. The Navy received $117M in Advance Procurement funding to procure long lead material for a quantity of 222 All Up Rounds (AURs) and is pursuing a single year procurement in FY24 (quantity 97) with an FY25 option (quantity 125). Estimated contract award is Q4FY24. The Navy is currently evaluating opportunities for a MYP for SM–6 in FY26.

JASSM/LRASM: The Navy and Air Force are nearing the end of the fact finding/technical evaluation phase. We have been supporting supplier negotiations and plan to enter into contract negotiations in June 2024, with contract award of JASSM/LRASM Multi-Year Procurement to include Economic Order Quantity (EOQ) funding tracking to Aug 2024.

A unit price has not yet been negotiated, but CAPE is estimating a 10% cost savings and facilitization funding is expected to increase production capacity to 240 missiles per year. EOQ funding would yield an additional 83 missiles under MYP, assuming a typical "buy to budget" purchasing approach, with 160 missiles delivering 4 months earlier than with a single year procurement.

Question. The Navy's MQ–25 program is multiple years behind schedule, and unit costs are at least five times greater than the initial award. The KC–46A program has over $6 billion in overruns and a 19-month- schedule delay past the original March 2024 fielding date. These are both Fixed Price Contracts, which means that the contractor has to pay for overruns, so you could argue that the cost overruns are not the Government's problem. There are also several other programs that fit this bill, such as the Frigate program, the B–21 Bomber, and others.

My first question is whether you are concerned that these cost overruns will eventually be handed over to the Government and therefore, the taxpayer? And second, are you concerned that industry will no longer bid on certain types of contracts, and what does that mean for future competitions?

Answer. The treatment of cost overruns and any associated Government share depends on the type of fixed price contract utilized. For awareness, the Frigate program utilizes a fixed-price incentive (firm target) (FPIF) contract type and contains an Economic Price Adjustment (EPA) clause and the MQ–25 development effort utilizes a FPIF contract type. Under FPIF contracts, the contractor's actual (allowable and allocable) costs are recognized up to the contract ceiling. To the extent the actual cost differs from the anticipated cost to perform the effort (Target cost), the target profit will be adjusted by the application of a share ratio to the costs which are over or under the target cost. Under fixed-price contracts with EPA, the EPA clause establishes a mechanism to mitigate specifically covered cost risks to both parties as a result of industry-wide contingencies beyond any individual contractor's control. In these instances, the Government will bear the cost risk up to the limit specified in the clause (if any). Based on the programs in question and the specific associated contract types, the DON is not concerned that the cost overruns experienced on these existing contracts will be handed over to the Government beyond the ceiling prices identified in each contract and any costs covered by an EPA clause. However, there is a reason for concern on future contracts due to increased actual costs, impacts to indirect rates, and other financial considerations made by the contractor in follow-on proposals.

In order to mitigate industry's future willingness to bid on certain types of contracts based on their risk tolerance, the Department will perform greater pre-solicitation engineering and risk reduction activities as well as work with our industry partners to address these concerns to balance risk and promote a healthy industrial base. Recently, the CEO of a major defense contractor announced in a shareholder meeting that they will no longer accept what they deem as "unacceptable risk" in certain programs with the DoD. If this position holds and is shared by other industry partners, it is possible industry will not bid on certain acquisition arrangements. For future procurements, it will be increasingly important for the Department to solicit industry's risk concerns and develop strategies that mitigate reasonable claims of risk. In addition, the Department will continue judicious use of contract type selection in accordance with FAR 16.103 and 16.104 to achieve the objective of negotiating contract types and prices (or estimated cost and fee) that will result in reasonable contractor risk and provide the contractor with the greatest incentive for efficient and economical performance. Many factors are considered in contract type selection such as price competition, price analysis, cost analysis, and the type and complexity of the requirement.

QUESTIONS SUBMITTED BY SENATOR JOHN BOOZMAN

Question. Next generation naval capabilities will be an important part of our defense strategy in the coming decades as the U.S. and its allies combat emerging

naval threats from China and other adversaries. The Navy's Hybrid Energy Drive program, also known as the DDG(X) program, has been working towards modernizing our capabilities, including through the next generation of DDG 51 Class Guided Missile Destroyers, which will improve tactical capabilities and reduce operating costs. What is DoD doing to accelerate the development of this modern class of destroyers?

Answer. The Navy built the acquisition strategy for DDG(X), the Navy's next enduring large surface combatant, based on the Integrated Product and Process Design strategy successfully used by the COLUMBIA program through early collaboration with Industry partners, incorporating lessons learned from previous shipbuilding programs, utilizing a common design tool, de-risking critical systems, and ensuring a smooth transition of the industrial base from DDG–51 Class production to DDG(X) production.

The Navy has awarded three contracts: one for each of the Destroyer shipbuilders, Huntington Ingalls Industries (HII) and Bath Iron Works (BIW); and one to Gibbs and Cox, for design and engineering services. These contracts are in place to leverage early industry collaboration and utilize their expertise of large surface combatant designs. This early collaboration with industry in the Navy-led Team will promote a higher level of producibility and affordability in the design prior to the detailed design and construction phase of the program.

The Navy is coordinating a single Computer Aided Design Product Lifecycle Management Tool (CAD PLM) to be used by both shipyards and the Navy design team to facilitate cross organizational technical exchange throughout the design process. In addition to concept design, the Navy is focusing on early de-risking of DDG(X) through the Land Based Test and Engineering Site at Naval Surface Warfare Center (NSWC) Philadelphia. The plan is to de- risk the power and propulsion system and provide a final form, fit, function to further reduce design risk and optimize integration prior to ship activation.

The Navy Acquisition Strategy, across the large surface combatant portfolio, is focused on a smooth transition for the shipbuilder's design and production workforce. The Navy will be deliberate in the workload transition from DDG 51 Flight III Class of ships to DDG(X) across the industrial base.

QUESTIONS SUBMITTED TO ANDREW P. HUNTER

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. Congress and the Department have significantly changed how DoD does acquisition since 2016. We are now more than 5 years into using an adaptive acquisition framework that allows for tailored and flexible acquisition strategies, yet the results are mixed. To Secretaries Bush, Hunter and Guertin, you all have examples of successful rapid acquisition programs, but also programs that have not delivered as promised. For instance, the Navy's Extra Large Unmanned Undersea Vehicle, the Army's Extended Range Cannon, and the Air Force's F–22 Sensor Enhancement Program all come to mind as rapid acquisition programs that have failed to deliver. Could you each please highlight your lessons learned for future approaches?

Answer. Middle Tier of Acquisitions (MTAs) provide a critical tool to leverage prototyping and rapid fielding of mature capability when used properly to identify and scope technology and producibility risk and adapt mature technology to Air Force requirements. When used in conjunction with well-developed transitions from prototyping to production under programs of record, MTAs facilitate delivering meaningful operational capability to the warfighter in a relevant timeframe. The Air Force has been leveraging lessons learned from past and current programs to apply to future approaches. These lessons learned include:

—Five years is too short a timeline for highly complex systems such as aircraft.
—Clarify and address key technical and producibility risks as early in prototyping as possible and build-in technology off ramps wherever possible.
—Incorporate transition planning as early as possible.
—Make clear the criteria for success of both the MTA and subsequent production.

Question. Congress has provided substantial authorities and funding for multi-year procurement contracts of weapons that are critical to the Navy, Air Force, and Army. These contracts will to provide stability and funding predictability for the industrial base—even under the tight budget caps. We have been very clear that the Committee wants to see: Substantial unit cost savings; industry investing to expand and upgrade their facilities; and weapons being delivered on cost and schedule. Can you give us an update on where you are in awarding these contracts? Are they generating savings, and are we getting weapons faster?

Answer. The Air Force plans to award the JASSM/LRASM Multi-Year Procurement (MYP) contract in 4QFY24 to Lockheed Martin. Lockheed Martin projects a cost savings of 3.5% versus a single-year procurement contracting approach based on economic order quantity discounts and anticipates expedited delivery schedules of 4–8 months over the course the MYP effort.

Question. The Navy's MQ–25 program is multiple years behind schedule, and unit costs are at least five times greater than the initial award. The KC–46A program has over $6 billion in overruns and a 19-month-schedule delay past the original March 2024 fielding date. These are both Fixed Price Contracts, which means that the contractor has to pay for overruns, so you could argue that the cost overruns are not the Government's problem.

There are also several other programs that fit this bill, such as the Frigate program, the B–21 Bomber, and others. My first question is whether you are concerned that these cost overruns will eventually be handed over to the Government and therefore, the taxpayer? And second, are you concerned that industry will no longer bid on certain types of contracts, and what does that mean for future competitions?

Answer. Under a Firm Fixed Price contract the contractor is responsible for all costs above the contract value in completion of delivery and performance agreed to in the contract. In terms of concerns with cost overruns eventually being handed over to the Government, requirements are supported by an Independent Government Cost Estimate. Where competition is not the basis used to determine a fair and reasonable cost/price, analysis is conducted on the cost/price proposal. Contracting officers will secure the necessary data (i.e., certified or other than cost and pricing data) and request an audit from Defense Contract Audit Agency (DCAA), where required, to determine a fair and reasonable cost/price.

The Air Force is aware of industry's concerns regarding fixed price contracts but recognizes that a healthy industrial base is paramount for successful delivery of capabilities at speed and scale to the warfighter.

Every acquisition is unique and situationally dependent on many factors that must be considered to determine the best contract type to use for that specific requirement. This includes: market conditions; availability of resources; competition; commerciality; technology maturation; complexity and phase of the program that drive cost, schedule, and performance risk to both parties. All data, coupled with industry engagement and feedback, informs the contract type decision.

In this process, the Air Force considers the full range of contract types available to structure business arrangements that achieve a reasonable balance of risk between the Government and the contractor, while providing the contractor with the greatest incentive for efficient and economical performance. The Air Force will continue to use Fixed Price contracts when it makes sense to do so, but also continues to strive for crosstalk and engagement with industry to ensure concerns are heard and addressed when possible.

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. The FY24 Defense Appropriations explanatory statement included report language that seeks to address efforts by OEMs to discourage fair and open competition between themselves and independent providers for bearing repair and refurbishment in fixed wing and rotorcraft aircraft. Similar language had been included in the FY23 National Defense Authorization Act directing the Department to report on the matter. Congress supports fair and open competition between OEMs and independent bearing repair service providers. This is necessary for the development of a robust domestic industrial base that avoids increased costs and delay for military weapon systems.

What actions are being taken by the Air Force to conduct solicitations in a manner which encourages the submission of bids by independent bearing service providers?

Answer. The Air Force uses several avenues to encourage bids through open competition to the maximum extent practicable and to ensure industry awareness of upcoming requirements. These include hosting Industry Days, using Federal Acquisition Regulation (FAR) Part 16 type contracts to award multi-vendor contracts like Indefinite Delivery/Indefinite Quantity contract vehicles; posting both Requests for Information and Draft Requirements Documents that include appropriate/salient clauses (e.g., 252.225–7016, Restriction on Acquisition of Ball and Roller Bearings) to SAM.gov, which is the official entry point for Federal acquisitions; and encouraging Defense Industrial Base (DIB) participation to maximize competition.

Question. What incentives are being, or could be, provided to fixed wing/rotorcraft aircraft Engine OEMs, and Bearing OEMs, that could support approval of these independent domestic bearing service suppliers?

Answer. The Air Force has incorporated award fees and incentive fee contract structures to incentivize contractor performance in numerous environments for engine prototyping and production. Furthermore, the Air Force Propulsion Directorate has partnered with the Defense Logistics Agency (DLA) in "Captain of Industry" contracts that provide more stable demand for bearings. Additionally, small business participation goals are included in the Air Force Propulsion Directorate contracts and assessments that require Subcontracting Plans to ensure that Prime Contractors provide and allow for small business opportunities.

Question. What reforms are being developed that will safeguard the general solicitation process to preclude independent vendors from being allowed to submit a bid for consideration.

Answer. The inclusion of Defense Federal Acquisition Regulation Supplement (DFARS) clauses (e.g., 252.225–7016, Restriction on Acquisition of Ball and Roller Bearings) and the conduct of a compliance assessment when posting Draft Solicitations and Requests for Information to SAM.gov are some of the methods used to safeguard the process. Additionally, any Source Approved-Vendor may bid on bearing contracts. Independent vendors also have the option of gaining approval through submission of Source Approval Requirement (SAR) Packages. SARs require the vendor to submit company quality plans, access to required drawings, and manufacturing capability. Following an approved SAR, if the interested vendor is then awarded a contract, a First Article Test is subsequently required. If the independent vendor is not licensed to use the OEM drawings, then they must reverse engineer and substantiate the design. This substantiation would include an operational test run funded by the vendor, but the SAR package provides an entry for new suppliers.

Question. s the Air Force incentivizing Engine OEMs to work with independent bearing vendors, to qualify them as approved sources, for future solicitations?

Answer. The Air Force is supporting maximum competition and incentivizing Engine OEMs to maintain and increase the DIB.

Question. Would the Secretary consider using an expedited process to approve these sources if the Engine OEM refuses to support a process under which independent suppliers can be qualified?

Answer. The Air Force is not opposed to expediting approval of sources should the need arise. Furthermore, the Air Force Propulsion Directorate's current SAR Package submittal process is effective and timely when companies choose the SAR Package option. The substantiation of the design and operational test run funded by the vendor are still requirements.

Question. Multiple USTRANSCOM Commanders have testified over the last few decades to Congress that aerial refueling is "it's most stressed capability," with one commander (responding to congress), "If I had a thousand more tankers it might be enough." In 2020, the Air Force made congress aware that 30 thousand hours of aerial refueling missions were not being supported annually.

Does the Air Force (AFWERX) have a Commercial Air Refueling Augmentation (COMAUG–AR) Small Business Innovation Research (SBIR) effort underway?

Answer. Air Refueling Tanker Transport (ART2) LLC completed a Phase I SBIR contract on April 19, 2024 (FA8649–24–P–0223). The contract was for delivery of a study of a COMAUG–AR framework required for a U.S. owned and operated civil air refueling air carrier to operate DoD and Air Force air refueling requirements via a requirements matrix. ART2 proposed a solution that yields a Civil Reserve Air Fleet aerial refueling partner technically capable of delivering COMAUG–AR during defense mobilizations, national emergencies, or wartime surges. The company is eligible to submit a proposal for a follow-on Phase 2 SBIR contract for development of a prototype system.

Question. In addition to the continued fielding and enhancement of the KC–46A and existing KC–135 fleet to meet current and future air refueling requirements, to what extent has the Air Force assessed leveraging commercial air refueling capabilities?

Answer. Currently, the USAF fleet of 466 tanker aircraft is sized to meet the fully mobilized wartime tanker requirement. The DAF has assessed commercial air refueling solutions and has found that while commercial air refueling will increase capacity, it may come at the expense of USAF tanker crew training and readiness requirements. In other words, one-time divestment cost for KC–135s and KC–10s will likely increase commercial costs to the USAF, which may exceed savings.

Question. To what extent is the Air Force considering National Defense Authorization Act provisions suggesting KC–10s be transferred to the OEM as Excess Defense Articles (EDA) for the purpose of establishing COMAUG–AR?

Answer. There is no current plan to transfer KC–10s at this time. Existing laws and regulations require the Original Equipment Manufacturer (OEM) to agree to allow KC–10 AR Boom system's engineering and technical orders to be shared with a commercial company prior to selling or loaning the equipment as Government Furnished Equipment (GFE). At this time, the Air Force has not received any formal demilitarization waiver requests. The Air Force will examine the possibility and details of transferring aircraft as GFE if a demilitarization waiver were to be approved by OSD.

Question. What is the total KC–10A divestment program cost, to include storage of support equipment, engines, flight simulators and training material? Relatedly, what potential cost saving or cost avoidance is associated with transferring such KC–10s to the OEM as EDA instead?

Answer. In FY24, there was a total of $30M programmed in KC–10 PEs (active duty and reserve) and $0 in FY25-beyond. This funding includes one-time induction costs for the remaining fleet into Type storage (2000—$147k; 4000—$125k) but does not include recurring costs at the Aerospace Maintenance and Regeneration Group (AMARG). All aircrew and maintenance personnel costs have been transferred to KC–46 operations therefore there are no specific cost savings or cost avoidance.

SUBCOMMITTEE RECESS

Senator TESTER. We stand in recess.

[Whereupon, at 11:21 a.m., Wednesday, May 15, the subcommittee was recessed, to reconvene at 10 a.m., Tuesday, May 21.]

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2025

TUESDAY, MAY 21, 2024

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:01 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Brian Schatz presiding.

Present: Senators Murray, Schatz, Baldwin, Murphy, Coons, Collins, Murkowski, Moran, Hoeven, Boozman, and Capito.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE ARMY

OFFICE OF THE SECRETARY

STATEMENT OF HON. CHRISTINE WORMUTH, SECRETARY

OPENING STATEMENT OF SENATOR BRIAN SCHATZ

Senator SCHATZ. Good morning. The committee will come to order.

Welcome back, Secretary Wormuth. We appreciate your leadership of our Nation's Army and we look forward to discussing with you the Army's budget priorities for fiscal year 2025.

And welcome, General George, to your first hearing before this subcommittee. I am interested to hear your perspectives, and we look forward to hearing from you.

The fiscal year 2025 budget request for the Department of the Army is $180.3 billion, excluding funds for MILCON (Military Construction), which is the same level as the enacted number for fiscal year 2024. Fiscal 2024, once again, and unfortunately unsurprisingly, began under a continuing resolution, which ended up lasting for a full 6 months. Our entire military is affected by CRs (Continuing Resolutions), but coupled with months'-long delay in enacting the National Security Supplemental the Army was doubly affected, because you were unable to replace weapons systems you donated to Ukraine with modern capabilities.

I am glad that Congress finally got its act together and passed the National Security Supplemental, but just like the regular appropriations bill, it was needlessly delayed by many months.

Worldwide challenges and threats are constantly evolving, and as we discussed last year, the Army's response to the increasingly complex battlefield of the future is to transform into the Army of 2030. This transformation includes investments in people, the reor-

ganization of forces, the development of new equipment, and the adoption of new concepts to defeat adversaries.

We can best help the Army on its path to modernization through the timely enactment of a Defense Appropriations bill for fiscal year 2025, one-time appropriations provide the resource predictability—on time—excuse me, on-time appropriations provide the resource predictability that enable the Army to execute training and operational plans effectively for the entire fiscal year.

I look forward to working with Senators Murray and Collins and, of course, the real Chairman, Senator Tester, to position us for success to getting a budget passed on time.

Once again, I want to thank each of you for your service to our country.

Before you make your opening statements, I will turn it over to the Vice Chair, Senator Collins, for her remarks.

STATEMENT OF SENATOR SUSAN M. COLLINS

Senator COLLINS. Thank you very much, Chairman Schatz, and welcome to your new role on this subcommittee.

Secretary Wormuth, it is great to see you again. General George, as this is your first time testifying before our subcommittee, I want to welcome you. Thank you both for your service and your leadership.

One of my chief concerns for the Army this year remains the same as it was last year, and that is recruiting. Madam Secretary, I commend you and the Chief for your steadfast refusal to compromise on recruiting standards, and I understand from your written testimony that the results of the Future Soldier Prep Course continue to be promising. Nevertheless, the Army either missed its recruiting objectives or lowered them in 3 of the last 5 years.

The proposed active duty end strength represents the smallest Active Duty Army since the start of the Volunteer Force in 1973. It is substantially less than the Army's goal of 470,000 soldiers by the year 2029. I look forward to hearing how the Army is updating its recruiting approach and what resources are included in your budget requests to recruit enough qualified men and women.

While the National Security Strategy's primary focus is competition with China, Army soldiers, along with our sailors and marines, are in harm's way today in the Middle East. It is also the Army, more than any other Service that is providing the lion's share of equipment and training to help Ukraine's own army defeat and defend against Russia's brutal invasion.

I would ask our witnesses to clearly articulate how the Army's proposed modernization efforts and Force structure changes will improve the Army's posture to address these growing threats.

In particular, I am interested in hearing more about how you plan to integrate robotic and unmanned systems into your future formations, using platforms like the Robotic Combat Vehicle. A very innovative company in Maine, I am pleased to say, Howe & Howe how is contributing to this critical technology.

General George, counter-drone technology is also at the top of your unfunded priorities list. I hope you will share with us in greater detail your prioritization of those capabilities since I share your view on their importance.

The recently passed supplemental bill included more than $380 million for Army counter-drone systems, none of which, I would note, was included in the original supplemental requests. So I am glad that, working with Chairman Murray and Chairman Tester, that we have been able to address that critical need. It is important as we deal with the attacks against Israel and against our forces that are in harm's way, from the threats posed by Iran and its proxies.

Let me give you one illustration of why these investments are so important. The son of one of the most experienced workers at an armament plant in Saco, Maine, was deployed with the Army in the Middle East after October 7. His Army unit was protected from these inbound drones by the very weapon systems built in Saco.

So we must never forget that there are real lives at stake, and that is why it is so critical that we continue to modernize and invest in the Defense Industrial Base, since we have seen firsthand that warfare has changed dramatically.

Finally, I would ask both of our witnesses to provide an update on how this budget request builds upon the progress from the fiscal year 2024 Supplemental to expand munition production and strengthen our industrial base. We have made a lot of good progress, but there is still much work to be done.

I look forward to hearing your testimony. Thank you for being here.

Senator SCHATZ. Thank you, Vice Chair Collins.

Secretary Wormuth, please proceed with your testimony.

SUMMARY STATEMENT OF HON. CHRISTINE WORMUTH

Secretary WORMUTH. Good morning, Senator Schatz, Vice Chair Collins, distinguished members of the committee, thank you for your continued support of our soldiers, Army civilians, and their families.

General George and I appear before you today at a moment of profound transformation for the United States Army. We are transforming our capabilities, our Force structure, and our recruiting enterprise to ensure the Army is ready and able to defeat evolving threats, keep pace with technology, and attract the very best talent.

As we pursue this transformation, we are also taking care of our people, ensuring that our soldiers and families have the quality of life that they deserve to sustain our readiness now and in the future.

This is my fourth year in front of this committee, and like last year, the Army's 2025 budget continues to support the most ambitious modernization effort the Army has undertaken in more than 40 years. We are making significant progress I am pleased to report, in transforming our capabilities by staying consistent in our goals and meeting key milestones for development and fielding.

The Next-Generation Squad Weapon, Integrated Battle Command System, Mid-Range Capability, and Precision Strike Missile are just some examples of the critical new systems that we have recently delivered.

As we bring these new systems into our inventory, we are also transforming our force structure to meet the priorities of the Na-

tional Defense Strategy. We are building out new formations, such as our five Multi-Domain Task Forces that are equipped with the capabilities we need to conduct large-scale combat operations against technologically advanced military powers.

And we are shrinking excess force structure so that the units we have are manned and ready. While these force structure decisions bring down authorized troop levels by about 24,000 spaces, our goal is to increase our authorized end strength to 470,000 by the year—fiscal year 2029.

To meet that goal, General George, and I, and the whole Army team are working around the clock to overcome our recruiting challenges, and we are making solid progress. Building on successful initiatives like the Future Soldier Prep Course, we are fundamentally transforming our recruiting enterprise to better compete in the 21st-century job market.

Most significantly, we are redesigning our recruiting workforce by creating new permanent specialized recruiters for both enlisted soldiers and warrant officers, actually, the assessment and selection of the first class of warrant officers focused on recruiting is finished, and they will be going out into the field later this summer.

But while we transform, we can't lose sight of taking care of our soldiers and families. A key part of this responsibility is providing safe, high-quality housing and barracks. Over the next 5 years, the Army will invest, on average, $2.1 billion every year in the construction, sustainment, restoration, and modernization of barracks for unaccompanied soldiers.

This investment will fund barrack sustainment at 100 percent for the first time in years, and we are leveraging the expertise of the Army Corps of Engineers to stabilize project costs. And we are hiring civilian barracks managers so that our soldiers can focus on warfighting responsibilities.

Physically and emotionally healthy soldiers are more resilient, higher performing, and less likely to engage in harmful behaviors. To build resilient soldiers, we are expanding our Holistic Health and Fitness Program to 71 active component brigades. We are investing in financial counseling services to ensure that our soldiers know how to manage their money, and we are encouraging programs in our divisions that focus on soldier well-being. Our goal has been and remains building cohesive teams that can fight and win.

Throughout this transformation, which is required given the very dangerous world in which we live, we are continuing to provide combatant commands with trained and ready formations. This year's budget seeks $1.5 billion for activities tied to the Pacific Deterrence Initiative, and we have asked for $460 million for Operation Pacific Pathways, our series of exercises focused on strengthening deterrence and interoperability with partners in the Indo-Pacific.

In Europe, our troops are demonstrating our commitment to deterring Russian aggression. As you said, Vice Chair Collins, the Army is leading the effort to support Ukraine, from training over 17,000 Ukrainian troops to providing hundreds of vehicles, weapon systems, and millions of munitions. And in the Middle East, our

soldiers are mission-focused and have been hard at work building the floating pier to deliver more humanitarian aid in Gaza.

The Chief and I appreciate the recently passed Supplemental Appropriations Bill that will maintain our critical support to Ukraine, support partners in Asia and the Middle East, and invest in our own readiness. And we strongly urge, going forward, the passing of on-time annual appropriation bills that will maintain our readiness in this volatile time.

With your support, we will continue to take care of our people and sustain the Army's transformation that will keep us the best Army in the world.

I am proud of all that our soldiers and Army civilians are doing. And look forward to your questions this morning.

Senator SCHATZ. Thank you very much Secretary Wormuth.

General George, please proceed.

STATEMENT OF GENERAL RANDY A. GEORGE, CHIEF OF STAFF OF THE ARMY

General GEORGE. Thank you, Senator Schatz, Vice Chair Collins, distinguished members of the committee, thank you for the opportunity to talk with you today about our Army.

The world is more volatile today than I have seen it in my 36-year career, and there is clearer cooperation between adversaries than we have seen in a while. A spark in any region could have global impacts.

Meanwhile, the character of war is changing rapidly, which we see from what is happening on the battlefields in Ukraine and the Middle East. Our Army is as important to the Joint Force as it has ever been. We must deter war everywhere and be ready to respond anywhere. So we are focused on providing the best Army with the budget we are given. Our Soldiers deserve it, our Joint teammates deserve it, and our Nation deserves it. And that means making some tough decisions and finding ways to get better every day.

As the Secretary already highlighted, our planned investments reflected in our fiscal year 2025 budget will help our Army win the future fight and ensure that our soldiers and their families remain ready and resilient. Across the Army, we are learning from global events and continuously transforming how we operate, how we train, and how we equip, and I would like to highlight a handful of things.

We are learning that designs for things like unmanned systems must be modular, adaptable, and software-defined. We are working to get relevant technology into the hands of soldiers immediately. We are learning that counter-unmanned systems must evolve as the threat does to protect our formations and critical infrastructure. We are also moving out on that while being mindful of the cost curve, we need cheaper solutions.

We are learning that, in some cases, the right tech already exists to support transformation. For instance, tech exists to make our command and control nodes more mobile, lower signature, and more effective. We are fixing our network. And we are building our magazine depth and modernizing our organic industrial base because we know that wars never end as quickly as we hope, they take a lot of ammo.

We are also transforming how we recruit, ensuring that we have the right talent and the right tech, and that we are getting the word out about how our Army is a great place to serve because of our mission and our people.

Finally, we are also looking at where we need to reimagine our processes, and where we can afford to stop doing things that don't support our warfighting mission or building cohesive teams. I am proud of what our soldiers are doing around the world to help defend our country.

Thank you all for your support. And we look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF CHRISTINE E. WORMUTH AND GENERAL RANDY A. GEORGE

THE NEED FOR CONTINUOUS TRANSFORMATION

Today's security environment is both complex and volatile. The contemporary battlefield is increasingly transparent. The inescapable prevalence of Internet-enabled sensors, from cell phones to satellites, makes it possible for our adversaries to see and target U.S. interests anywhere in the world. Advances in commercial technology have outpaced military technology in many areas, and the innovative use of simple and inexpensive commercially available systems provides a tactical advantage to forces that can procure and adapt faster than their opponents.

Conflict is migrating into cities and dense population centers and is extending into new domains, with space and cyberspace enabling global effects. Developments in Ukraine, the Middle East, and elsewhere around the world have highlighted the volatility of this landscape, and regional conflicts carry the potential to ignite a firestorm with global impacts.

To meet these challenges successfully, the Army must transform quickly. We will ensure continued progress on long-term efforts that improve our warfighting on current and future battlefields in support of the National Defense Strategy, but our readiness cannot wait for arbitrary time horizons. The Army must continuously transform to adapt to the rapid pace of change occurring now. This need drives our $185.9 billion budget request for Fiscal Year (FY) 2025.

Army transformation is well underway, but we must accelerate and intensify our efforts. We must transform our capabilities, force structure, and recruiting enterprise. We must deliver ready combat formations and take care of our people, ensuring the quality of life for our Soldiers, Army Civilians, and families.

TRANSFORMING OUR CAPABILITIES

As we adapt to the changing environment, we are steadfast in developing advanced, long- term modernization programs to ensure that the Army maintains the overmatch required for future battlefields. The Army has made significant progress in our most ambitious modernization effort in more than 40 years by maintaining continuity across budgets and meeting major milestones for development and fielding. The success of this effort has been marked by the recent delivery and fielding of the Armored Multi-Purpose Vehicle (AMPV), Integrated Air and Missile Defense Battle Command System (IBCS), Mid-Range Capability (MRC), Next Generation Squad Weapon, and Precision Strike Missile (PrSM).

The Army continues to develop counter-unmanned aircraft system (UAS) capabilities as the Department of Defense's lead agency for countering small-UAS (C-sUAS). From the testing and fielding of systems such as Mobile Low, Slow, Small-Unmanned Aircraft Integrated Defeat System (M–LIDS), Fixed Site Low, Slow, Small-Unmanned Aircraft Integrated Defeat System (FS–LIDS), or Coyote, to the operational deployment of Directed Energy Maneuver Short Range Air Defense System (DE–MSHORAD), the Army and the Joint Counter-UAS Office (JCO) are exploring novel concepts and accelerating system development to meet the challenges of the advancing threat.

Building on the requirements for long-range precision fires, the Army fielded the first prototypes of the MRC to its 1st Multi-Domain Task Force (MDTF) in 2023 and is in the process of completing flight testing of the Long-Range Hypersonic Weapon, which is intended for delivery by the end of 2024. The Army awarded the contract for the development of the Tactical Intelligence Targeting Access Node (TITAN) in 2Q FY 2024 to produce the targeting data needed for these advanced capabilities

and provide battlefield commanders with advanced decisionmaking tools in a rapidly evolving battlespace.

The Army is transforming the network to enable these capabilities and ensure our forces are lean, mobile, and low signature. We will begin a pilot for satellite-as-a-service in early FY 2025 while making continued progress on a zero-trust architecture. These efforts will form the security backbone of the Unified Network and enable the Army's integration into Combined Joint All-Domain Command and Control (CJADC2).

The Army is re-balancing aviation investments, shifting away from capabilities that are not survivable on the modern battlefield while investing in effective new technology. We are ending the development of the Future Attack and Reconnaissance Aircraft (FARA) and the production of the UH–60V version of the Blackhawk helicopter while also phasing out the operations and sustainment of the Shadow and Raven unmanned systems. We are delaying entering into production of the Improved Turbine Engine but remain committed to developing that program for integration into the UH–60 Black Hawk and AH–64 Apache helicopters. We will deliver needed capabilities by relying on a mix of enduring, unmanned, and space-based assets that are survivable and effective for current and future fights.

We are investing in our aviation capabilities by beginning production of the CH–47F Block II Chinook helicopter and continuing development of the Future Long Range Assault Aircraft (FLRAA). We are also continuing to develop advanced unmanned systems, such as the Launched Effects family of systems and the Future Tactical Uncrewed Aircraft System, while leveraging opportunities to use commercial technology in innovative ways.

As we transform our capabilities, we will explore new ways to validate our systems as we introduce them into our formations. One way we will do this is by transforming in contact, using ongoing deployments and troop rotations as opportunities to explore new techniques and equipment. Transforming in contact ensures we validate systems and processes in their intended environments with the Soldiers who will employ them. Infusing commercial technology that is ready for employment will improve our lethality and readiness to face the challenges ahead.

These developments require the continued support of industry, underpinned by the ingenuity and drive of the American people. Investments in the modernization and workload of our organic industrial base are essential to meeting the requirements and scale of the modern battlefield. Current commercial production is insufficient to meet global demand. Multi-year procurement authority will significantly improve the production rates of critical munitions such as 155mm artillery rounds and Patriot missiles. However, further investment is necessary to ensure that the nation can scale the production of these and other munitions and systems to meet current and future requirements.

TRANSFORMING OUR FORCE STRUCTURE

The Army is transforming our force structure to incorporate new capabilities and refocus on large-scale combat operations. The legacy structure from the past two decades focused on counterinsurgency and counterterrorism operations and maintained authorizations to accommodate 494,000 Active-Duty Soldiers. Our transformation will reduce the unfilled and excess positions and create space for new capabilities supporting large-scale combat operations in a multi-domain environment. The success of this restructuring will rely on the Army's ability to gradually increase end strength from the current 445,000 Soldiers to 470,000 by FY 2029 to meet the requirements of the future force.

This transformation includes a reduction of some 32,000 authorizations across the Active-Duty force structure and an addition of 7,500 new authorizations, leading to a net decrease of about 24,000 authorizations. The overall reduction in authorizations will more closely align the structure to the authorized end strength to improve the readiness of formations while increasing their capabilities for the future fight. Our restructuring efforts focused on creating lethal, flexible formations that can adapt to large-scale combat operations and decreasing the number of authorizations that were designed for a counterinsurgency mission, not frequently deployed or unfilled. New additions to the Active Component force structure include the completion of five MDTFs, four additional Indirect Fire Protection Capability (IFPC) battalions, nine C-sUAS batteries, and four additional M–SHORAD battalions. All these formations bring advanced capabilities to meet current requirements and ensure that we maintain overmatch against adversaries in the future.

TRANSFORMING OUR RECRUITING ENTERPRISE

Transformation will only take place through the hard work of talented and dedicated Soldiers, Army Civilians, and the support of their families. The Army is a great place to serve: we are retaining talented Soldiers, finishing FY 2023 at 102% of our retention mission. Even so, the challenges to Army recruiting pose an existential threat to the all-volunteer force, and addressing these challenges has been one of our most comprehensive efforts over the last year.

The Army is making fundamental changes to its recruiting approach. This starts with redesigning our recruiting workforce, moving away from a model that places Soldiers outside of their primary military occupational specialty (MOS) into temporary recruiter positions for only a few years at a time. To do this, we are creating new talent acquisition specialties for both enlisted Soldiers and warrant officers, allowing our recruiters to develop skills to succeed in a competitive hiring environment. These new recruiters will expand their focus on the prospect market beyond those with a high school degree and will aim to recruit a third of new trainees from the "college or some college" population by 2028. This shift requires our recruiters to become more active on the campuses of junior colleges and technical institutes and increase Army recruiting presence in online forums.

We are also creating a significant innovation capability within U.S. Army Recruiting Command (USAREC) to quickly identify and scale promising new approaches and discard recruiting practices that are no longer successful in a competitive and rapidly changing labor market.

Finally, we are seeking to elevate USAREC to become a three-star command that oversees enlisted recruiting, Army Cadet Command, and the Army's Enterprise Marketing Office and reports to the Secretary of the Army and the Chief of Staff of the Army in light of its critically important mission. The leadership of USAREC will serve for an extended tenure, building stability and expertise and decreasing the impact of frequent leadership changeover.

Although FY 2023 was a challenging year, it showed a marked increase of 5,200 recruits over FY 2022, in large part due to the outstanding work of our 8,000 recruiters and the successful implementation of initiatives across the Army. As this transformation begins, our goal for FY 2024 is 55,000 Regular Army recruits and 5,000 commitments to the Delayed Entry Program. We will also continue successful initiatives like the Future Soldier Prep Course, which has brought more than 18,000 new Soldiers into the Army since its inception in the summer of 2022.

DELIVERING READY COMBAT FORMATIONS

Despite recruiting challenges, the Army is meeting our global requirements. Over 140,000 Soldiers from all components are deployed or stationed in 143 countries worldwide to defend the nation's interests and maintain security with our allies and partners.

The Army provides the operational endurance, reach, and survivability necessary for joint force success in the Indo-Pacific. For FY 2025, we are requesting $1.5B for Pacific Deterrence Initiative activities to exercise and campaign with our allies and partners, building and demonstrating shared readiness to deter Chinese aggression and ensure regional stability. This readiness begins in Hawaii and Alaska, where U.S. Army Pacific has established the Joint Pacific Multinational Readiness Center (JPMRC). JPMRC allows the Army and our partners to train in a variety of environments, from tropical jungles to the high arctic.

Funding for Operation Pathways will support partnered, all-component, multinational exercises such as TALISMAN SABRE. Last year's exercise included over 30,000 participants from 15 nations and provided the Army with the opportunity to construct and operate Joint Logistics Over the Shore (JLOTS), the largest such operation in over two decades. We continue to train, exercise, and collaborate with our long-standing allies, the Republic of Korea (ROK) and Japan. Last summer, the Army deployed a combined arms battalion on short notice from CONUS to the Korean Peninsula to demonstrate rapid crisis response and our resolve to deter DPRK aggression. In Japan, the Army supported Japan's Ground Self Defense Forces through the annual YAMA SAKURA exercise series.

The Army will continue to prioritize the Indo-Pacific as we transform our force structure and introduce new capabilities for strategic competition, including the 1st, 3rd, and 4th MDTFs, the 5th Security Forces Assistance Brigade (SFAB), and the 11th Airborne Division, the Army's newest division focused on cold weather and high-altitude operations in the Arctic.

In Europe, the Army is requesting $2.1B to support European Deterrence Initiative activities to maintain rotational deployments, train with our NATO allies, build readiness, and demonstrate our ability to rapidly project combat forces into the the-

ater. This was recently on display during Exercise ARCTIC SHOCK when U.S. Army paratroopers and their Norwegian counterparts flew over the North Pole from Alaska and conducted a combined airborne operation into Norway. In the coming months, over 16,000 of our Soldiers will train with more than a dozen other countries in Exercise DEFENDER 24.

We continue our full support of Ukraine and its fight to repel Russia's invasion of its sovereign territory. Our troops have trained over 17,000 Ukrainian soldiers in Germany. We have sent major combat systems and munitions to Ukraine, including 21 High Mobility Artillery Rocket Systems (HIMARS), 1 Patriot air defense battery, 131 Strykers, 31 Abrams tanks, 162 Bradley fighting vehicles, and over 1.5 million artillery munitions. This support is an investment in our own national security: it deters potential aggression elsewhere in the world and strengthens our defense industrial base. Supporting Ukraine is also critical to our military readiness. The lessons we have learned from Ukraine have allowed us to develop new methods, techniques, and capabilities for future conflicts. We have also seen how U.S. equipment is both effective and survivable, even in degraded or contested environments.

Now more than ever, the Army is leading efforts to support Ukraine in its fight to regain its sovereign borders. The legislation passed last month allowed us to reinvigorate this critical support. We urge Congress to pass on-time appropriations bills and supplemental appropriations bills when required as we demonstrate our unwavering support for our allies and partners around the world.

In the Middle East, Iranian-aligned militia groups have increasingly threatened and attacked U.S. forces and interests, invigorated by Hamas's attacks against Israel in October 2023. U.S. Army Central (USARCENT) has assessed the force protection requirements of facilities and units, and we have deployed advanced counter-UAS capabilities, including DE M–SHORAD, to the region to defeat the ongoing use of sUAS and expand the network of defense for U.S. troops and bases. We are also supporting U.S. Central Command with JLOTS, which will provide the Joint Force with the capability to increase the viability of large-scale maritime shipments of humanitarian aid into Gaza.

Soldiers from all components of the Army are serving the nation around the globe, including 2,500 Soldiers supporting the Department of Homeland Security at our southwest border. Regionally aligned Special Operations Forces and SFABs provide access and presence in each geographic combatant command, including 2nd SFAB's support over the last year to partner forces in Kenya, Tunisia, Gambia, and other partners in Africa. Army National Guard units support 30 nations in Central and South America as part of the State Partnership Program, training and building enduring relationships that improve mutual readiness.

READINESS OF SOLDIERS AND FAMILIES: QUALITY OF LIFE INVESTMENTS

Our readiness depends not just on recruiting, equipping, and training the force but also on the individual health and fitness of every Soldier. This readiness begins in the barracks, and the Army is dedicated to providing safe, high-quality housing and barracks for our Soldiers. The Army will invest an average of $2.1B annually in the construction, sustainment, restoration, and modernization of barracks for unaccompanied Soldiers across Future Years Defense Program 25–29.

For FY 2025, the Army is budgeting $935M for nine unaccompanied housing construction projects across Active Duty and Army Reserve at multiple installations, a 325% increase in construction from FY 2024. Barracks sustainment has been funded at 100% of the requirement, an investment of $680M in FY 2025. We are also leveraging the expertise found within the U.S. Army Corps of Engineers to stabilize project cost growth through early involvement in the planning and design processes. Additionally, the Army is allocating $35M to hire civilian barracks managers at multiple installations, which will decrease the requirements for Soldiers to serve as barracks managers and allow them to focus on their primary warfighting duties.

For accompanied Soldiers, the Army is investing $403.7M into government-owned Army family housing in FY 2025. This investment will address facility sustainment, construction of 173 new homes, and renovation of 252 homes. Across all installations, the Army is committed to increasing oversight of privatized housing and combating environmental hazards within both government-owned Army family housing and privatized housing through consistently applied maintenance and inspection programs.

The Army remains committed to reducing instances of sexual assault and sexual harassment, ensuring impartial justice, and encouraging healthy behaviors that strengthen the trust between the Army and the American people. During early FY 2024, the Army established the Office of the Special Trial Counsel (OSTC), which is staffed by specially trained, independent military attorneys ("special trial coun-

sel") who make prosecution decisions for sexual assault, domestic violence, and other covered offenses. Beginning in December 2023, the OSTC gained the authority to make case dispositions. This increases transparency and ensures that impartiality is inherent within the military justice process.

The Army is implementing a comprehensive, integrated prevention plan (CIPP) at all commands across the Army, which details actions to improve command climate. In particular, at the United States Military Academy, CIPP incorporates character development with proactive approaches to prevent sexual assault and other harmful behaviors. Additionally, we have instituted dedicated instruction during initial entry training that reinforces the shared trust required to form cohesive teams and provides education on prevention and response resources. These proactive approaches and many others will inform the creation of the Army's Sexual Harassment and Response Program (SHARP) regulation, which will be published this fiscal year.

The Army continues to combat the risk of Soldier suicide through multiple approaches, acknowledging that every suicide impacts families, teammates, and the readiness of the force. The Army published its Suicide Prevention Regulation in September 2023, and we are ensuring that Soldiers are aware of and have clear access to mental and emotional health resources. The Army is investing in programs that help Soldiers maintain financial stability, mental health, strong relationships, and physical well-being, including expanding the Holistic Health and Fitness (H2F) program to 71 brigades in FY 2025 and budgeting $24.4M for financial counseling services.

This holistic approach to Soldier wellness is taking form at every installation in the Army, with many garrisons consolidating the resources needed to combat suicide and increase Soldier fitness at a single accessible location. Tailored programs like 1st Infantry Division's "Operation Victory Wellness," 10th Mountain Division's "Mountain Care," and 11th Airborne Division's "Mission 100" are prioritizing engaged leadership and providing a wide range of location and community-specific resources to Soldiers and their families.

Ensuring that Army families have the resources they need to thrive is vital to our force's readiness and a driving factor behind Soldier retention. The Army's FY 2025 budget requests funding to construct three new child development centers (CDCs) at Fort Liberty, North Carolina, Fort Meade, Maryland, and Wiesbaden, Germany. We are testing and implementing incentives to maintain high staffing levels at existing CDCs by providing recruitment and retention bonuses, tuition assistance, and access to on-post resources such as commissaries at 16 installations.

Building on the Veterans Auto and Education Improvement Act of 2022, the Army continues to work with the Defense State Liaison Office to ensure military spouses can achieve portability of their occupational license as they undergo a permanent change of station. Army spouses may also take advantage of new opportunities provided by updates to the Military Spouse Employment Act, which grants Federal agencies the authority to hire military spouses for remote work and allows military spouses to retain their positions should they relocate to another location. We are also continuing to coordinate with the Office of the Secretary of Defense to implement new policies that further expand employment opportunities for our Army spouses as directed by the Executive Order on Advancing Economic Security for Military and Veteran Spouses, Military Caregivers, and Survivors.

The Army spends over $1.3 billion annually to provide Soldier and family support programs at installations around the world, but we recognize that each installation, unit, and community is unique and has discrete needs. We are empowering senior installation commanders with the authority to scale successful programs and close programs that do not meet the needs of each individual community. We are piloting this tailored, localized approach to Soldier programs at Fort Cavazos, TX, and will expand to other installations pending the results of the pilot.

MAINTAINING THE STRATEGIC PATH

Today's security environment is volatile and evolving quickly. The battlefield is increasingly transparent, commercial technology is advancing rapidly, and new capabilities allow adversaries to reach around the world. The Army is transforming to meet the needs of this rapidly changing environment. With Congressional support, we will keep the Army on a sustainable strategic path as we transform for the future. We will deliver ready combat formations with advanced capabilities to defend our nation and its interests. We will transform our recruiting enterprise to guarantee the longevity of the All-Volunteer Force. We will invest in the quality of life of our Soldiers, Civilians, and their families. We will build cohesive teams and foster climates of trust grounded in our shared Army values. And we will serve with

the discipline and professionalism that the nation demands of its Army, just as we have done for the past 249 years. This We'll Defend.

Senator SCHATZ. Thank you very much, General George.

Secretary Wormuth, last year you visited Schofield Barracks on Oahu, and after touring where soldiers live, you said to the press, and I quote, "I wasn't happy with what I saw, frankly, those are the kinds of things that I want us to get after." Tell me what you saw and tell me what you are doing about it?

Secretary WORMUTH. Thank you, Senator Schatz. I have seen a lot of barracks over the last three-plus years, so I am not sure if I will remember exactly what I saw at Schofield, but what I have seen and what I probably saw there was struggles with, you know, water on the floor, humidity. I remember meeting one soldier in his barracks room, and it looked like he had just stepped out of the shower in his bathroom, but in fact, the water was, you know, seeping through the floor because of issues with the foundation. As you know well, some of the barracks at Schofield are pretty old.

And so what we are doing is investing $2.1 billion a year in barracks, whether it is construction for new barracks, whether it is renovating barracks we already have, or sustaining barracks at 100 percent, which is something we have not done in a long time. And I think all of that, together, will help us significantly decrease the amount in our inventory of barracks that are kind of at an unacceptable condition.

I will be honest with you, you know, we have a huge inventory of barracks, and we are going to, you know, even with all of that money, that we are investing, we really need to invest more in barracks, but everything, you know, we have got to figure out where that incremental dollar goes. But I think this will do a lot.

Senator SCHATZ. So the $2 billion a year at 100 percent, right. So let me try to understand this. This is FSRM (Facilities Sustainment, Restoration and Modernization) money?

Secretary WORMUTH. Yes.

Senator SCHATZ. Okay. Not MILCON?

Secretary WORMUTH. Well, the $2.1 billion is the total. There is MILCON, there is FSRM that is the total.

Senator SCHATZ. I got it. Okay.

Secretary WORMUTH. But within that, we are sustaining at 100 percent as opposed to 85 percent, which is what we have typically maintain.

Senator SCHATZ. And how does that work on your—I am sure you have a sort of wedge analysis to get to where you want to go. How many years of that level of investment would get us to something that you would consider acceptable?

Secretary WORMUTH. I think it is going to take us several years, Senator, because, as you know, property just depreciates continuously over time. So the 100 percent sustainment will help slow that, you know, steady decrease in quality. But we are going to have to make these kinds of investments for multiple years.

Senator SCHATZ. Sorry to interrupt. Could you get us some fidelity on, you know, you have an inflation number that you now have to work with, and then you have the normal depreciation. Then you know, so I am—your answer is several years, but I would like to know if it is four-and-a-half, or six-and-a-half, or two-and-a-half,

because I think the committee needs to know in case there is a desire to spend more on this kind of thing, you know, what would get us to a better baseline?

Secretary WORMUTH. We can get that for you.

Senator SCHATZ. Thank you very much.

General George, I have been a fan of Pacific Pathways for a very, very long time. I want to give you a couple of examples of how cost-effective it is. Of course, you know this, but this is really for staff. $18 million in 2023, the Army built partner capacity in the Philippines through Exercise Balikatan. In 2019, the Army spent $823,000 in Palau conducting joint homeland defense drills, community health outreach, and repairing infrastructure.

Can you just, you know, tell the public, tell the committee about the cost-effectiveness of Pacific Pathways? I have never seen, especially in this committee, something so inexpensive and high impact. Your mic is not on.

General GEORGE. Pathways is incredibly effective for us out in the Pacific. I mean, right now, what USARPAC (United States Army Pacific) is doing in the Philippines is they basically are taking an exportable training package that is out there and helping to train those formations. We have the same thing in reverse when we have all of our partners and allies that are coming to Hawaii to train, which is very effective for our relationships that are out there in the Pacific.

But all of those exercises, I would say, are building our interoperability, they are building trust with our partners and allies that are out there, and they are building real capability. We are also using them, just to your cost-effectiveness, to help us transform. I mean, some of the things that we are doing out there right now with 25th ID that has been out there, they are using unmanned systems to deliver and ammunition, so using it on the logistics side. And we could go on a long time about what the impact we think that that is having out there.

Senator SCHATZ. Two thoughts: first of all, the soldiers also love it, they love it. And that is not a trivial aspect of this program. The other thing is if you can get us some data on how much more you could do with more resources; that would be very helpful.

Vice Chair Collins.

Senator COLLINS. Thank you, Mr. Chairman.

Secretary Wormuth, we discussed just recently in my office the horrific mass shooting that occurred last October 25th in the State of Maine, the worst mass shooting in our State's history, in which 18 individuals died, and another 13 were injured. The killer, Robert Card, was a Sergeant First Class in the U.S. Army Reserve.

The Governor of Maine has established an independent commission that has already issued an interim report, and that report includes several very troubling findings about missed opportunities to prevent this tragedy. So I want to ensure that we are taking every action necessary to try to lessen or prevent the chances of such a tragedy ever happening again.

Secretary Austin has committed to working with me in drafting legislation that would require our Military Services to report to the appropriate authorities when a service member poses a threat to

him or herself, or to others, while protecting the Second Amendment Rights of our service members.

But to draft the most effective legislation, I very much need the results of the review that the Army Reserve has undertaken, as well as the investigation that I requested from the Inspector General. Originally, the Army Reserve's Administrative Review was supposed to be completed by mid-January, and we expected to have the IG's (Inspector General) Report by the end of February. Could you please update me on when we can expect those two critical reports?

Secretary WORMUTH. Certainly. And Senator, first of all, I would say, you know, my heart goes out to all of the families in Maine that, that lost people, and that were affected by the terrible shooting. It was truly tragic.

You will be able to expect, I think, the Army Reserve investigation in a couple more weeks. It has been, as we talked about, very comprehensive. There are over, I think, 3,000 pages of interviews with witnesses and documents that they have collected, which is partly why it has taken so long, but it should be done in a couple more weeks. And then I think the separate review being done by our Army Inspector General will follow shortly after that.

Senator COLLINS. Thank you. I look forward to working with you on the legislation, and would love to have your commitment for that as well.

Secretary WORMUTH. We look forward to working with you on your legislation.

Senator COLLINS. Thank you. General George, there are those who are against assistance to Ukraine, in particular, that contend that our Defense Industrial Base cannot build enough Air Defense Patriots, for example, or artillery grounds to support Ukraine and Israel while also meeting the Army's own requirements for these systems, even after the substantial investment from the supplemental.

And I am a very strong supporter of assisting both Ukraine and Israel. The implication of this line of argument is that we should end our security assistance to Ukraine because we can't take care of our own Army's needs as well.

So let me ask, ask you directly, can the Army and our allies effectively manage the risk to the Army's munitions stockpiles, particularly for air defense and artillery, while also providing assistance to Ukraine and Israel?

General GEORGE. Senator, I think we can. And I do want to say thanks on the supplemental. I think obviously the most important thing for us is on-time funding so we can get things, and you know, we struggled a little bit with that over this last year. And what we need to do is, is what we are on the path to do, is also continuing to invest in our organic industrial base.

And we can get examples for like 155, where we are producing a little over 30,000 rounds a month, and by the beginning of 2026 we will be producing over 100,000 rounds a month. So that is what we need to do. We need to continue to invest in that in addition to what we are supplying for our—you know, to those efforts.

Senator COLLINS. Thank you.

Senator SCHATZ. Senator Moran.

Senator MORAN. Chairman, thank you. Thank you, Ranking Member Vice Chairman.

Secretary, General George, welcome, welcome to your debut hearing in the appropriations process.

Last October, the Under Secretary announced a digital engineering strategy to optimize sustainment across the Services. I understand the Army just this morning signed a policy to help accelerate the adoption of digital engineering. My view is that these tools are incredibly important for designing and building new platforms and sustaining existing systems.

Secretary, can you tell the committee a little bit more about the forthcoming policy, and how the Army's previous digital engineering work informs the adoption of this capability?

Secretary WORMUTH. Thank you, Senator Moran. It is good to see you. And we are excited about our new digital engineering policy. Basically, what we are trying to do is make it easier for the Army to adopt digital engineering approaches more broadly at scale across the Army. You know, this is the kind of work that allows us to do modeling, and simulation, and explore engineering challenges using computer simulations, which is more efficient and less costly.

So for example, our program to replace the Bradley Fighting Vehicle, the XM30 Program, is incorporating digital engineering in its development work. And the policy has a number of different components, but its broad goal is to help us use that important approach more broadly so that we can be more effective in our modernization programs.

Senator MORAN. Thank you for that answer.

General George, I would guess that the Senator from Connecticut, Senator Murphy, will ask you about the Future Long-Range Assault Aircraft and its safety. I want to inform you that I support the decision to award Bell Textron the contract for FLRAA (Future Long Range Assault Aircraft). This is an aircraft that maneuvers like a helicopter in vertical flight, flies twice as far and twice as fast as current helicopters. All of this needs to be done with a safe piece of equipment.

The aircraft competitively selected by the Army was the only one that fully met those requirements, and it was, that was validated by the GAO (Government Accountability Office). Would you highlight for the committee, the importance of speed and maneuverability this aircraft provides, as well as how the Army plans to leverage its open system architecture?

General GEORGE. Yes, Senator, I mean, it can't come fast enough for me. So I think this is going to be game-changing, you know, for this aircraft, just for what you talked about. The range it is going to have, the speed it is going to have, and then with open architecture, what we can do with manned-unmanned teaming, launch, defects, and all the other things that are going to come with this. So I think it is going to increase our capabilities.

Senator MORAN. Thank you. Secretary, TAA (Training and Technical Assistance) highlighted several capabilities requiring significant investments at a time in which the Army budget probably for this fiscal year represent about fiscal year 2022 levels. I hear that there is a potential of establishment of new structures or a new

structure, like a drone branch or a permanent ABCT (Armored Brigade Combat Team) in Poland. Would the simultaneous establishment of additional units not planned for in previous ARSTRUCs (Army Structure) be disruptive to the Army's current plans to modernize?

Secretary WORMUTH. Thank you, Senator. I think it would be challenging to generate, for example, a whole new armored brigade combat team, you know, given the recruiting challenges that we are working through. And like I said, I want to emphasize that we are, I think, going to make our recruiting goal this year. But you know, we have not built into our current TAA plans an intention to build a new Armored Brigade Combat Team. Instead, we are looking at things like the counter-UAS (Unmanned Aircraft Systems) battery that would eventually come to Fort Riley, to the Maneuver SHORAD (Short-Range Air Defense) battalions, and the multi-domain task forces.

So at this time, we are not looking at building a new Armored Brigade Combat Team, and I think we want to focus on the integrated air and missile defense formations that are going to be so important for large-scale conflict against an advanced competitor.

Senator MORAN. You have established your priorities, and you believe in those priorities; is that what you are telling me?

Secretary WORMUTH. I do. And I mean, we do—we review our force structure every year, so we certainly want to adjust to conditions and adjust, you know, as the strategy may require us. But right now, I think we believe that we are—what we have built in, in terms of new formations are what is right for the Army right now.

Senator MORAN. Thank you very much.

General GEORGE. Can I make a comment just on the one topic that didn't come up?

Senator MORAN. Please, General.

General GEORGE. I know we are a little over. But on the—we appreciate the interest, for example, on drones. And you have mentioned, you know, drone branch. You know, for us, this is a capability that is going to be, I think, resident in every formation at every echelon. So we don't—we see this as integrated in—into our formation, not some separate piece. And I think we need that kind of flexibility.

We are actually doing that right now with our formations. We have—we selected three units to kind of work this out and start to transform in contact in doing this. But I don't think it would be helpful to have a separate drone branch.

Senator MORAN. Understood. Thank you.

Senator SCHATZ. Senator Baldwin.

Senator BALDWIN. Thank you, Mr. Chairman.

Secretary Wormuth, as you know, the tactical wheeled vehicle industrial base is an important part of the Wisconsin economy, as well as a vital contributor to the Army's warfighting requirements. I remain troubled by the Army's lack of careful management of the industrial base, as I see it. The Army has now awarded the Joint Light Tactical Vehicle contract to an organization with no experience making JLTVs. That company must now stand up a brand new production line, risking a gap in fielding this critical platform.

So Secretary Wormuth, what is the status of this new JLTV line and supply chain? And will the new vendor meet the required schedule for production and fielding? Has the Army identified any technical, schedule, or financial risks? And under what circumstances will the Army negotiate a bridge contract with the incumbent manufacturer, Oshkosh Defense, to avoid any gaps in production? And I can repeat those because I gave you quite a few.

Secretary WORMUTH. Thank you, Senator Baldwin. At this time, we are not anticipating any problems in the shift from Oshkosh to AM General. As you rightly pointed out, AM General has not made JLTV previously, but one of the things that I think will provide a bridge, if you will, and allow AM General to be fully prepared is the fact that we are going to keep the production line open with Oshkosh using replenishment funds, so that, I think, will allow us to make a smooth transition.

We are also, you know, in addition to heavy tactical vehicles, medium tactical vehicles are very important to us, and so we have extended the period of performance for the contract with Oshkosh on those vehicles.

Senator BALDWIN. But can you update us on the status of the new line and the supply chain, and whether you believe the new vendor will meet the required schedule for production and fielding?

Secretary WORMUTH. Senator, I am confident the new vendor will meet the schedule, but I am happy to have Mr. Bush, our Assistant Secretary for Acquisition, and his team, come and brief you in detail on what we are seeing right now with that company.

Senator BALDWIN. Okay. The Army routinely submits a budget with a request for tactical wheeled vehicles at numbers substantially below industry's minimum sustaining rate, expecting this committee to make up the difference. For many years, I have pressed the Army to adequately fund these platforms, and we are here today looking at another inadequate budget request.

Ahead of this year's budget I sent you a letter asking that the fiscal year 2025 budget reflect more realistic procurement numbers, and again this year, the budget request is insufficient. Last week, I asked Secretary Austin to engage the Office of the Assistant Secretary of Defense for Industrial-Based Policy in analyzing the Army's management of these programs.

Secretary Wormuth, will you work with the Assistant Secretary on a plan for future Army budget requests that better sustain the industrial base, and can I expect to receive the forthcoming Tactical Wheeled Vehicle strategy that is due this coming summer?

Secretary WORMUTH. We would be happy to work with the Assistant Secretary for Industrial Programs to get you that information, Senator. We work closely with that part of the Office of the Secretary of Defense on a regular basis, and we will work with them to get you the report.

I would say, you know, one of the challenges that General George and I have with the flat Army budget is trying to balance, if you will, investment in enduring systems like our vehicles and pursuing the ambitious modernization program that we have. It is always a challenge to determine how to allocate that incremental dollar, and I think to continue to support our modernization program,

you see us stretching out, if you will, some of the investments in the ground vehicles.

Senator BALDWIN. Thank you, Mr. Chairman.

Senator SCHATZ. Senator Boozman.

Senator BOOZMAN. Thank you, Mr. Chair, and Vice Chair, and thank you all for being here. We appreciate your leadership and, I know, unwavering commitment, not only to our soldiers, but also, and as importantly, their families.

I understand the Coyote unmanned aircraft system was developed as a joint urgent operational need, which allowed for rapid acquisition. This resulted in some steps of the standard process being abbreviated. For example, the total Army Munitions requirement for the Coyote Missile is still being determined. Without this, it is hard for the Army or industry to forecast accordingly and know what to expect in future budgets and contracts.

Secretary Wormuth, what is the Army doing to finalize this documentation so that the Army and industry can use it as the basis for Coyote's long-term planning and investment?

Secretary WORMUTH. Thank you, Senator. We have been relooking our total minimum requirements for munitions and for things like the Coyote Interceptor, and I think there is a general recognition that, given what we are seeing in Ukraine, we need to increase our stockpiles of munitions and counter-UAS capabilities. So we are working on that right now. I think General George and I both believe that we need to invest more in counter-UAS capabilities, which is why you see some of that on his unfunded priority list.

But given that the Chief sets requirements, why don't I let him speak to that in particular.

Senator BOOZMAN. Thank you.

General GEORGE. Yes, the Coyote is a perfect example of where we need to head. It has been, you know—we have sent users, developers, testers forward, we have made it—as the battlefield has changed we have made adjustments. One of our—we were going to—we were looking to actually acquire more Coyotes. Some of the problem was we couldn't increase production because of the continuing resolution and some of those changes.

This is one area, Senator, where I think flexible funding in—and I know sometimes that can be a bad word—but within the counter-UAS, UAS, and EW (Electronic Warfare) portfolios would really help us. The battlefield is changing very, very rapidly. And I am talking in days and weeks, sometimes you are lucky to, you know, get things changing in a month. But as it changes, we need to be able to, you know, go back to, we have the best industry in the world, to go back and say, hey, we need to change this, we need to up the quantity. Coyote was one of those examples.

And that would also help us, you know, if there is a continuing resolutions, if we had that built in, we could make those adjustments. And that is what we were faced with last fall, and it was tough to make those adjustments in stride.

Senator BOOZMAN. Very good. The Defense Industrial Base in Camden, Arkansas, remains at the forefront of critical munitions production for our National defense. We anticipate multi-year pro-

curement authority will improve production rates in the long term, and send a much-needed demand signal to our industry partners.

Your joint statement also highlights the need for further investments in order to ensure that the Nation can scale the production of critical munitions and systems to meet current and future operations.

Secretary Wormuth, General George, can you speak to what these investments should entail? And again, does the budget that is being proposed, does it meet the Army's demand for munitions?

Secretary WORMUTH. Thank you, Senator. This budget has over $3 billion in it for munitions, because, again, I think there is a recognition that we have to build up our stockpiles. So that includes money for GMLRS, PAC–3, which we have got the multi-year authority for, Javelins, 155 millimeter, you name it. And in addition to the $3 billion for the munitions themselves, the budget also includes a billion dollars for investing in the Army's own organic industrial base, so that the various depots, arsenals, and ammo plants can be more capable of producing faster and in larger capacities. So I think we are really trying to get after it in this budget in that area.

Senator BOOZMAN. Thank you. Madam Chair.

Senator MURRAY [presiding.] Thank you. Senator Murphy.

Senator MURPHY. Thank you very much, Madam Chair. Thank you both for being here and for your service.

It sounds like Senator Moran predicted my opening line of questioning here. Listen, I think we have made a really bad bet on doubling down on Tiltrotor technology that has proved to be deadly, and has proved to be wildly expensive, from March 2022 to November 2023, we had 20 service members die in four separate fatal Osprey crashes. This was after the Department of Defense said, in February of 2023, that they had fixed the problem, the hard clutch engagement problem that was thought to be behind earlier crashes.

They were 99 percent certain that the problem had been fixed, and then there were four crashes where 20 more service members died. This is in addition to the program being wildly expensive. Costs per flying hour have spiked by 22 percent just between 2019 and 2020.

And so the decision to double down on the Tiltrotor Program, with a Tiltrotor selection as part of the Future Vertical Lift Program, sounds disastrous and wildly costly for this committee.

Reports are that the Tiltrotor bid was twice that of the competing bid, and then you have all of this evidence that you haven't fixed the safety problems.

So Secretary Wormuth, can you explain, how the Army can justify moving forward with the new Tiltrotor aircraft when we can't even figure out how to address the safety issues with the existing Osprey? And how we are going to account for a Tiltrotor program that is known for its tendency for cost escalation? How can you guarantee that this isn't going to become just a giant cost suck on this committee as the costs escalate in the new Tiltrotor program as they have in the Osprey Program?

Secretary WORMUTH. Thank you, Senator. A couple of things on that: So on safety, you know, certainly we are concerned always anytime we see a helicopter crash or an airplane crash, whether it

is the Osprey or, you know, we have had some crashes of our Apaches. But one of the things I think that the FLRAA program will benefit from is over 20 years of safety experience with the Osprey and lessons from the Osprey.

So we will be factoring all of that and learning from all of that. And again, no helicopter is perfect. There are inherently—you know, there can be challenges, but I think we will benefit greatly from the long track record and be able to learn lessons in terms of safety from the Osprey.

More broadly, to your point about costs, again, we looked at not just costs when we considered the bids that came in but also performance. And so I think we have to weigh that. And as you know, ultimately, the GAO found that our decision to go with Bell Textron was sound. So we will continue to look very closely at cost and we will monitor cost growth, but we also need to be looking at performance, and we felt that the Bell Textron proposal would give us the performance that we need.

Senator MURPHY. A couple of years ago, the Army's number one modernization priority was the Future Attack Reconnaissance Aircraft Program. The Army reversed itself, cancelled that program, which is going to put us in a position to have to rely on the Black Hawk in the short term to do a lot more work. And yet this budget request includes only $25 million in Army research and development funding for Black Hawk modernization, which just doesn't sound right given the fact that now that you aren't building a new Future Attack Reconnaissance Aircraft, you are going to need to very quickly scale up and modernize the Black Hawk.

So how do we make sure that we invest in the Black Hawk Program, in part as a means to balance out what we have lost with the cancellation of the FARA (Future Attack Reconnaissance Aircraft) Program?

Secretary WORMUTH. Thank you, Senator. One thing the Army is doing to—as part of our rebalance of the aviation portfolio—is to pursue the reconnaissance requirements in a different way, really relying much more on space-based sensing—the combination of space-based sensing, existing platforms, and things like future tactical unmanned aerial systems, and what we were previously calling air-launched effects, but really we are now just calling launched effects.

So inherent in our decisions in the rebalancing is the fact that we believe we can meet that requirement in a different way. As you point out, we do need to continue to invest in Black Hawk, and I think there are things that we could do if Congress decided, for example, to give us more money for research and development in 2025 for Black Hawk. We could work on the fly-by-wire capabilities. We could work on more—doing more with the improved turbine engine, which is going to be critical not just for Black Hawk but also for Apache. So there are projects I think we could pursue. But I would leave it there.

Senator MURPHY. Great. Thank you, Madam Chair.

Senator MURRAY. Senator Murkowski.

Senator MURKOWSKI. Thank you, Madam Chairman.

And welcome. Good to see you, Madam Secretary. General, thank you for being here, and your leadership.

We talk a lot about the various aircraft, the equipment, but I think we know that as good as that may be if we fail to invest adequately in our soldiers, that is where we fail, that is where we have the vulnerabilities. So we have had these conversations before about how we really take a whole-of-person approach in addressing the physical, the mental, the emotional, even the spiritual needs of our soldiers.

We have had the discussion about conditions in Alaska and some of the challenges that present themselves that often contribute to mental health struggles. One of the things that we have found that is amazing in its effort or its ability to uplift morale is this program that we authorized in the fiscal year 2023 NDAA (National Defense Authorization Act), and this is the Fly Back Home, when particularly a junior service member who is maybe in Alaska and calls New York or Maine home, the cost of an airplane ticket is prohibitively expensive.

And so when we put this in place, what we saw was not only good, strong usage of it, but excitement about what it did. It basically gave people something to look forward to, and in terms of a mental health boost, it was really quite considerable.

So General George, I would ask if you would speak to the value of such a program for our soldiers; and Secretary, if you can then comment as to whether the Army intends to restart the Fly Back Program. General.

General GEORGE. Thank you, Senator. And I agree with you and your comment up front that our edge is our soldiers, and making sure that we are investing in them. We are really proud. I think, of a lot of things that we have done, and we have seen General Eifler and the 11th Airborne Division up there, has informed things across the Army. So they are doing great. And first and foremost is they are doing great training up there.

And you know, we are continuing to invest in that because I think that that is critically important, and I know you have had an opportunity to see that. What we like to say is that every location is unique, and we need to be able to do unique things like the Fly Back Home Program, that is very unique, you know, given where they are at, and it is helpful for us.

And I think that we have to look at every installation like that a little bit different. I will tell you that Alaska is near the top. You know, we offer stations of choice, there is a lot of people that want to go up and serve in Alaska, that has helped, you know, with us for our recruiting, and I think it is, one, it is they want to come up to Alaska and experience that, but it is also because they do a really good job of taking care of their soldiers and their families, and I think it starts there.

Senator MURKOWSKI. We are trying and we are making some headway, but again, it is these little things.

Secretary, can you comment on whether or not there is any intention to restart the program?

Secretary WORMUTH. Certainly, Senator Murkowski. I think what I would like to do is, as you know, we have the Fly Home Program, we also have the remote condition and austere incentive pay for Wainwright and JBER, and have spent, I think, over $25 million on that. And then our Vice Chief right now is really step-

ping back, and reviewing our MTOE for the entire 11th Airborne Division to see if we are investing it the way that we need.

What I would like to do is commit to you to look at the cost benefits of restarting the Fly Back Program. We are under a flat top line, so every dollar we are constantly in a Peter and Paul situation. But I know it was a popular program, and I would commit to you that we will look at that, but I would like to look at it in the context of some of the other programs that we are doing as well.

Senator MURKOWSKI. And since you raised the MTOE, it really does speak to the gaps that we are seeing there with the 11th, including the lack of the MTOE, the equipment, to define what equipment is appropriate for the Arctic, the lack of the division artillery, the lack of the sustainment brigade, the lack of an aviation headquarters.

So I am glad to know that you are reviewing that. I am hopeful that we are going to see some progress on this soon that this is not something that we are going to be studying for a long while. I think we recognize what has been put in place with the 11th, the focus on the Arctic strategy, the need to emphasize the dominance there.

But we have to have it all lined up. We just can't have it in name only or in title only. I think you both recognize that. So I don't know if you can inform me as to timing on what we might expect for progress on this.

General, do you know?

General GEORGE. Yes. We are getting together and having these discussions. I just would tell you, Senator, the things that I think we need to grow first and foremost with structure, is counter-UAS capabilities, counter-UAS batteries. I think we need to grow additional integrated air and missile defense, and we need to grow some long-range fire.

So we are obviously looking at it, this total Army analysis is something that we are need to do, We did up-gun the aviation oversight up there, and added some slots to do that to make sure that we are kind of have the right oversight up there with that. But I am just putting it in context that if we are going to grow capabilities, it would be my recommendation that we would grow some of these other things first. I am not saying that those aren't all—you know, that aren't important, but we would need to grow those other capabilities first.

Senator MURKOWSKI. We will look forward to working with you and getting the updates on this.

Thank you, Madam Chairman.

Senator MURRAY. Thank you very much.

Thank you, to both of you, for being here today; it is great to be here today to talk about what resources the Army needs in the coming year and to make sure we are supporting the men and women in uniform who keep all of us safe. I want to be sure that we deliver the investments your service needs.

And it is critical we also provide adequate funding for agencies across government, because, as we talked about with Secretary Austin, the Department of Defense does not operate in a vacuum. If we fail to properly fund State and other departments, then our

Nation is less secure and will end up having to spend more money on the Pentagon, not to mention we leave families more vulnerable to threats like wildfires, pandemics, and Fentanyl, and other crises.

So with that in mind, I am glad to have you here today, and I just want to discuss a few things. And one of them is child care. One of the main challenges I hear from Joint Base Lewis-McCord in my home State of Washington is that maintaining adequate staff for its child development centers is a problem. If you don't have staff, they can't provide child care. And without safe quality child care, it is really difficult for our service members to accomplish their mission requirements.

Women service members, in particular, report that lack of childcare jeopardizes their career opportunities. In fiscal year 2024, Senator Tester and I secured $167 million to fully fund the Department of Defense's Child Care Initiatives. And I am glad you were able to reopen a CDC (Child Development Centers) at JBLM (Joint Base Lewis-McCord) in January. However, staffing constraints are still preventing it from operating at full capacity.

Secretary Wormuth, have the benefits DOD (Department of Defense) offers for childcare workers shown to be an effective tool for recruitment and retention?

Secretary WORMUTH. I think the incentives are helping us, absolutely, Chair Murray. You know, we offer a recruiting bonus. We also have retention incentives. We have been offering a 50 percent discount on a worker's first child attending the CDC as well. We have also had a pilot opening up commissary benefits to our CDC workers. Those are helping us, but——

Senator MURRAY. Is there something else we should be doing?

Secretary WORMUTH. I think one of the things that is a big challenge for us, is the time it takes to hire civilian workers. So figuring out, frankly, to be blunt, how we can make USA Jobs more effective, to shorten the time it takes to hire civilian workers, that would be——

Senator MURRAY. How long does it take?

Secretary WORMUTH. It takes in some cases more than 180 days.

Senator MURRAY. So they take something else?

Secretary WORMUTH. So they take another job. That is right. And at places like JBLM, we are at about 70 percent staffing. And that is something that is controlled by OPM (Office of Personnel Management), it is outside of the Army, but I—and we are looking ourselves at what we can do inside the Army to speed up civilian hiring, but ultimately USA Jobs is a big piece of it.

Senator MURRAY. Thank you. General, did you want to add.

General GEORGE. Just because I just was up at JBLM, Senator Murray, and obviously been stationed there, so I think every location is a little bit different. JBLM is one of the areas that we are short probably more than other locations. In a lot of areas there, you know, we are well above 90 percent in the hiring. So we are dealing with this in different areas, and I know that I have read something recently there is more than 40,000 shortage nationwide, you know, for child care. So I think we are competing.

One of the things that we are looking at again, every location is unique and different is how do we also, in addition to what the Secretary mentioned as far as commissary, we have done that is

worked as a privilege up there, giving the money off if they have kids, and we are actually offering them access, because sometimes it spouses to housing a little quicker. Housing is a very—another challenge that is up there.

Senator MURRAY. Yes.

General GEORGE. And then I think we also have to look at the pay that we are doing. And I don't think we need any help with that, but you know, do we—what grade is it that we could maybe go up a little bit? But I did want to foot stomp on the USA Jobs, and the challenge just with that kind of hiring. It is an old system, and I think that that could be updated.

Senator MURRAY. Well, you mentioned housing, and that is the other thing I hear about all the time. We are still seeing issues with mold, with rodents, with the availability of suitable and affordable housing, especially at JBLM. I have heard as many as 650 service members and their families are spending anywhere from 3 to 12 months in a hotel or other accommodation while they wait for a home on base or become available. These service members and their families need to have a safe, reliable, affordable place to live, period.

So talk to me, Secretary Wormuth about what you are doing to ensure housing needs are met at both on and off base.

Secretary WORMUTH. Thank you. We are doing a few things. In this year's budget, for example, we have investment for 138 new homes, 250 renovations of homes, and $400 million for sustainment of existing army-owned family housing, in addition to all of the money, the $2.1 billion that we are putting into barracks for unaccompanied soldiers.

We also continue to work extremely closely with our five privatized housing partners to make sure that they are providing quality housing, to make sure that they have enough maintenance workers, you know, to make sure that they are taking care of the privatized home. So we absolutely still have challenges, Chair, but I think we are trying very hard to reduce the problems with mold and long waits for maintenance.

Senator MURRAY. General, anything you wanted to add?

General GEORGE. I just would add, Senator. Up there, what one of the things that we do that is unique to JBLM is we have an office there that does rental agreements to help, because again it is a specific problem up there, and you know what the housing market over the last several years has gone up there, where soldiers don't have to pay you know to get several credit checks it is one thing they don't have to put and big deposits, so we are doing other things as well, and we are doing that——

Senator MURRAY. With the community?

General GEORGE [continuing]. With the community, which again, I think that that is what we are going to have to do, is tailor you know some of those solutions locally, because the truth is that about 30 percent of our, you know, Force lives on base, you know, in family housing. So we are going to have to work with the local communities really across the country to solve this.

Senator MURRAY. Thank you. Senator Capito.

Senator CAPITO. Thank you. And thank you both, not just for your service, but for being here with us today. It is good to see both of you again,

My questions are, first of all, I wanted to ask about cyber. Obviously, we are we are facing more cyber threats at every level, and in every aspect of our critical infrastructure, and from what I understand the Guard is already playing a critical role in domestic response to cyber-attacks, including through our critical infrastructure Battalion at the Army Interagency Training and Education Center in my State of West Virginia. This unit supports a number of DOD and DHS (Department of Homeland Security) programs.

Is there a more direct role for the National Guard to play in cyber specifically using them as a liaison force between the Federal Government, the States, and the local and State critical infrastructure? Do you all have—what would your response to that be? Yes.

Secretary WORMUTH. Senator, I think what I would say is, you know, we try to leverage all of the cyber expertise across all three of our components, Active, Guard, and Reserve, and certainly there is a lot of great cyber expertise in the Guard. I think trying to have a one-size-fits-all program with the Guard is challenging, because frankly the level of expertise varies from State to State and also, frankly, so you know 85 percent of our critical infrastructure is in the private sector, and so there is a tremendous amount of diversity.

But I can tell you that I know General Barrett, who is the Army Cyber Commander, works very closely with the Guard, to try to make sure that we are making the best use of them, and that we are also retaining, frankly, that capability which is very in demand right now.

Senator CAPITO. Yes. General George, do you have a response?

General GEORGE. Yes, I just would—and having deployed with some of these experts in the Guard, I think what makes them very unique when they come into your formations is a lot of them work this in their daily jobs.

Senator CAPITO. Right.

General GEORGE. And really keep up a skill level which is really helpful for us. So we are constantly looking, and we are in discussions right now with the Guard on, you know, what adjustments that we need to make. I do think that as part of our continuous transformation, looking at how we—our cyber formations again, I think that is one of the things that has made the world much smaller with space and cyber.

Senator CAPITO. Right.

General GEORGE. So we are constantly evaluating how we can get better in that space.

Senator CAPITO. Good. Good. Well, on Friday we had a great announcement in Huntington, West Virginia, at Marshall University, in Marshall University-West Virginia University collaboration. They are friends now, unless they are on the football field, is what the bottom line is there. But it was the DOD National Center for Excellence for cybersecurity and critical infrastructure. They are trying to develop the workforce, but it is a really great collaborative effort between private sector, academia, the DOD, and the Guard, and USCYBERCOM.

So I think we are moving in a great direction in West Virginia, very excited about the potential for that project in our home State.

My other question, my next question is on Army soldier-led innovation programs, providing, obviously, weapons to Ukraine, illuminated some of our shortfalls, and some of—where we are doing really well. And I have been a big supporter of soldier-led innovations through the Army DEVCOM's Pathfinder Program, and the Accelerating Force Program.

These programs help to transition our weapons and our tech by actually putting it in the hands of our Military and before they are—it is actually, as an experimentation type of thing. So you can get on-the-ground reactions from folks that are going to be using these weapons, what lessons can be learned. What is the Army's plan to increase funding for these types of soldier-driven innovation programs? And can we get new technology solutions into soldiers' hands for experimentation? Because I think it will bring great successes to us.

So General, I don't know if you want to start with that?

General GEORGE. Sure. I am wishing there was more time on the clock to talk about this one. So we are doing what we are "calling transformation and contact". I would love to have our team come up here and kind of lay that out what we are doing.

Senator CAPITO. That would be great.

General GEORGE. What we are doing is exactly what—you know, if you infuse a formation with technology and then see how they actually use it, and we have the developers that are down there that make software adjustments. We have the drones that are there and we make adjustments to them. That is what we are doing. So we have a brigade that is going to go over to Europe. We have a brigade now in the 101st. We have a brigade that is out in the Pacific. And they are getting—we are fixing their network, we are adding electronic warfare, UAS, counter-UAS, all of those capabilities.

And what this means is we are not going to buy stuff, you know, that say, hey, this going to be here with us for 20 years.

Senator CAPITO. Right. Right.

General GEORGE. We are going to innovate exactly what you are talking about. I just was down at Stewart, and I know we have partnerships with universities in West Virginia, and they are anticipating——

Senator CAPITO. Right. And we have a facility, yes, in Clay County.

General GEORGE [continuing]. They are making their own; as an example, they turn what had been a vehicle that was, you know, manned they basically turned it into a breaching vehicle was completely automated. So I mean these are soldiers that are doing these things, they are able to come up with how we can 3D print parts that cost $20, and you know, took us 6 months to get to actually 3D printing, 16 of them within an hour, and they cost 12 cents each.

So these are soldiers that are doing these things. I think that technology has changed that much we are going to have to adjust with the times.

Senator CAPITO. Well, thank you. And also seems to me—and my time is up—but not only is it a cost saving on the production, but you are not wasting money on things that may not, in theater, actually perform is exactly as intended, or as thought could be.

Thank you all, both, for being here. It is good to see you. Thank you.

Senator MURRAY. Thank you. Senator Coons.

Senator COONS. Thank you, Chair Murray. And thank you for the opportunity to be with you both today, for your service, and for your leadership, Secretary Wormuth and General George.

I look forward to following up with you, if I can, briefly, on three things. One that I may have missed the full conversation on, because I have three committee hearings at the same time, really grave concerns about Force protection and the countering the drone threat. Second, the State Partnership Program which I think has shown real benefits in Ukraine and in a dozen other countries I have been to in Africa, and Southeast Asia, in Central America.

But first, the Global Fragility Act, 5 years ago President Trump signed into law a bill that Senator Graham and I worked on for years, to try and come up with a common approach, this is modeled on Plan Colombia, and how we took a combination of DOD, State Department, USAID over a decade to come up with a common approach to dealing with a fragile State that was not yet a failed State.

Colombia, 25/30 years ago was a disaster, it was a mess, but it was still salvageable. And so a joint strategy effort between DOD, State, and USAID successfully moved it back into the column of countries we can work with. We really have struggled to get DOD engagement and implementation, and there was several years ago a decision made by the lead agency State, to prioritize a few countries, Papua New Guinea, Mozambique, Coastal West Africa.

I just met with the Four-Star responsible for AFRICOM pressed on the, frankly, deteriorating security situation in the Sahel and Coastal West Africa, and would urge you to engage in providing even modest resources to Coastal West Africa, recognizing that withdrawal or removal of equipment and forces from these areas is a sensitive and difficult subject to discuss in full here.

I would welcome your active engagement. I recognize this often falls to the bottom of the list, but as we saw in Southwest Asia, there are countries that are sort of off our list of priority countries until suddenly they are, at great expense and at great loss of life.

So I would be interested in any brief response, Madam Secretary, or a chance for a follow-up conversation.

Secretary WORMUTH. Certainly, Senator. Happy to do a follow-up as well; briefly I would say I think where the Army can be most helpful in that regard is through our Security Force Assistance Brigade, you know, which we have one aligned to each combatant command. So General Langley works with our Security Force Assistance Brigade to try to build interoperability, build up the security forces in those countries. That is, I think, where we could make the best contribution.

Senator COONS. I am intimately familiar. President Ruto of Kenya is here this week for a state visit, he has been a tremendous security partner, Kenya generally, in the counter al-Shabaab work

that is very difficult and dangerous in Somalia, but we do not have a comparable platform or plan for Coastal West Africa, post-Sahel, and I am very eager to work on that.

I am also concerned about Force protection for our Forces who are in FOBs, in Eastern Syria or in Somalia, and just hope that you recognize the urgency of this. I was interested in hearing Senator Capito's questions about Soldier Led-Innovation. We don't have 3 years or 2 years to deploy.

I saw the Coyote System in a recent visit to Iraq and to Jordan, I have seen some of the other options, I just don't think we are moving fast enough. What is your sense of what we might be able to do to support faster Force protection solutions, for very low-tech, easy to deliver drones?

General GEORGE. So I agree with you. And I was having this conversation with Senator Collins. I do think we need to move faster, and we are doing that. We are basically taking everything that we have available and putting it in the Middle East, and again it is kind of the—it is the user, what Senator Capito was talking about where you actually have soldiers that are on the systems, the developers, and the testers that are all right there.

And we have our directed energy that is over, we just directed the high-power microwave system that we are doing, is going to go over there immediately, because I think we have to spin this, a whole bunch faster. We did—you know a lot has changed in that work, and that was why it was on the unfunded priority list to ask to get, because of what has changed in the Middle East since last October.

And then this is another area, and I know I have mentioned this, where I think we have to be more flexible in our funding approach, so that when we have something that research is working well, and we know we need to procure more of those systems, and I can give you examples of certain systems that we are doing better, that we wouldn't have to wait, that we could do that.

You know, we could come over and notify the committee, and then you know do a certain wait period, and then go ahead, and do that. And we would love to work with you on that. But I think we have to turn the wheel a lot faster on counter-UAS.

Senator COONS. Given the Houthis, given the proximity, given al-Shabaab, and given where our Forces are, and how they are deployed, I am as concerned about Forces in Somalia and Northeastern Kenya, as I am about Forces in Iraq and Syria. And I hope that that elevates.

Last, in a sentence, the State Partnership Program, 30 years' old, I think we have got every one of our State National Guards, I think Maine has Montenegro, I think you have got Malaysia, or Thailand, and I think you have Gabon, if I am not mistaken. We have got Trinidad and Tobago. I have visited SPP (State Partnership Program) Partnerships in a dozen countries, particularly in the Baltic States, and in Ukraine, where they have made an amazing difference. Please continue to support it robustly. And I will continue to advocate for that. Thank you very much.

Senator MURRAY. Thank you. Senator Hoeven.

Senator HOEVEN. Thank you, Madam Chair. Secretary, General, thanks for being here, thanks for your service, appreciate you both very much.

Secretary, given the magnitude of challenges we face it is critical that the Army National Guard maintain the capabilities to integrate seamlessly into the fight. And I know you support that. We funded 12 MQ–1C Gray Eagle Aircraft in fiscal 2023, which supports one Army Guard Division. I am concerned that that is not enough. Will you commit to ensuring parity across the Force for the MQ–1C Gray Eagle?

Secretary WORMUTH. Senator Hoeven, our plan with the Gray Eagles is we have planned to have 12 companies associated with divisions, I think we have about half of those on contract right now, and we will—our plan is to have the addition completed by the end of this fiscal year.

We still have to work through what are the criteria for stationing those Gray Eagles with our National Guard, and General Hokanson and General Jensen will be putting together those criteria, and making sure that they are shared with the Adjutant's General so that States, you know, have visibility into the process as we think through stationing. But that is our plan right now for Gray Eagle.

Senator HOEVEN. Okay. Also one of the things that go with that, is standing up a schoolhouse in regard to training for the Gray Eagle as well. And I have talked to both members of the Army and the Guard in regard to doing that because we think we have a very good proposal for you in North Dakota that would be a very cost-effective way to do it. And so we would look forward to discussing that with you, as you stand up this mission in the Guard. Okay?

Secretary WORMUTH. Certainly look for to discussing that.

Senator HOEVEN. Thank you, Secretary, I appreciate it.

General, so we are seeing drones transform the battlefield, and certainly Ukraine, other places as well, the Army recently canceled plans for several new aviation platforms and seems to be rethinking its requirements on the battlefield. What role do you envision unmanned aircraft both large and small playing for Army in the future, based on what we are seeing in the current conflicts?

General GEORGE. Senator, I was going to tag on to your previous one and——

Senator HOEVEN. Well, please, do. Go ahead.

General GEORGE. What we were—because it is related, I think, to what you were talking about. We are going to need unmanned systems in all of our formations. We have been meeting with a large group of Tags, and the division commanders had a lot of discussions with them about how all of our formations are going to have to transform. And we are going to need this kind of technology at every echelon, in doing that, and making those adjustment, so I think it—not just Gray Eagle, what we are going to need is short range, medium range, it is going to have to be inside of our formation.

We did cancel—and I don't know if you are referring to like Shadow and Raven; those were 25-year-old systems they were great 15 years ago, but what we can't do is keep something in the formation that we know is not going to be effective on the battle-

field. And Amazon, Home Depot, I mean all these—there is a lot of great small companies out there that are really moving quickly with unmanned systems, and what we are trying to do is build a modular open system architecture where we can put different systems and sensors on them, and I think that we will be able to adapt to that rate of change if take that model.

Senator HOEVEN. Right on. I mean we have got to look at—and I know you always do, and I know you are; we have got to look at what is going on in the battlefield right now, and the whole U.S. drones, large and smaller, are changing the dynamics for all of the Services, not just Air Force, or you know, Navy, but for you, for the Marine Corps, everybody.

We do a ton of work in unmanned aviation, in Grand Forks North Dakota, a lot of counter-UAS, we have 900 miles of border responsibility, we have customs, and border protection co-located, with the Air Base there, we have a technology park there, we have all the major players in this area, but it is not only what we do offensively with these drones it is what we do to counter them too.

And so I would like to invite you to come and see what we are doing, but also because we can't be shooting million-dollar missiles to take down a $500 drone, and Swarms. We have got to get on top of this. We are working very hard on that, and we want to work with you to advance that. So I am inviting you as well, to come see what we are doing, but to work collaboratively on this, not just for the Guard, but for all the Services, DOD-wide.

General GEORGE. I am going to try to get up there before it is January and February, since I am from the Midwest, so.

Senator HOEVEN. Here is the good news, if you come during the nice weather you get nice weather; if you come during the cold weather, we have got the best hockey, you have ever seen. We will take you the hockey game.

But again, thanks to both of you for your service.

Senator MURRAY. Vice Chair Collins, last questions.

Senator COLLINS. Thank you, Madam Chair.

General, first let me say I was delighted to hear you talk about 3D printing and the possibilities that it can contribute enormously to our National Defense. The University of Maine has one of the largest, if not the largest, 3D printer and has printed everything from a boat, to a home, it is just amazing what they have been able to do. They are also doing a lot of work on ballistic protections for our troops using composites, so it is very exciting the work that is going on. And I am glad to know that you see the promise as well.

I want to talk about what I think is—or ask you about what I think is one of the unappreciated consequences of the supplemental, and that is that the Replenishment funding helps to modernize the Army. I think that has been lost in this debate, that it gives you better capabilities.

So General, could you please describe how the replenishment funding is helping the Army replace its Legacy weapons with more modern capabilities?

General GEORGE. A real quick example, Senator, is 113s are very capable vehicles, but we are now moving on, and everyone that we have provided, we are now buying MVs. And so we are up—you know, we have a better system. The same thing with the Bradleys

that we have done, and what we are doing to buy, you know, a more advanced model. And then the other thing is to—for a lot of that, for the supplemental, 80 percent or more of it was coming back into our own industrial base, and what we are doing right here. So yes, we are not buying any old stuff, we are buying new equipment, is what we are getting.

Senator COLLINS. And that is a real advantage, manage and your point is well taken that the vast majority of the funding in the supplemental actually goes to American industrial companies, and creates good jobs, so it is important as far as sustaining our industrial base and strengthening it as well.

Secretary, I understand that last month the Department of Homeland Security, once again requested emergency support from the Military for Southwest Border Operations, and the Pentagon is estimating that the cost will be at least $490 million, and most of it is going to have to be borne by the Army.

First question, has DHS, the Department of Homeland Security, ever reimbursed the Department of Defense for these additional costs that you are bearing, to assist DHS on the border?

Secretary WORMUTH. I believe, Senator, that out of, I think 20 years of supporting DHS we have never been reimbursed. I could be wrong on that, but generally they have not reimbursed us for the support we have offered, which I think goes to Chair Murray's point about the importance of adequately resourcing, not just DOD, but other important agencies like DHS.

Senator COLLINS. I think it does as well, but it concerns me because $500 million is not an inconsequential cost, and it means you are going to have to rob some other underfunded program in order to meet what is a very legitimate need. It seems to me that this is a perfect example of something that should have been in the budget request. It is not. Because as you point out: this has been going on for many years. Would you support an emergency supplemental to cover those costs?

Secretary WORMUTH. Certainly, I think they could be considered as part of a supplemental. You know, I do want to emphasize that the Army has always answered the call, you know, we have been in support of our friends in the Custom and Border Patrol, but as you said it is a significant outlay for us, I think we have already spent $270 million this year, so a supplemental would certainly be helpful for something like this.

Senator COLLINS. Thank you. And finally, let me just reinforce what Senator Coons said about the State partnerships with the National Guard. The one with Maine, with Montenegro and Maine is applying for another partnership right now, was tremendously successful in getting Montenegro prepared for its NATO (North Atlantic Treaty Organization) responsibilities. And it was just a terrific experience on both sides. So that is a program that I hope we will continue to support. Thank you.

Senator MURRAY. Thank you. Senator Moran, do you have any additional questions?

Senator MORAN. I do. Thank you very much. A couple of questions in the realm of those who are departing the Service, in my veteran's capacity, the value veterans bring to the workforce, there is need for transitioning of service members to be appropriately

credentialed, and translate their skills that they learned in the Military into their next career.

Secretary, do you think a soldier will be more or less hirable after their transition if they have certifications that translate a breadth of experience to potential employers?

Secretary WORMUTH. I certainly think helping position our soldiers to have credentials and certificates that help them be as marketable as possible when they transition, is valuable.

Senator MORAN. And is that happening?

Secretary WORMUTH. Yes. We have, as I am sure you know, a credentialing assistance program that we have been piloting, it has been wildly successful. I think part of the challenge the Chief and I have is putting up some guard rails around that to make sure that we can afford it again inside of our flat topline, but we are supporting our soldiers in getting certifications and credentials.

Senator MORAN. That answer gives me a suggestion that I will pursue.

General George, case on delays, outline the Army's path forward on what conditions you need to meet to resume operations of horse-drawn caissons at Arlington National Cemetery?

General GEORGE. I am going to mention a couple things and I am going to turn it over to my ranger buddy here on the right because I know she spent a lot of time on this, more than I have. But I think we are looking at, Senator, is conditions based. I mean we want to do this, well, obviously, the support we provide at Arlington National Cemetery is sacred to us, and to all of our veterans, and we are trying to stand up this capability.

I think we have the right experts that are on board doing that, as well as General Bredenkamp kind of overseeing that hiring the right people, making sure—and this, you know, the problem we had didn't—you know, wasn't created, it took time. And so I think what—the approach that we are taking I think is a very good one, very sound, we can come over and talk to you about it in detail. But I will turn it over to my——

Secretary WORMUTH. Sure. This is something, Senator Moran, we have been working really hard on and it is surprisingly complex and challenging. But I—as the Chief said, it is going to be several more months before we can offer caisson funerals again. And that is because, among other things, we have to buy 30 more horses, to have enough horses to provide this very specialized capability. We have to find the pasture land to support those horses.

We have now, I think, gotten on top of making sure that we have the expert veterinary personnel that we need to help us care properly for these horses, and the stables, at Joint Base Henderson Hall-Myers are going to have to be reconstructed. So we have quite a bit of work to do before we can operate that particular service, which is so important, safely and efficiently; but happy to come talk to you in more detail.

Senator MORAN. Thank you. It does demonstrate that nothing is simple. And I appreciate your attention. I think it is a really important and meaningful experience for veterans, their families, for Military Service and their families. Thank you.

Final, question total Army analysis provided details of new counter-UAS batteries to be employed as division assets; is this ca-

pability on schedule to be delivered to the initial units in fiscal year 2024 and through 2029; and where is the Army accepting risk in the development of this capability?

Secretary WORMUTH. Thank you, Senator. And the Chief may want to add on this. We are on schedule, you know, as we have said throughout this hearing, building up our counter-UAS capability, both the systems and the formations to be able to perform that function is critical. And so we are on schedule right now. I believe that the counter-UAS battery coming to Fort Riley is supposed to arrive in fiscal year 2029, and we are making it a priority to make sure that we have both the equipment that will be needed for that, and also the soldiers who can man that.

Senator MORAN. General, this has been a theme for you today.

General GEORGE. Sure. I am happy to add something on counter-UAS. I think we didn't get an opportunity to talk about recruiting and I think that that is the most important thing you know, kind of said that in my up upfront statement about getting people to come in to and—thankfully, we are we are looking a little bit better we are ahead, slightly ahead of projections, and we are going to continue to focus on that. That is what I think we really need to do, is get the people in and to continue to grow, because this is a capability that we need for First Infantry Division, and really everywhere. And then it is also I will tell you on counter us is something that we are going to have to continue to look at capabilities at echelon, and what we need to do, and we are going to have to continuously transform in that area as well.

Chairwoman, I won't ask a question, but I will conclude we did not talk about recruitment. It is one of the most important things on capability of the Army to meet our country's needs. I would offer, if there is—if you point me in the right direction, one of my goals to help in recruitment, is to further expand the availability of Junior ROTC (Reserve Officers' Training Corps) in Kansas.

And if you want to point somebody in my direction to kind of help me through that process I would be delighted to help find a school or schools that might be interested, and we have great Junior ROTC programs at Junction City, and at Leavenworth, I would like to see that elsewhere

Senator MURRAY. Thank you. Thank you very much.

Thank you to our witnesses today.

ADDITIONAL COMMITTEE QUESTIONS

Senators may submit additional written questions. We ask that you respond to them within a reasonable time.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. CHRISTINE WORMUTH

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. Congress provided authority and funding for multi-year procurement contracts of several Army munitions including the PAC–3, GMLRS, and 155-millimeter artillery rounds. These contracts will to provide stability and funding predictability for the industrial base—even under tight budget caps. We have been very clear that we expect to see: Substantial unit cost savings; industry investments to

expand and upgrade their facilities; and weapons being delivered on cost and schedule.

Secretary Wormuth, can you give us an update on where you are in awarding these contracts? Are they generating savings, and are we getting weapons faster?

Answer. Congress has been instrumental in providing the Army with the authority to enter into new multiyear contracts for Patriot Advanced Capability 3 (PAC–3), Guided Multiple Launch System (GMLRS) and 155mm artillery rounds, which will provide us stability and predictability of the supply chain and demand for those munitions.

The award of the PAC–3 multi-year procurement (MYP) occurred at the end of June 2024. The Army anticipates savings of up to 3 percent and improved stability in the PAC–3 supply chain resulting from the multiyear procurement (MYP) approach.

The GMLRS MYP contract will be for FY 2024–2027, with an already awarded FY 2024 delivery order being modified to become the base for the multi-year contract. Proposals are still outstanding and the Army anticipates a savings of 2.5%. MYP does not shorten the production timeline, however, GMLRS has Advanced Procurement funding, which will reduce production lead time from 34 months to 22 months.

With respect to 155mm artillery ammunition, the Army is executing several MYP contracts. Initial MYP contracts for Artillery Munitions and components were awarded in FY 2023. Additionally, delivery orders were awarded off the MYPs in FY 2024 for the Modular Artillery Charge System (MACS) containers, MCAS Load Assemble Pack (LAP), and M1128 Metal Parts. Delivery orders for the MYP for M1128 LAP are estimated to be awarded in 4Q FY 2024 and deliveries are anticipated to begin in March 2025. The Army estimates savings ranging from 3% to 11% per awarded contract.

Question. There are no U.S. troops on the ground in Ukraine; but the Army supports Ukraine in its fight to repel Russia's invasion by training Ukrainian soldiers and supplying major combat systems and munitions. The delayed passage of the National Security Supplemental forced you to cover a lot of these costs out of hide.

Secretary Wormuth: How has this impacted funding for other Army programs? And how quickly can you "get right" now that the National Security Supplemental has passed?

Answer. The Army supported base and contingency requirements like Ukraine by prioritizing expenditures. Though operational tempo did not reduce, funding executed at a slower rate while awaiting passage of the National Security Supplemental. Approximately $557 million of Army's FY 2024 base funding was directly used in support of Ukraine requirements prior to passage of supplemental funding. Over $167 million (of the $557 million) impacted major programs resulting in delayed, deferred, or descoped facilities repair efforts, supplies, parts, and exercises. Examples include:

—$37.5 million in delayed exercise funding for Saber Strike ($1.5 million), Combined Resolve ($1 million), and Swift Response ($35 million).

—$106 million in deferred or cancelled supply requisitions.

—$3.4 million in deferred parts requisitions to maintain Army maintenance standards.

—$20 million in deferred improvements for Jasionka, Poland facilities for the expansion of the remote maintenance and distribution cell.

The Army is diligently working to align supplemental funding to restore base funding before 30 September 2024. This requires a significant amount of labor rework and coordination, particularly with contracts, due to the volume and complexity needed to update the contracting and financial records prior to the end of the FY.

Question. The Army continues to invest in six modernization portfolios to build the Army of 2030, and design the Army of 2040. The Army completed the Total Army Analysis this year to better align the current force structure with these new capabilities. However, some of these new battalions are being built around modernization programs that are delayed.

Secretary Wormuth, if there are delays to these modernization programs, why is this the right time to cut and adjust force structure?

Answer. The Army must begin transformation now to ensure we have the right capabilities available at the right time for any future fight. The Army is refocusing on conducting large scale combat operations against technologically advanced military powers. To meet these requirements, the Army must generate new capabilities and re-balance its force structure. The Army must make adjustments now to set conditions to receive equipment as well as MILCON, doctrine, training, and force structure. This model worked for MDTF 2 as the Mid-Range Capability battery is

prepared to receive its equipment and is postured to then deploy quickly to the Indo-Pacific.

This transformation will enable the Army to bring in more than 30 new capabilities or upgraded systems across six critical modernization portfolios to meet requirements under the National Defense Strategy. It will also allow the Army to narrow the gap between force structure, which was designed to reduce excess, largely unmanned, "hollow" force structure to build new formations equipped with new capabilities needed for large scale combat operations. By bringing force structure and end strength into closer alignment, the Army will ensure its formations are filled at the appropriate level to maintain a high state of readiness.

Question. Last year, the Army ordered a safety stand-down after two helicopter crashes took the lives of twelve soldiers. We talked about this at last year's hearing. Tragically, fiscal year 2024 has proven almost as dangerous, with 13 Class A accidents, including three fatal ones that killed 9 soldiers and 1 border patrol agent. In response, the Army directed an Aviation "Stand Up" for additional safety training.

Secretary Wormuth, Class A aviation mishaps have almost tripled so far in fiscal year 2024. Do you have the resources in the fiscal year 2025 request turn this around?

Answer. Yes, the President's budget request for FY 2025 fully funds Army aviation training to safely build proficiency for individual aviators while meeting the requirements of the Joint Force and building readiness for large scale combat operations.

Question. For several years, this Subcommittee has criticized the Department for not having a robust plan to defend Guam against high-end air defense threats. Now, the Army has finally signed the Memorandum of Agreement and recently stood up the Guam Defense System Joint Program Office.

Secretary Wormuth: The Army now has a formal role in the defense of Guam. What are the biggest obstacles to achieving success and what can Congress do to help?

Answer. The Army is prepared to support the Joint Team in Defense of Guam. The Army, as the materiel developer for the Guam Defense System (GDS) and lead for the Joint Program Office (JPO), appreciates the help Congress has provided for the defense of Guam. In particular, the extension of the H–2B temporary need exemption has had a positive impact on the construction capacity on the island.

The most significant challenge to the delivery of integrated air and missile defense capability in Guam is the lack of well-defined requirements, which complicates the planning for construction, support services, and National Environmental Policy Act (NEPA) requirements. These delays have contributed to the Department's decision to "tranche" the delivery of capability, sequencing materiel deliveries to the readiness of tactical sites and operational support facilities. Additionally, there is limited availability of existing facilities to execute interim requirements. Currently programmed MILCON funding covers one of three tranche requirements (399 personnel and 5 of 10 tactical sites) to achieve an initial operating capability.

Future cuts or deferred funding to Missile Defense Agency (MDA) GDS efforts will limit the full range of capability and capacity to deter and defend against aggression and advanced threats from the People's Republic of China (PRC).

The FY2023 NDAA directed that the Integrated Air and Missile Defense of Guam effort be managed using the Major Capability Acquisition pathway (DoDI 5000.85). The JPO's approach is that the components of the GDS will continue to be managed under the acquisition pathways in which they were initiated. The JPO will develop an Integrated Battle Management layer that ties the Joint component systems together. This development effort would be better managed under a different acquisition pathway. Congress can help by modifying its direction in the FY 2025 NDAA to provide the Department of Defense and the Army with maximum flexibility to tailor an acquisition strategy that addresses the needs of U.S. Indo-Pacific Command as quickly as possible.

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. Rock Island Arsenal plays a critical role in our organic industrial base. In recent years alone, the Arsenal has played a role in responding to the COVID–19 pandemic, managing the logistics of ammunition deliveries to Ukraine, and now housing the world's largest 3D printer as a hub of innovation. Yet, too often, the Army turns to the private sector for its needs rather than leveraging the capabilities the service has in house at places like Rock Island.

How does the Army plan to leverage the capabilities at Rock Island Arsenal to shore up the service's needs while increasing workload for the Arsenal?

Answer. The Army is investing in the modernization and expansion of Rock Island Arsenal's forging and castings capabilities and capacity. The Army is also committed to growing new capabilities at RIA especially in the production of components for new systems that are coming online using advanced manufacturing. As an example, the Army has integrated RIA in the production of the main armament of the M10 Booker, which recently achieved low-rate initial production. RIA produces the cradle and parts for the breach for that cannon. We have expanded Rock Island into the testing and ballistic certification of aluminum armor received from vendors to help speed the acceptance process for our systems. Additionally, we have purchased and are installing a thick plate milling capability for aluminum armor that will improve the ability to partner with original equipment manufacturers to speed the production of components. We are working with Defense Logistics Agency to identify candidate components that Rock Island may be able to produce that the commercial sector is not supporting.

Question. Rock Island has also helped deliver more than 3,000 Humvee ambulances through a successful public-private-partnership with the Original Equipment Manufacturer.

Please provide a plan on whether the service plans to procure—similar to Humvees—an ambulance variant of the JLTV A2, including whether it plans to include such procurement as part of its annual budget request and if there will be consideration of Rock Island Arsenal to support production of these vehicles similar to the Humvee ambulance effort.

Answer. The Army was unable to incorporate an ambulance variant of the JLTV due to payload requirements of the patient compartment exceeding rear axle capabilities. Army Futures Command is currently developing an Abbreviated Capabilities Development Document for a Protected Wheeled Ambulance instead.

Question. Please provide data that can help illustrate the Army's current recruitment and retention needs.

What are currently the top 15 MOSs that are undermanned or difficult to fill?

Answer. The Army identified 16 MOSs to focus on for recruiting priorities for FY 2024 as 11X, 12C, 13B, 13F, 13M, 13R, 14E, 14G, 14P, 17E, 18X, 19K, 25H, 35W, 68W, and 89D.

Question. Which of these require security clearances?

Answer. The following of the Priority MOSs require a security clearance: 13B, 13F, 13M, 13R, 14E, 14G, 14P, 17E, 18X, 25H, 35W, and 89D.

Question. What are the top 5 MOSs that are most difficult to fill that do not require security clearances?

Answer. The top four Priority MOSs that are most difficult to fill that do not require security clearances is 11X, 12C, 19K, and 68W.

QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

Question. In its 2021 Arctic Strategy "Regaining Arctic Dominance", the Army asserts that a Multi-Domain Task Force in Alaska is the first step in setting the conditions for success in the Arctic. However, in recent years the Army has placed less emphasis on a permanent MDTF in Alaska, after directly stating it wanted to do so in its strategy.

Can you please elaborate on the Army's intentions with an MDTF in Alaska?

Answer. The Army is investing in five MDTFs. MDTFs 1, 3, and 4 are aligned to the Pacific; MDTF 2 is aligned to Europe; and MDTF 5 is service retained for global deployment/employment stationed with XVIII Airborne Corps at Fort Liberty, NC. MDTF stationing was driven by operational requirements. Operational necessity drives all Army stationing decisions. The first step in a stationing decision is to consider the operational requirements of the unit. The Army also looks at how the unit might benefit from proximity to other force structure. For example, NORAD in Colorado has a robust community of experts for non-kinetic effects, which MDTF's Multi-Domain Effects Battalion could leverage. The MDTF at Fort Liberty is located within the XVIII Airborne Corps' and 82nd Airborne Division's footprint, providing robust training opportunities to test concepts and develop tactics, techniques and procedures.

The Army must consider the availability of facilities that can accommodate the unit and its personnel, meet equipment storage and maintenance requirements, meet training requirements, and house cyber defense structure. Given the critical need to field MDTF capabilities as soon as possible, these facilities must be ready when it is projected to activate.

Geographic proximity of the installations to the theater of employment is another important factor, as it facilitates planning efforts, staff coordination, and travel. For example, Fort Drum's geographic location is advantageous for alignment to the European theater.

Finally, rapid, all-season access to force projection platforms including land, air, and rail to deploy MDTF capabilities to theater is critical to the utility of the MDTFs to Combatant Commands.

All of these factors contributed to the decision to station MDTFs at Fort Carson and Fort Drum. Regarding Fort Wainwright and JBER, Army analysis concluded that these installations did not meet operational requirements. MDTF equipment and weapons systems are not Arctic-proven and long-term storage in extreme temperatures may damage or degrade their useful life, thereby depleting MDTF deployability and readiness. Fort Wainwright and JBER also lack adequate facilities to house MDTF units, soldiers and equipment; building the facilities would incur up to approximately $1B of unprogrammed installation costs for the Army. Even if the approximately $1B investment was approved, these new MILCON facilities would not be built in time for use when MDTF force structure activates. This capability is essential to Army 2030 and must be activated as soon as possible.

The Army needs to judiciously consider investments in housing and barracks within a resource constrained environment so that it can deliver needed improvements to its large inventory. The Army believes it is prudent to preserve the limited excess facilities available in Alaska to dedicate to potential future growth for 11th Airborne Division.

Question. Does the Army plan to establish an MDTF aligned to the Arctic region or has the Army decided not to field an Arctic-focused MDTF?

Answer. At this time, the capabilities resident in the MDTFs will be stationed at: JBLM, Hawaii, Fort Drum, Fort Liberty, and Fort Carson. Army does not plan on stationing an MDTF in Alaska. Further, because MDTFs strengthen deterrence, the Army will be exploring opportunities for MDTF elements to be stationed episodically, or perhaps permanently, in key theaters in future years.

Question. Army units at both Joint Base Elmendorf-Richardson and Fort Wainwright are in desperate need of larger amounts of funding to sustain, repair, and modernize facilities. In some of the worst cases, there is actually water leaking into company ops facilities that has forced Soldiers to set tarps up over their workspaces to protect their equipment. In Alaska, the need for Facilities Sustainment, and Restoration and Modernization (FSRM) funding is exacerbated because construction costs a lot more and facilities deteriorate more quickly. I know that the budget request fully fills FSRM for barracks projects. However, the budget request overall is a decrease in funding for FSRM.

Is a reduction in FSRM funding appropriate given the Army's backlog of projects?

Answer. In a resource constrained environment, the Army had to make difficult funding choices in the facilities investment portfolio. While the Army proposed a small decrease in FSRM funding in the FY 2025 request compared to the amount of funding appropriated in FY 2024, the FY 2025 request nonetheless reflects an increase over Army's FSRM FY 2024 request. In the FY 2025 request, the Army increased sustainment across the board, and increased Barracks Restoration and Modernization and Military Construction resulting in an overall increase in facility investments of roughly $1B over the FY 2024 request. The requested funding can help address deferred maintenance and repair. For FSRM, the Army prioritized barracks, resulting in less FSRM funding for operational facilities. However, the Army continues to maintain relatively high levels of facility Sustainment funding for all facility types, with discretion given to local installations to respond to priority maintenance and repair needs to address situations such as those found at Army installations in Alaska.

Question. The President's budget request includes $1.1 billion for marketing and advertising, a 10% increase from the previous year, in order to more effectively reach its recruiting goals for which it fell short by 15,000 recruits in 2022 and short by 10,000 in 2023.

Can you please describe what the additional 10% increase will be used for?

Answer. The Army requested a marketing budget increase for FY 2025 to purchase additional media. Additional media increases impressions and awareness, leading to an increase in engagement with prospects and leads. Recent RAND studies on marketing investments and activities for the Army indicate it will raise awareness and potentially increase contracts.

Question. Can you provide an update on the current outlook for Army recruiting in 2024?

Answer. As of July 1st, the Army is on track to meet the FY 2024 recruiting goal of 55K accessions contracts and 5K of applicants into the delayed entry pool.

QUESTIONS SUBMITTED BY SENATOR SHELLEY MOORE CAPITO

Question. Given that each COMPO 1 division has an unmanned MQ–1C Gray Eagle unit, what is the Army's plan to ensure fielding of UAS capabilities to each Army National Guard division so they are not at a disadvantage while training and deploying alongside active duty counterparts?

Answer. The Army plans to field a variety of UAS capabilities across all COMPOs to meet growing requirements. The Army will field the MQ–1C Gray Eagle Unmanned Aircraft Systems (UAS) to the Army National Guard (ARNG) as directed by Congress with initial fielding in FY27. The Army does not have a validated requirement to field MQ–1C Gray Eagles throughout ARNG Divisions and current Army MQ–1C force structure provides the depth necessary to support divisional requirements across all COMPOs.

Question. With respect to the ongoing discussions about establishing an Electronic Warfare Center of Excellence for the Army, have any decisions been made to determine the location for this Center of Excellence.

Answer. The Army has not made a decision on creation of an Electronic Warfare Center of Excellence and has not begun analysis for a location should the determination be made to create an EW CoE. Any stationing decisions will be driven by operational requirements and executed IAW statutory requirements.

Question. If so, what is the proposed location?

Answer. The Army has not made a decision on creation of an Electronic Warfare Center of Excellence and has not begun analysis for a location should the determination be made to create an EW CoE.

Question. If not, please share any locations under consideration.

Answer. The Army has not made a decision on creation of an Electronic Warfare Center of Excellence and has not begun analysis for a location should the determination be made to create an EW CoE.

Question. Would the Army consider housing this Center of Excellence at a facility that is not part of any U.S. Army installation?

Answer. The Army has not made a decision on creation of an Electronic Warfare Center of Excellence and has not begun analysis for a location should the determination be made to create an EW CoE. Any stationing decisions will be driven by operational requirements and executed in accordance with statutory requirements.

Question. What are the defined roles that United States Army Cyber Command has designated for Army National Guard cooperation in the protection of critical infrastructure or other cyber missions?

Answer. The National Guard is a critical enabler of cyber operations for the Department of Defense. For the Army, the National Guard generates forces for the National Guard's 91st Cyber Brigade and 11 Cyber Protection Teams arrayed across more than 30 states. They bring unique skills and backgrounds to mitigating cyber threats and are a strategic asset to Army Cyber Command and U.S. Cyber Command. State-organized fusion centers offer opportunities for the Guard to coordinate between state, local, and Federal partners, as well as with private industry. In addition, Army Cyber Command is developing a Commander's Estimate to secure Army critical infrastructure in accordance with FY 2022 NDAA Section 1505 (Public Law 117–81) while looking for ways to leverage the Army National Guard's unique capabilities. The Army looks forward to working with U.S. Cyber Command on additional areas where the Army National Guard can bring further competitive advantages to the joint force in cyberspace.

Question. What is the status and current strategy for the Launched Effects program?

Answer. The "Air Launched Effects" requirement was validated in May 2020 to enhance the Army's capability in extending sensing and lethality from the Brigade to the Corps level. This program is designed to be launched from air, ground, and maritime platforms, providing versatile options for Commanders.

Currently, Program Executive Office (PEO) Aviation is focused on developing Short Range, Medium Range, and Long Range Launched Effects tailored for both ground and air maneuver formations. These developments are crucial in ensuring Commanders have the necessary tools to maintain strategic advantages across all levels of operation.

Our Science and Technology efforts are simultaneously maturing key enabling technologies to boost the effectiveness and survivability of these systems. We are particularly concentrating on advancements in payloads and launch platforms to ensure the highest level of operational efficiency and reliability.

Key experimentation events, such as Project Convergence and the Future Vertical Lift Cross Functional Team's Experimentation Demonstration Gate Event (EDGE), play a critical role in this process. These events emphasize autonomy, platform be-

havior, launchers, and extended network requirements, ensuring that our Launched Effects program is robust and capable of meeting its strategic objectives.

Question. Will increased resources for this program result in the cancellation of any current developmental programs, including turbojet-powered loitering munitions?

Answer. The increased resources for the Launched Effects program resulted from the Aviation Investment Rebalance, which included the cancellation of the Future Attack Reconnaissance Aircraft program. It will not result in the cancellation of any current developmental programs.

QUESTIONS SUBMITTED TO GENERAL RANDY A. GEORGE

QUESTIONS SUBMITTED BY SENATOR JON TESTER

Question. Last year, the Army ordered a safety stand-down after two helicopter crashes took the lives of twelve soldiers. We talked about this at last year's hearing. Tragically, fiscal year 2024 has proven almost as dangerous, with 13 Class A accidents, including three fatal ones that killed 9 soldiers and 1 border patrol agent. In response, the Army directed an Aviation "Stand Up" for additional safety training.

General George, what will this additional training provide to Army pilots, and how will it help?

Answer. The additional mandatory training will have an impact to curtail aviation incidents by enhancing aviation units' focus on safety in general and on specific aviation maintenance and aviator training to address emerging issues we suspect are contributing factors in recent incidents. After completion of the Aviation Safety Stand-Up, reducing the rate of aviation accidents in the future requires a continuous effort to improve the understanding of operational risk within Army aviation formations, increase the safety margins of Army aircraft where possible through materiel solutions, and address a known decrease in the experience levels of the aviation force due to shortages of mid-career aviation warrant officers. Rebuilding experience in the aviation force will take time, the shortage did not develop overnight, and we cannot expect to fix it overnight. To mitigate the impact the Army continues to offer the Aviation Bonus to retain our most experienced and skilled pilots with 3- to 5-year contracts ranging from $30,000 to $35,000 per year. Additionally, the Army will continue to drive down risk in aviation operations and training through ongoing modernization of Army aircraft, reviewing and revising the aviation training strategy, and sharing lessons learned across the Army aviation force and with our sister services.

Question. For several years, this Subcommittee has criticized the Department for not having a robust plan to defend Guam against high-end air defense threats. Now, the Army has finally signed the Memorandum of Agreement and recently stood up the Guam Defense System Joint Program Office.

General George: The Guam Defense System includes platforms from other Services and Missile Defense Agency. How is the Army working across the joint force to consolidate and prioritize future investments when they don't own the systems?

Answer. While the Army supports the Joint Team, the Joint Program Office (JPO) not owning the Service and Missile Defense Agency Guam Defense System (GDS) elements is a Department of Defense (DoD) level synchronization challenge. The Guam Defense System architecture is made up of multiple systems from across the DoD. Each of these systems brings existing air and missile defense capability to the warfighter optimized for their specific mission set. The JPO will work with these platforms to ensure clear interface definitions exists, evaluate where capability shortfalls may reside between systems, define and prioritize investment recommendations across the Services and with the DoD based on these shortfalls, and advocate with the Office of the Secretary of Defense for resources as appropriate.

To enable these technical and programmatic discussions, the JPO will be staffed with senior technical and programmatic representatives from each Service that has a role in the GDS to both represent Service equity and advocate for the JPO's initiatives within their Service.

For military construction and interfacing with the Territory of Guam, the Deputy Secretary of Defense established the Guam Synchronization and Oversight Committee (GSOC). The GSOC is a Service-coordinating governance body, chaired by the Under Secretary of Defense for Acquisition and Sustainment and the Under Secretary of the Navy that synchronizes logistics, environmental and infrastructure planning, and community support programs to develop and deliver new capabilities on Guam. In terms of investment, the GSOC ensures appropriate resources are pro-

grammed and deconflicted by the DoD Components to meet the operational requirements. The JPO is integrated into the body and will leverage their efforts to synchronize materiel deliveries with site readiness.

The JPO will also eventually take on the task of synchronizing joint doctrine, organization, training, leadership and development, personnel, facilities, and policy (in addition to its materiel focus). This will align the joint force intent on how it will operate, sustain, and secure the GDS with our synchronized development and delivery strategy.

Question. The Army continues to invest in six modernization portfolios to build the Army of 2030, and design the Army of 2040. The Army completed the Total Army Analysis this year to better align the current force structure with these new capabilities. However, some of these new battalions are being built around modernization programs that are delayed.

General George, how are you adapting the new TAA force structure elements when several of the modernization portfolios are behind schedule, and what are the budget implications?

Answer. The TAA process is an annual process and is designed to continually assess and synchronize force structure changes with modernization delivery schedules. We have the flexibility to adjust activation dates to account for delays or accelerations in productions and our continual assessment of risks.

The Army faces a range of fiscal challenges today and in the future, including its efforts to transform while maintaining current readiness. The current budget request seeks to set the Army on a sustainable strategic path to achieve the required capacity, capabilities, and readiness to win our Nation's wars—both now and in an unpredictable future. The Army requests the support of Congress for on-time and full year Defense and Military Construction appropriations. We need predictable, adequate, sustained, and timely funding.

QUESTIONS SUBMITTED BY SENATOR LISA MURKOWSKI

Question. The Army's 2021 Arctic Strategy emphasizes the need to dominate in the Arctic. I applaud the Army's effort to lean into this region. However, the Eleventh Airborne Division—the Army's premier Arctic-capable force—continues to operate in and around the Arctic despite several major administrative challenges. The major outstanding gaps include the lack of modified tables of organization and equipment that define what equipment is appropriate for Arctic, the lack of Division artillery, the lack of a sustainment brigade, and the lack of an aviation headquarters.

Can you clarify the Army's plans for the Eleventh Airborne Division? Will this unit continue to be Arctic focused or will its role be expanded?

Answer. The 11th Airborne Division is essential in the Arctic and remains Arctic-focused at this time. The Army is developing doctrine, training, and equipment to meet the unique requirements of cold weather, mountainous, and high-altitude environments. As we develop Army capabilities, this key terrain remains an important part of our focus on the Pacific theater and around the world.

Question. What is the anticipated timeline on progress to assign or stand up division artillery?

Answer. The Army's process for considering future force structure changes is called Total Army Analysis (TAA). During every Total Army Analysis cycle the Army determines the optimal force mix to meet strategic requirements within resource constraints. All Army capabilities at all echelons are modeled and evaluated during each TAA cycle to ensure that resources are distributed to support prioritized strategic requirements. The 11th ABN has a unique mission-set and is different from other divisions as evident by its equipment requirements. In the most recent TAA, TAA 25–29, the Army decided to not establish a sustainment BDE but is focused on growing other capabilities critical to the 11th ABN mission. The Army continues to conduct further analysis on mission, structure, and resources required to support combatant commanders' demand.

Question. What is the anticipated timeline on progress to assign or stand up a sustainment brigade?

Answer. The Army's process for considering future force structure changes is called Total Army Analysis (TAA). During every Total Army Analysis cycle the Army determines the optimal force mix to meet strategic requirements within resource constraints. All Army capabilities at all echelons are modeled and evaluated during each TAA cycle to ensure that resources are distributed to support prioritized strategic requirements. The 11th ABN has a unique mission-set and is different from other divisions as evident by its equipment requirements. In the most

recent TAA, TAA 25–29, the Army decided to not establish a sustainment BDE but is focused on growing other capabilities critical to the 11th ABN mission.

The Army continues to conduct further analysis on mission, structure, and resources required to support combatant commanders' demand.

Question. What is the anticipated timeline on progress to assign or stand up an aviation headquarters?

Answer. The Arctic Aviation Command activates on 01 July 2024. This is a tailored capability to ensure Aviation operational risk mitigation and training oversight of two active component Aviation battalions in Alaska.

Question. What is the anticipated timeline to update the Eleventh Airborne Division's MTOE?

Answer. The Army recognizes the unique equipment demand associated with serving and operating across the Arctic. The Vice Chief of Staff of the Army is leading an Army Requirement Oversight Council (AROC) to validate the personal (uniforms, skis, snowshoes) and organizational equipment (CATVs, snow machines, tents, heaters) required to ensure our Soldiers have what they need to accomplish the mission in an Arctic environment. Upon completion of the Army Requirements Oversight Council process, the Army will develop and produce Military Table of Organization and Equipment (MTOE) and field new equipment as resources allow.

QUESTIONS SUBMITTED BY SENATOR SHELLEY MOORE CAPITO

Question. What are the defined roles that United States Army Cyber Command has designated for Army National Guard cooperation in the protection of critical infrastructure or other cyber missions?

Answer. The National Guard is a critical enabler of cyber operations for the Department of Defense. For the Army, the National Guard generates forces for the National Guard's 91st Cyber Brigade and 11 Cyber Protection Teams arrayed across more than 30 states. They bring unique skills and backgrounds to mitigating cyber threats and are a strategic asset to Army Cyber Command and U.S. Cyber Command. State-organized fusion centers offer opportunities for the Guard to coordinate between state, local, and Federal partners, as well as with private industry. In addition, Army Cyber Command is developing a Commander's Estimate to secure Army critical infrastructure in accordance with FY 2022 NDAA Section 1505 (Public Law 117–81) while looking for ways to leverage the Army National Guard's unique capabilities. The Army looks forward to working with U.S. Cyber Command on additional areas where the Army National Guard can bring further competitive advantages to the joint force in cyberspace.

Question. Given that each COMPO 1 division has an unmanned MQ–1C Gray Eagle unit, what is the Army's plan to ensure fielding of UAS capabilities to each Army National Guard division so they are not at a disadvantage while training and deploying alongside active duty counterparts?

Answer. The Army plans to field a variety of UAS capabilities across all COMPOs to meet growing requirements. The Army will field the MQ–1C Gray Eagle Unmanned Aircraft Systems (UAS) to the Army National Guard (ARNG) as directed by Congress with initial fielding in FY27. The Army does not have a validated requirement to field MQ–1C Gray Eagles throughout ARNG Divisions and current Army MQ–1C force structure provides the depth necessary to support divisional requirements across all COMPOs.

Question. Has the war in Ukraine changed the Army's concept for unmanned aircraft systems (UAS) at the division level—and if so, in what ways?

Answer. The Army is closely monitoring the ongoing conflict in Ukraine and continually reassessing its requirements to ensure that American Soldiers remain the best led, trained, and equipped in the world. The observations from the conflict have reinforced several key principles in our approach to unmanned aircraft systems (UAS) at the division level.

Firstly, Commanders need the capability to engage the enemy on their own terms and avoid being caught off guard. Uncrewed assets are critical in achieving this goal by making initial contact with the enemy, thereby offloading risk from human soldiers to machines.

Despite the advancements in technology, we will never rely solely on it for our missions. The human element remains essential, particularly in the Human-Machine Interface, or "manned- unmanned teaming." This concept leverages the unique strengths of humans—such as intelligence, intuition, audacity, courage, decision-making, perception, and natural language recognition—alongside the capabilities of machine AI, including speed, data analysis, and objectivity.

Additionally, we must always operate with the understanding that we are under constant observation by enemy systems. This requires effective cover and concealment to avoid visible detection, reducing our electromagnetic footprint to mitigate electronic warfare threats, and employing dispersion tactics to enhance survivability.

To address these challenges, divisions need organic capabilities that provide persistent reconnaissance and security, especially in environments where communications may be degraded.

The lessons learned from the war in Ukraine have underscored the importance of these principles and highlighted the need for adaptable and resilient UAS strategies at the division level.

Question. If UAS were fielded to Army National Guard divisions, which platform would be the most likely choice?

Answer. The Army will field the MQ–1C Gray Eagle Unmanned Aircraft Systems (UAS) to the Army National Guard (ARNG) as directed by Congress with initial fielding in FY 2027. The Army plans to field a variety of UAS capabilities across all COMPOs to meet growing requirements to include Short-Range Reconnaissance (SRR), Medium-Range Reconnaissance (MRR), Long-Range Reconnaissance (LRR), Aerial Extended Range Sensing, Aerial Tactical Network Extension, and Medium and Long Range Launched Effects.

SUBCOMMITTEE RECESS

Senator MURRAY. The Defense subcommittee will next reconvene, on Tuesday June 4 at 10 a.m., for a classified hearing on space-related matters.

With that, the subcommittee stands and recess.

[Whereupon, at 11:30 a.m., Tuesday, May 21, the subcommittee was recessed, to reconvene at 10 a.m., Tuesday, June 4.]

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2025

TUESDAY, JUNE 18, 2024

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:03 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Jon Tester (chairman) presiding.

Present: Senators Tester, Baldwin, Shaheen, Murphy, Coons, Collins, Murkowski, Moran, Boozman, and Capito.

DEPARTMENT OF DEFENSE

NATIONAL GUARD AND RESERVES

STATEMENT OF GENERAL DANIEL R. HOKANSON, CHIEF OF THE NATIONAL GUARD BUREAU

OPENING STATEMENT OF SENATOR JON TESTER

Senator TESTER. I call this hearing to order. Good morning.

And let me begin by welcoming our witnesses. Thank you all for joining us to discuss the fiscal year 2025 budget priorities.

General Anderson, welcome. Congratulations on your new command. And I think the entire committee knows that all the tough questions go to you. Okay, just because.

Look, being a member of the Guard or Reserves is a serious commitment. These service members have careers in the civilian world, and they frequently put those careers on hold, often at a moment's notice, to be able to serve this country.

Whether at the Montana International Guard Base in Great Falls, which was just selected for delivery of the new C–130Js, or any of our other critical Bases around this country, Guard and Reserve units fill critical missions including logistics, the State Partnership Program, and responding to wildfires, and other disasters at home, just to name a few.

Providing our guardsmen and reservists the best possible training and equipment, just like their active-duty counterparts, is a national security imperative. Our Guard and Reserve units must seamlessly integrate with the rest of the Joint Force if the Military is going to accomplish its mission. You are doing this while dealing with ongoing recruiting challenges, as well as the yearly and inexcusable disruption caused by needless threats of a Government shutdown or continuing resolution.

I want to hear what you are doing, and what you recommend for us to do to take care of the families and make sure that our Guardsmen and Reserves have the support and the protections that they need.

Once again, I want to thank the witnesses for their testimony today. Especially want to thank General Hokanson, and General Daniels, and Admiral Mustin, for their distinguished service to this country. We appreciate it very, very much. Congratulations on your upcoming and well-deserved retirements.

Susan will be coming shortly, but since she is not here, I will just tell you, you are all welcome to retire in Montana if you so choose. Okay.

With that, I think we will start the opening statements. When Vice Chair Collins gets here, we will suspend and go to hers, if she so chooses.

So, we will start with General Hokanson.

SUMMARY STATEMENT OF GENERAL DANIEL R. HOKANSON

General HOKANSON. Chairman Tester, and esteemed Members of the Subcommittee, this is my final testimony as the 29th Chief of the National Guard Bureau. It has been the honor of my life for Kelly and I, and our Senior Enlisted Adviser, Tony Whitehead, and all of Team 29, to represent the Soldiers, Airmen, and families of the National Guard. I am proud of their service and sacrifices, and I am grateful for this subcommittee's efforts and support.

I would also like to thank the subcommittee for robust and reliable NGREA (National Guard and Reserve Equipment Account) funding that supports our overall readiness. Our Nation's investment in the National Guard comes at a pivotal moment. Our strategic competitors are seeking advantages in every domain. If we are to compete and, if necessary, prevail in combat, we must invest in our people. Specifically, our people include our pilots, maintainers, and support personnel working in our fighter squadrons.

As a recent RAND Study concluded, many have nearly doubled the experience of their active counterparts, and we operate our aircraft at significantly less cost, providing capability and capacity we must retain at a time when the global demand for fighters grows ever louder.

Pilots and maintainers cannot be rapidly replaced or regenerated. Maintaining all 25 existing Air Guard Fighter Squadrons is essential to keep pace with global demands. Additionally, the cap on active Guard and Reserve positions and a Federal Technician Program that is no longer competitive in today's economic environment, must be addressed to ensure we have the full-time personnel required to ensure our formations are predominantly part-time Soldiers and Airmen, remain deployable, sustainable, interoperable, and ready.

Meanwhile, every member of our Force must be medically ready to fight and win our Nation's wars, or respond to our communities in the time of need. However, not all Guardsmen have consistent access to healthcare. All National Guard and Reserve component service members, regardless of status, need medical and dental health care benefits. This is a matter of addressing affordable access, a matter of recruiting and retention, and a matter of duty to

the Guardsmen who serve and sacrifice for our Nation. When we ask them to step on the field, we have to make sure they are medically ready to play their position.

The National Guard is a dynamic operational Force that is integral to the success of the National Defense Strategy, and I will continue working with the subcommittee to build the combat-capable National Guard our country needs.

With your continued help, we will keep our promise to America; a promise to be always ready, always there.

Thank you for your time, your friendship, and your support. I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF GENERAL DANIEL R. HOKANSON

Chair Tester, Ranking Member Collins, and esteemed members of the Subcommittee, thank you for the opportunity to testify on behalf of the Soldiers, Airmen, civilian teammates, and families of the National Guard.

As this is my final testimony before this Subcommittee as the 29th Chief of the National Guard Bureau, I want to thank you for your enduring support of our National Guard. Your investment in the National Guard has built a capable and professional operational force that is vital to the Joint Force and our American communities in times of crisis. Every day we advance the Department of Defense's (DoD) priorities and support the National Defense Strategy with ready, trained, and interoperable units. I would also like to acknowledge the support of our National Guard families and our National Guard employers; they are a critical component of our success.

During my tenure as Chief, National Guardsmen have been continuously engaged around the world. Their missions included COVID; multiple disasters; civil unrest; election integrity; the southwest border; combat operations in Iraq, Afghanistan, and Syria; support to our Combatant Commanders around the globe; and security cooperation support to more than 100 partner nations, including Ukraine. Support from this Subcommittee and your Congressional colleagues has helped make this possible. Thanks to your efforts, the National Guard has seen marked improvements in the quality of life of our Soldiers, Airmen, and families, greater visibility of our role in the Joint Force, and a stronger position to face the challenges ahead.

The 2025 Department of Defense budget request makes responsible choices to prioritize operational readiness and take care of people, continuing to build a Joint Force that is lethal, resilient, survivable, agile, and responsive. However, we still face hurdles that require your leadership. Unpredictable and inconsistent funding—particularly continuing resolutions— reduce our buying power and negatively impact our strategic readiness and modernization. If we fail to modernize our equipment and force design adequately, we increase the risk of sending America's sons and daughters into large-scale combat operations with equipment and formations that may not be fully interoperable with the active duty forces we serve alongside.

These are not insurmountable challenges, but they represent risks and vulnerabilities at a time when our strategic competitors are looking to exploit any vulnerability. I look forward to working with this Subcommittee to address these challenges and create a better environment for our National Guardsmen and, as a result, a stronger Joint Force.

My final objective in my term as Chief is to leave the next leadership team with an empowered, professionalized force that is manned, trained, and equipped to keep our promise to America—a promise to be "Always Ready, Always There." With this Subcommittee's continued support, we will keep that promise.

A PROMISE OF READINESS

The primary purpose of the National Guard is fighting and winning our Nation's wars. As the combat reserve of the Army and the Air Force, and a community-based force that also supports our Nation's communities in times of need, we are tasked with a great responsibility.

In 2023 alone, the National Guard served the equivalent of nearly 16 million days. This included more than nine million days overseas supporting Combatant Commanders, conducting peacekeeping missions, and deterring strategic competitors and adversaries. Meanwhile, our Guardsmen, in both Federal and state duty statuses, conducted homeland defense operations, held training exercises, and re-

sponded to disaster events in the 50 states, three territories, and the District of Columbia. National Guardsmen saved 476 lives, distributed hundreds of thousands of meals and bottles of water, and cleared more than 1,500 miles of roadway in response to disasters. Whether it's at the request of the Combatant Commanders or our Nation's governors, we have never missed a mission.

I would like to thank the Subcommittee for recognizing the National Guard's vital role in our national security, as evidenced by the elevation of the Vice Chief of the National Guard Bureau to a four-star position in the 2024 National Defense Authorization Act (NDAA). This is not only a symbol of the National Guard's integral role in the Joint Force, but an act of empowerment and advocacy for the National Guard at the highest levels of the defense enterprise.

We must continue to build on that Joint Force integration for our strategic readiness. Considering the reemergence of strategic competition and increasing frequency of severe weather across our Nation, we must ensure the National Guard's combat and response capabilities reflect the challenges of the future. We cannot be fully operationally ready for the fight of tomorrow with equipment, training, and formations that are not deployable, sustainable, interoperable, and ready. Manpower is a critical enabler of operational readiness and our ability to deliver capability against our strategic competitors. In the current strategic environment, it is imperative to fully fund National Guard personnel, training, exercises, equipment, and recruiting to be strategically ready for potential large-scale combat operations. Congress's support of the FY 2025 President's Budget is necessary.

Mission readiness takes on many forms. For example, the Air National Guard has a 28-year history of delivering important space capabilities overseas and here at home through seventeen unit-equipped space squadrons—including many critical, no-fail missions for the U.S. Space Force. As both my predecessor and I have advocated, I believe keeping these formations in the National Guard will have the least impact to strategic and operational readiness, lowest risk to mission, and is the most cost-effective solution.

Our National Guard must be fully modernized, integrated, and resourced to fulfill our role as the combat reserve of the Army and the Air Force. That includes maintaining all twenty-five existing Air Guard fighter squadrons. Every one of our squadrons is essential to keep pace with global demands, deter our adversaries, and—if necessary—prevail in conflict. A 2024 RAND study, Active and Reserve Component Force Mix Considerations for the Air Force, found that aircraft in the reserve component cost significantly less to operate and support than in the active component, and shifting F–35 aircraft to the reserve component earlier would be a way to avoid losing large numbers of experienced active component pilots from the total force while saving hundreds of millions of dollars in training costs. The study also acknowledged reserve component personnel provide the force with nearly double the experience and qualifications of their active component counterparts, and that a force mix of 60 percent active component and 40 percent reserve component would minimize training costs while maximizing institutional knowledge and experience.

Divesting Air Guard fighter squadrons without a recapitalization plan exacerbates a national shortage of fighter squadrons, trained and experienced pilots and maintainers, and adds risk to the National Defense Strategy. We must seek to balance existing fleets and plan new aircraft purchases to ensure that the Guard can continue to contribute to the Total Force in support of the NDS.

Modernization is not exclusively an issue of equipment; it also pertains to our formations and our facilities. In terms of our formations, we must be deployable, sustainable, interoperable, and operationally ready. Like our counterparts in the active duty Army, the Army National Guard also intends to restructure our forces to better support divisions as the primary combat formation, and provide greater agility, endurance and depth. Force structure design in National Guard divisions should reflect their Active Duty counterparts as closely as possible. This enhances our operational readiness to respond wherever and whenever the National Guard may be needed.

In terms of our facilities, modernized installations support better training scenarios and emergency response missions, while concurrently serving as a primary tool to increase recruiting, retention, and quality of life for our service members. However, many National Guard facilities are aging and some lack the space necessary to conduct modern training exercises. To support the National Guard's facilities, the budget supports preventative maintenance and timely response to work orders. Modernizing National Guard facilities is essential to our overall operational readiness and a critical quality of life consideration for our Soldiers and Airmen.

A PROMISE TO OUR PARTNERS

The National Guard is a local force with a global reach, and this is most evident in our State Partnership Program (SPP). This program pairs a state's National Guard with a partner nation, allowing members of each military's organization to train together and build enduring relationships. The overall cost of the program—less than 1 percent of the overall security cooperation budget—pales in comparison to the relationships garnered through training exercises, subject matter expert exchanges, and other military-to-military engagements. Today, there are 89 partnerships with 106 nations; every Combatant Command is represented. Last year, we celebrated the SPP's thirtieth anniversary, and we have plans to continue growing the program in the years ahead.

With the assistance of Congress, the SPP has proven to be a valuable security cooperation program and continues to grow in support of the National Security Strategy, the National Defense Strategy, and Combatant Commanders' theater security objectives. Thanks to this program, Soldiers and Airmen experience the global operating environment, develop military-to- military relationships, improve strategic and operational readiness, enhance access and influence, and ensure our Nation has trusted, capable, interoperable Allies and partners at our side. Fully funding the SPP through the services will ensure continued access to timely, consistent, and adequate resources to maximize the program's potential and historically robust return on investment. In addition, fully funding the President's budget request for the SPP would increase opportunities for mutual cooperation with the states' partner nations.

A PROMISE TO OUR PEOPLE

The National Guard's highest priority is our people. It is our people who volunteer, train, deploy, and serve, and they are the most critical element of our success.

That is why we continue to assess and take measures to improve our aviation safety standards in both the Army and Air National Guards. The tragic aviation accidents in recent years highlight the need for the highest levels of training and maintenance; a continued commitment to fully fund flying hour requirements, full-time aircrew requirements, and maintenance manpower requirements; and the importance of modernized equipment. Safety is not only essential to our continued operational readiness, it is essential to our Soldiers, Airmen, and National Guard families. As we prepare for the challenges of the future, we always prioritize the safety of our team.

We remain grateful for Congress' support of the Soldiers, Airmen, and families of the National Guard. NDAA provisions, including dual basic allowance for housing for training, and pay and benefits parity, such as the creation and expansion of maternity, parental, and bereavement leave to the reserve component, demonstrates both investment and recognition of the importance and value of our National Guardsmen. In addition, Congress' pay increase for military personnel helps our military families keep pace with inflation. The FY 2022 NDAA, as amended by the FY 2024 NDAA, provides the Department with flexibility to address paying Reserve Component members the same monthly amount of special and incentive pay as paid to regular Component members. Each of these actions recognizes the contributions of our Guardsmen and Reservists, demonstrates the value of their service, and are important tools for recruiting and retention.

The National Guard faces the same recruiting and retention headwinds we have seen throughout the Armed Forces. While the Army National Guard was able to meet its end-strength goals last year, the Air National Guard fell short. This can be attributed to a fiercely competitive recruiting environment, a strong national economy, and generational shifts in the propensity to serve, among other factors.

To remain a competitive option for those looking to serve, we need to invest in our recruiters and our recruiting efforts and continue to find ways to reach the diverse populations that represent the communities where we live and serve.

I believe the National Guard is a unique and powerful opportunity. It provides the chance to serve one's Nation, have a civilian career, live where one chooses, and earn benefits associated with military service. It is also a tremendous value to the American taxpayer. As personnel costs continue to increase across the DoD, capacity exists within the unique National Guard model to grow future capability as a strategically ready, responsive, and operational force at a fraction of the cost of active duty forces.

Medical readiness is critical to the activation of our Soldiers and Airmen; disasters and world events are dynamic and unpredictable, and we must be ready to respond. But historically, many Guardsmen are not medically ready for activation due to challenges like insurance coverage and long wait times for healthcare access

when not in a duty status. If they are unable to seek treatment for a physical ailment or a dental issue or obtain follow-on care due to a lack of insurance, they fail to meet medical readiness requirements.

Our service members must be ready at a moment's notice—and addressing the unique medical challenges we see with the National Guard is critical to force readiness.

There are other areas to improve healthcare delivery for our service members. We must continue to focus on building capacity in DoD hospitals and clinics—capacity to ensure timely and quality access to care for the 9.6 million Military Health System beneficiaries depending on us to get this right. Our focus must remain on improving civilian healthcare staff hiring in select locations, recognizing the increasing risks of nationwide healthcare provider shortages. Our focus must also include enhancing easy, convenient access to care through new digital health technologies, such as the Defense Health Agency's new Digital Health Strategy. Implementing new digital health tools will enable real-time and flexible virtual care, and upgraded direct patient care experiences so our healthcare system can better meet the needs of our beneficiaries, and expand capacity in the long-term. These efforts and more will ensure we can meet the demands of today and tomorrow.

A PROMISE FOR THE FUTURE

It has been the honor of my life to serve our Nation and the Soldiers and Airmen of the National Guard, and it is my highest objective to posture this organization for the demands of the future. I am thankful for the Subcommittee's personal friendships, and continued support and commitment to helping the National Guard keep our promise to America and remain "Always Ready, Always There."

Senator TESTER. Thank you, General Hokanson.

General Daniels.

STATEMENT OF LIEUTENANT GENERAL JODY J. DANIELS, CHIEF OF ARMY RESERVE

General DANIELS. Chairman Tester, Ranking Member Collins, and distinguished members of the subcommittee, thank you for this opportunity to testify today.

On behalf of the 190,000 Soldiers and civilians of America's Army Reserve, we stand ready to protect American interests and posture ourselves to meet challenges at home and around the world.

On any given day, nearly 9,000 Army Reserve Soldiers are mobilized or deployed worldwide in support of combatant commands. Tens of thousands more are engaged in training events and annual combined and joint exercises, reinforcing alliances and partnerships around the globe. The Army Reserve is also a key partner in the homeland, facilitating both large-scale mobilization operations and defense support to civil operations and authorities.

As the Joint Force prepares to operate in a contested logistics environment, the Army Reserve will play a key role in delivering the critical enabling capabilities needed for large-scale combat operations. A ready and modernized Army Reserve is a crucial part of the Joint Force that can deploy, fight, and win our Nation's wars.

From the start of my tenure, I challenged our leaders to prioritize tough, realistic training, done safely, over dealing with administrative metrics. I trust that message will continue to resonate beyond my tenure, which is coming to an end in just a few weeks. The Army is undergoing a once-in-a-generation transformation. The Army Reserve requires robust investment to modernize our aging equipment to enable interoperability with the Joint Force.

NGREA represents roughly 35- to 40 percent of the Army Reserve's equipment procurement budget. That said, the Army Re-

serve's unfunded equipment requirements list continues to increase while NGREA funding does not. With inflation and material costs rising, our buying power is decreasing. The success of the Army Reserve's modernization efforts hinges on NGREA funding, and we absolutely greatly appreciate the committee's continued support.

Additionally, it is important to ensure that our Soldiers and their families remain a top priority. Caring for our Soldiers and families and ensuring they receive benefits they are entitled to is vital. Last October, the Army Reserve developed a first-of-a-kind intergovernmental Service support agreement pilot to deliver child care services to Soldiers during weekend training. We look forward to building on this pilot and collaborating with the other Reserve components in future efforts.

I want to take a moment to thank all my fellow officers on this panel. I want to especially thank Vice Admiral Mustin for his collaboration on a variety of efforts, especially our Go Army, Beat Navy videos.

Our new Command Sergeant Major of the Army Reserve, Command Sergeant Major Betty, and I, are incredibly proud, along with my husband, to lead the men and women of your Army Reserve; and are ready for your questions. Thank you.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JODY J. DANIELS

THE UNITED STATES ARMY RESERVE

READY NOW! SHAPING TOMORROW . . .

Chairman Tester, Ranking Member Collins, distinguished members of the Subcommittee, thank you for your continued support to our Soldiers, Civilians, and Families. We thank you for the opportunity to appear before you today to discuss America's Army Reserve.

In an increasingly complex global environment, America's Army Reserve remains indispensable, delivering strategic capabilities that enable the Army and Joint Force to defend the homeland and fight and win our Nation's Wars. As the Army focuses on ensuring our adversaries cannot outrange or outpace us on traditional battlefields, space, and cyberspace, a ready and engaged Army Reserve is equally vital in protecting American interests—at home and abroad.

Since its establishment in 1908, the Army Reserve has mobilized more than 1.3 million Citizen Soldiers, bringing flexibility, adaptability, lethality, and cutting-edge capabilities to every training exercise and conflict. The Army Reserve blends high-quality military capabilities with diverse civilian skills, education, training, and experiences, providing a unique strength to the Total Force.

Today's Army Reserve comprises over 175,424 Soldiers and 12,200 Civilians—with units in all 50 states, five U.S. territories, in Germany, Korea and Japan. Fiscally efficient, the Army Reserve supports the needs of the Total Force, with just 16% of the component serving as full-time support.

Making up nearly 20% of the Total Army's personnel, the Army Reserve provides critical units, skillsets, and capabilities—nearly half of its maneuver support and a quarter of its force mobilization capacity—at a cost of just 6% of the total Army budget.

As the Army continuously transforms, integrating new technology to increase mobility and lethality, the Army Reserve provides an essential link to private sector expertise. This strategic position enhances the Army's asymmetric advantage against potential adversaries, a capability critical in Large-Scale Combat Operations and safeguarding the homeland. Simply put, the Joint Force cannot deploy, fight, and win without the Army Reserve.

WARFIGHTING

As a truly operational Reserve, on any given day upwards of 9,000 Army Reserve Soldiers are mobilized or deployed worldwide to support the Army and Combatant Commands. Tens of thousands more participate annually in joint exercises and over-

seas deployment training that expand the capability base, strengthen alliances and partnerships, and promote interoperability. The Army Reserve supports the First Army by mobilizing and deploying more than 12,000 Soldiers and Civilians annually from all components at multiple mobilization force generation installations.

With only 39 available training days per year, Army Reserve leaders make every battle assembly count. To assist the Army in deterring adversaries and maintaining stability, the Army Reserve integrates tough, realistic training—done safely—in multi-component and joint training exercises—alongside allies and partners across the globe and in every theater of operation. The Army Reserve also stands ready to respond to year-round domestic disasters and national emergencies, tapping into our Force's unique civic expertise and dual-use equipment capability.

Combatant Commands rely on the Army Reserve's ability to mobilize and deploy to meet operational plan requirements rapidly. The Army Reserve provides more than 56% of the Army's quartermaster, medical, and transportation capabilities. Support to the Joint and allied forces will be critical in a contested logistics environment where operations, facilities, and activities are targeted in the homeland, in transit, and in the theater. With eight of the Army's 14 Expeditionary Sustainment Commands and 95% of the Total Army's bulk fuel line-haul capacity, the Army Reserve is essential to set the theater for the Joint Force, enabling combat formations to seize and maintain initiative and extend operational reach.

Notably, the 475th Quartermaster Group took part in Talisman Sabre 23, a large-scale Joint defense exercise with Australia, validating ship-to-shore logistics capability. Working alongside the Navy and Army's 555th and 130th Engineer Brigades, the units connected three-mile-long fuel and water pipelines onshore to 175,000-gallon tanks aboard Australian commercial landing craft about 1,000 meters offshore. The Army Reserve's participation in Talisman Sabre and other overseas exercises helps prepare our Soldiers for the challenges expected in a contested logistics environment, strengthen partnerships, improve interoperability, and enhance collective readiness. Additionally, over 95 units and 4,000 Army Reserve Soldiers actively contribute to Combat Training Center (CTC) and Warfighter Exercise (WFX) events yearly. These exercises play a pivotal role in enhancing the collective readiness and operational effectiveness of the Joint Force.

The Army Reserve is essential in supporting critical capabilities and enablers for key training events centers such as CTC rotations. Supporting approximately 24 rotations annually, the Army Reserve directly influences the preparation of the Total Force for operational challenges. This commitment to excellence highlights the Army Reserve's integral role in enhancing the nation's defense capabilities and ensuring military readiness across diverse operations.

Defense Support of Civil Authorities

The Army Reserve, in coordination with our partners in the National Guard, is a Federal Response Partner, maintaining a constant state of readiness for Defense Support of Civil Authorities (DSCA) operations as a valuable resource and capability provider. In DSCA responses, the Army Reserve has provided rapid activation of units when and where needed.

This readiness was evident in the Army Reserve's swift and effective crisis support response to Hurricane Ian and wildfires in Hawai'i. Army Reserve Emergency Preparedness Liaison Officers and recovery personnel played a crucial role in preparing for and rapidly responding to these and other natural disasters throughout the United States this past year. The Army Reserve's dedication to national defense and disaster response underscores its vital role in safeguarding local communities.

Innovative Readiness Training (IRT)

Last year, more than 1,500 Army Reserve Soldiers participated in 16 Department of Defense (DoD) Innovative Readiness Training (IRT) missions across 12 States and three U.S. territories. IRT leverages expertise in specialties spanning healthcare, construction, and civil affairs, to provide real world critical services with lasting benefits to communities across America.

The Army Reserve led three of DoD's four IRT missions outside the continental United States. Soldiers conducted training and support in Puerto Rico and the Mariana Islands, including Guam Wellness, where Soldiers performed nearly 15,000 medical procedures on more than 5,000 patients. During Operation Health in the Commonwealth of the Northern Mariana Islands, nearly 24,000 procedures were provided to Saipan, Tinian, and Rota residents. In recognition of the impact, 126 Army Reserve Soldiers received the DoD's Civil-Military Partnership of the Year Award.

DELIVER AND SUSTAIN COMBAT READY POWER

Preserving our All-Volunteer Force—and retaining the multiplying effects of the unique skillsets our Citizen Soldiers bring—is paramount to safeguarding our national security interests. To strengthen and deliver this combat-ready power, the Army Reserve encourages "Dual Pursuits," fostering an environment that promotes collaboration and growth in uniform and outside of duty status.

By prioritizing "tough, realistic training, done safely," we have made significant strides toward achieving our retention objectives. When our Soldiers have compelling and meaningful experiences to share after battle assemblies or training events, we know we are moving in the right direction. Our goal is to consistently inspire our Soldiers' development and enthusiasm for their mission.

The Army Reserve offers exceptional opportunities that can set a Soldier up for a lifetime of success, creating the ultimate Warrior Citizen who shares their skills and talents with the Army while pursuing a fulfilling civilian career.

Quality of Life

The Army Reserve prioritizes Soldiers by promoting quality-of-life programs that improve the Army Reserve experience while making integrating family, work, and military life easier. Readiness relies upon the Families who support and sustain our Soldiers serving the Army and the Nation. A critical part of realizing our vision for the future is ensuring our Soldiers and their Families are well cared for and supported where they live and work.

To enhance quality of life, the Army Reserve is committed to improving barracks conditions and collective training facilities, promoting the health and well-being of our Soldiers, increasing recruiting and retention, and improving our readiness.

The average age of the Army Reserve barracks inventory is 72 years old. To maintain and upgrade Soldiers' living quarters and improve overall quality of life, the Army Reserve prioritizes Facilities Restoration and Military Barracks Construction. A continued focus on the program—which serves the 409 Collective Training Barracks, seven Institutional Training Barracks, and three Permanent Party Barracks across the Army Reserve footprint—is essential to the well-being and readiness of our Soldiers and their Families.

The Army Reserve has requested significant increases in MILCON funding for Advanced Skills Training Barracks in the President's FY 2025 budget, demonstrating a strong commitment to inventory improvements. The Army Reserve is planning and programming the modernization of Collective Training barracks when economically viable and planning and programming projects for Military Construction (MILCON) to replace and divest barracks that are not economical to repair.

The Army Reserve is geographically dispersed—maintaining five key installations, along with an extensive network of 753 facilities. The Army Reserve's dispersed footprint is a national strategic asset, allowing the U.S. to project combat power and enhance overall resiliency. Through sustained improvements in our Soldiers' living conditions and collective training facilities, the Army Reserve is investing in the long-term health and well-being of the force, enabling our Soldiers and families to thrive, and positively impacting readiness, recruiting and retention, and overall quality of life.

Childcare

Another issue affecting Citizen Soldiers and their Families has been a nationwide shortage of weekend childcare services. This has had an adverse impact to both retention and quality of life. The Army Reserve has around 15,000 single parents and 7,000 dual-military couples who often face challenges finding suitable childcare during Battle Assembly weekends and Annual Training. Operating on the weekends comes at a cost, as many childcare providers do not provide services throughout the weekend.

In 2020, the Department of Defense recognized this shortfall and extended childcare benefits to the Reserve Components. The Army Reserve Family Program office implemented multiple programs to combat this critically needed asset for Soldiers and their families. In the 4th quarter of FY 2023, the Army Reserve established a pilot program through an Intergovernmental Support Agreement in the Kansas City metro area, offering no-cost childcare options during weekend and annual training. The program has shown promising results since its implementation from September 01, 2023, to March 12, 2024. During this period, 1,039 families and 1,849 children registered with the program, with 83 families and 303 children actively utilizing childcare services. While the Army Reserve continues to assess data from pilot programs launched recently, we continue to explore alternative childcare solutions to enhance long-term readiness and retention across the Army Reserve.

Public Private Partnership (P3O)

The Private Public Partnership Office (P3O) continues to build on a nationwide network of corporate, profit/nonprofit and employee partnerships. The employment outreach program pairs thousands of qualified Soldiers, Family members and Veterans with hundreds of private and public organizations—across more than 20 industry sectors—to develop career pathways through training, internships, or apprenticeships with respected companies. Recognizing the multiple responsibilities that Soldiers carry, including family and career commitments, P3O demonstrates the importance of a strong relationship between the civilian sector and the Army Reserve. This connection not only acknowledges shared talent but also significantly contributes to reducing stressors in Soldiers' lives, allowing them to focus on training while balancing family and career obligations.

P3O supports transitioning active-duty service members through its innovative Active Component to Reserve Component program. P3O actively links transitioning service members with civilian career pathways to find meaningful employment, thereby facilitating the seamless transition of those service members into the Army Reserve. In 2023, P3O assisted 837 Soldiers, 90 Veterans, and 85 dependents in finding employment. The partnership has extended to over 240 businesses, ensuring Soldiers and their families can access diverse employment opportunities.

Army Reserve Ambassadors

Army Reserve Ambassadors (ARAs) continue to play a crucial role in fostering positive relationships and generating support for the Army Reserve among a diverse array of stakeholders. These dedicated individuals leverage their extensive connections with legislative, business, and community leaders across the United States to make a significant difference for Soldiers and their families. Through their strategic outreach and advocacy, ARAs have demonstrated their commitment to the future force by actively engaging in initiatives to attract new talent and retain junior leaders. Notably, their combined efforts—along with Major Subordinate Commands—have contributed to the growth of the force through the awarding of more than 200 Minuteman College Scholarships valued at more than $23 million, thereby enhancing educational benefits for deserving individuals.

E5 in 5

This past year, we implemented the E5 in 5 Initiative. It aims to empower Soldiers to attain the rank of sergeant within 5 years of joining the Army Reserve. Recognizing the abundance of talent within our ranks, the Army Reserve is committed to promoting individuals who exemplify leadership qualities and set a positive example.

As part of the initiative, leaders take the proactive steps of enrolling Soldiers in the Distributed Leader Course (DLC), expeditiously scheduling the Basic Leader Course (BLC), conducting flexible promotion boards, and utilizing temporary promotions when feasible. This initiative underscores the importance of cultivating leadership skills among our dedicated enlisted corps.

As a result, by the end of 2023, the Army Reserve had exceeded 103% of required strength for Sergeants for the first time in 4 years by promoting over 5,000 Specialists who all demonstrated the potential to serve as noncommissioned officers.

Reducing Harmful Behaviors

The Army Reserve is addressing harmful behaviors that break the trust between our Army Reserve and our Soldiers. Foundational Readiness sessions give leaders time to conduct counseling, build esprit de corps, and underscore the Army Values while bolstering programs such as Project Inclusion and Equal Opportunity.

Every Soldier deserves a workplace free of sexual assault, sexual harassment, retaliation, and other behaviors that adversely impact the work environment. The results of a thorough internal analysis of the Army Reserve's Sexual Harassment/Assault Response and Prevention Program have enabled programmatic changes driven by the Secretary of Defense and the NDAA, including improved victim care, staffing, organization, reporting, and oversight.

The Army Reserve SHARP Team coordinates with Headquarters, Department of the Army SHARP team and Assistant Secretary of the Army (Manpower and Reserve Affairs) to develop an Army Reserve-centric staffing model consistent with the recommendations of the Independent Review Commission on Sexual Assault in the Military (IRC–SAM), as approved by the Secretary of Defense. The Army Reserve SHARP program inspects and provides staff assistance to every major subordinate command's program. The 99th Readiness Division's recently completed virtual Fusion Directorate pilot program offered valuable insights validating the need to sustain a 24/7 hotline and implement division-level consolidated Sexual Assault Review

Board and Training. The Army Reserve legal community supports the Office of Special Trial Counsel (OSTC). Army Reserve support to OSTC will significantly strengthen the prosecution of sexual assault and other serious criminal offenses by specially trained attorneys independent of the chain of command.

Suicide Prevention

Suicides are devastating to Families, units, and readiness, and the Army Reserve is committed to identifying and providing services and support to vulnerable individuals to let them know that every life is a life worth living. Suicide remains one of the Army's most complex challenges, and prevention requires a comprehensive approach. However, in most recorded suicidal ideation cases, Soldiers actively sought help, or leaders intervened upon recognizing changes in behavior.

The Army Reserve also empowers Soldiers down to the squad-leader level to escort any Soldier in crisis to immediate lifesaving care. The Army Reserve is conducting training sessions to help identify and address high-risk behavior. Further, the Army Reserve authorizes a paid duty status for the Soldiers who perform these critical lifesaving missions and for those who need help.

CONTINUOUS TRANSFORMATION

The Army is adapting to meet threats posed by the rapidly changing face of warfare—transforming to ensure we outpace adversaries by harnessing the latest technologies for warfighting advantage. For the Army Reserve, continuous transformation means evolving our structure to support the Army of 2040, reviewing capabilities, and investing in high-demand civilian skills.

The Engineer 2030 Force (E30F) is leaning forward for the Army of the future, aligning Army Reserve Engineer Battalions with Active Component Divisions to provide full spectrum engineering services in the supported theater—including countermobility, mobility and survivability.

Finally, the Army Reserve requires modernization funding for our aging High Mobility Multipurpose Wheeled Vehicle (HMMWV) fleet, which will remain mission critical at home and overseas for the foreseeable future. About half of our nearly 18,000 HMMWVs are beyond their useful life, reducing our ability to respond to crises and risking Soldiers' safety without upgraded anti-lock brake systems and electronic stability control kits.

Cyber Capabilities

The Army Reserve's approach to cyber capabilities extends beyond traditional military training, recognizing the importance of leveraging external resources and partnering with academic institutions to stay at the forefront of cybersecurity. It continues to evolve and adapt to the rapidly growing threats in the digital domain. Our Soldiers play a crucial role in the overall cyber capabilities of the Total Force.

The Army Reserve actively engages with the civilian sector to tap into cutting-edge talent, acknowledging the importance of staying connected with advancements in the private industry. Recognizing the significance of early career education, the Army Reserve seeks to engage with the next generation of Cyber Warriors, Data Scientists, and individuals involved in STEM (Science, Technology, Engineering, and Math) programs. Establishing partnerships with educational institutions, including K–12 schools and universities, is crucial for developing a pool of skilled individuals who can contribute to the evolving landscape of cyber warfare.

Presently, the Army Reserve channels talent into 10 Cyber Protection Teams, representing 25% of the Army's Cyber Protection Team capability. These teams consist of experienced Defensive Cyber Operation (DCO) warriors with unique and specialized civilian skill sets. These skills include Industrial Control Systems, supervisory control and data acquisition (SCADA) systems, cloud computing, data science, digital forensics, computer programming languages, application engineering, and more. These Soldiers contribute not only to military operations but also bring insights from their commercial experiences, adding value to the overall cyber defense strategy.

To better meet the needs of the Army and the Nation, the Army Reserve Cyber Protection Brigade (ARCPB) is expanding by more than 600 positions, creating four deployable command and control battalions; four Cyber Security Companies to support persistent Defensive Cyber Operations; and four additional CPTs, posturing the Army Reserve to meet U.S. Cyber Command and U.S. Army Cyber Command mission requirements.

The Army Reserve is also focusing on innovation and initiatives by restructuring the 75th Army Reserve Innovation Command into a two-star command with two innovation brigades and 25 innovation detachments—a holistic structural overhaul executed over 3 years.

Energy

Across the nation, we are investing to strengthen energy and water resilience to ensure access for critical missions under all conditions. We are securing funding for projects ranging from installation-wide energy and water distribution plans to ongoing improvements of our energy use and water accessibility across our footprint. These projects include electric microgrids, renewable energy technology, centralized building controls and metering, and facility-related control systems that are protected from cyberattacks.

The Army Reserve recently installed seven dual-port electric vehicle chargers at Parks Reserve Forces Training Area, CA, and three more at the 63rd Readiness Division Headquarters in Mountain View, CA. The evaluation of these chargers will inform our plans for the entire Army Reserve fleet.

STRENGTHEN THE ARMY PROFESSION

The range of Army Reserve capabilities encompasses medical expertise, logistics, transportation, water purification, railroad operations, engineer, chaplain services, intelligence, military police, instructional capacities, and civil affairs. As the primary provider of combat service and combat service support expertise, the Army Reserve provides tailored responses to meet the demands of current or emerging requirements. The specialized capabilities within the Army Reserve ensure that we are both ready and adaptive, aligning with the evolving needs of the Army and the nation.

Our Soldiers' high-demand career skillsets, such as medical, cyber, legal, engineering, and port operations—which are costly and challenging to maintain on active duty—are invaluable in positioning the Army Reserve as a critical asset for the Army and the Joint Force.

Civilian Acquired Skills Program

In alignment with Total Army objectives, the Army Reserve has significantly strengthened its Army Civilian Acquired Skills Program (ACASP) to strengthen our ranks with adept and experienced individuals. The primary aim of this program is to recognize and incentivize recruits possessing up-to-date, pertinent civilian skills, particularly in emerging technologies. The ACASP program enables Soldiers with civilian skills to undergo shorter entry-level training and contribute more swiftly in their new roles to the unit and the mission. This reduces the time away from civilian employers.

Recently expanded from seven to 44 certifiable career fields, ACASP facilitates a streamlined training process for Soldiers who have already certified their skills through trade schools, professional certifications, academic degrees, or work experience. This expansion has ushered in nearly 200 new Soldiers in 2023, ensuring a continued influx of dynamic and proficient capabilities for future challenges. For example, a civilian electrician, enlisting as an Interior Electrician (12R) under ACASP, was able to reduce his training path by six weeks. Similarly, medical professionals enlisting in fields like combat medic can accelerate their training timeline, reducing a 16-week training program to nine weeks with existing and relevant certifications.

CONCLUSION

The Army Reserve provides trained, equipped, and ready Soldiers to fulfill the Nation's domestic and international requirements. Whether engaged in combat missions or contingency operations or safeguarding lives and property within America's communities, Army Reserve formations remain a source of versatile and effective capabilities.

The Army Reserve requires consistent, adequate, and predictable funding to maintain critical operational capabilities. Such funding is vital to ensuring the Army Reserve can adequately meet the demands of the Army and the Joint Force. We are grateful for the Congressional support with defense spending that positively impacts people, enhances readiness, and supports modernization efforts. It is critical to the Army Reserve's investment strategy and an invaluable resource for modernizing essential mission equipment.

The Army Reserve stands ready to contribute significantly to the success of the Army, the Total Force, and the Nation as a whole. Acknowledging the challenges ahead, the Army Reserve remains committed to providing unwavering support and crucial capabilities for the Nation's security.

Thank you again for this opportunity to discuss the Army Reserve and for your strong support of our Soldiers, Civilians, and their families. I look forward to your questions.

Senator TESTER. Thank you, General. Admiral Mustin.

STATEMENT OF VICE ADMIRAL JOHN B. MUSTIN, CHIEF OF NAVY RESERVE

Admiral MUSTIN. Good morning, Chair Tester, and Vice Chair Collins, and distinguished Members of the Subcommittee. It is a privilege to address you today, alongside with my colleagues, with an update on the state and the vision of America's Navy Reserve.

I would like to begin by recognizing my wife, Kim, whose steadfast support for 31 years exemplifies the unsung sacrifices typical of our military spouses. I would also like to thank Master Chief Tracy Hunt for his tireless efforts in support of our unlisted Reserve Sailors.

And given this will be my last hearing before this committee, I want to thank General Hokanson and my peer Reserve Chiefs for their support and friendship during my tenure as Chief of Navy Reserve.

On any given day the Navy Reserve provides 60,000 Sailors, nearly 150 aircraft, two SEAL Teams, three expeditionary medical facilities, and nearly half of the Navy's expeditionary combat command and intelligence capability, 24 hours a day, 7 days a week, 365 days a year your Navy Reserve is standing at the ready with nearly 15,000 Sailors, or 25 percent of our Force serving, on active-duty orders.

Our current operations extend from Europe's security crisis to the Red Sea, and from the Indo-Pacific region to recent support operations in Baltimore, showcasing the flexibility, readiness, and value our citizens, Sailors generate and contribute to national security.

In response to Modern threats the Navy Reserve has aggressively executed a multi-year transformation, unambiguously focused on warfighting readiness, to prepare the Force for high-end, multi-domain, warfare. This effort necessitated modernizing equipment, training systems, and mobilization processes to ensure our Sailors are both trained and combat ready from day one.

We have 927 days until 2027, and the accelerating pace of that countdown clock drives our actions and our sense of urgency daily. The procurement of modern KC–130 Juliet Aircraft to replace aging airframes is critical to enhancing the logistics capabilities of the Joint Force. We share a strong alignment on this priority as demonstrated by last year's incorporation of the KC–130 Juliet in the Defense Appropriations bill, and this year's Congressional add.

This airframe modernization is essential and my number one equipment priority. It ensures the Navy Reserve can effectively and efficiently meet contested logistics requirements and conduct the operations that our combatant commanders and fleet commanders demand, particularly in the Indo-Pacific area of responsibility where this Reserve-only capability factors heavily into our operational plans.

Beyond equipment, we have embraced and invested in technological advancements to improve work and training environments, propelling the Navy Reserve into a new era of both operational and digital Readiness. Commitment to our Sailors is central to our efforts, focusing on personal and professional development, pro-

moting a culture of excellence and fostering a diverse and inclusive environment.

The Navy Reserve has leveraged innovative approaches, including establishing the Navy Recruiting Reserve Command and employing advanced digital analytics tools and AD placements to improve our recruiting efforts.

The retention of our prior Service enlisted sailors is at a 7-year high, ensuring a robust and ready Force. These commitments enhance our warfighting readiness, and take full advantage of the unique professional skills inherent in our Reserve Force.

I extend my gratitude for the committee's support which is critical for maintaining the operational predictability essential for our Sailors, their families, and our global combatant readiness.

Chair Tester, Ranking Member Collins, and all the Members of this Committee, the dedication of our citizen, Sailors, civilians, and their supportive families is a gratifying source of daily inspiration, commanding representing, and advocating for the Navy Reserve has been the honor of a lifetime.

Thank you for your continued support, and for the opportunity to address you today. I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF VICE ADMIRAL JOHN B. MUSTIN

INTRODUCTION

Chair Tester, Vice Chair Collins, distinguished members of the Committee, thank you for the opportunity to testify and illuminate the pivotal role played by the Navy Reserve in safeguarding our nation. On behalf of Navy Reserve Sailors, civilians, and their families, thank you for your continued leadership and support as we continue to optimize the warfighting readiness of your Navy Reserve Force for strategic competition.

In 2020, the Navy Reserve began a multi-year transformation to improve and modernize the way we organize, man, train, equip, and mobilize to generate the combat power and critical strategic depth the Navy requires to prevail in conflict. We embraced the imperative to redesign the Reserve Force—structurally, procedurally, and operationally—to align with strategic priorities calibrated for a competitive security environment. With a singular focus on generating warfighting readiness, this generational transformation provides the most capable force to our Navy's Fleet Commanders and delivers integrated all-domain naval power to the Joint Force.

Throughout its rich 109-year history, the Navy Reserve has demonstrated its role as an elite fighting force—a deep well of strategic depth enabling our great nation to prevail in competition, crisis, and conflict. The talent our Navy Reserve Sailors bring to bear provides an unequivocal asymmetric advantage. As we transformed the organization, training, and mobilization processes of the Force, we also remained focused on our collective responsibility to recruit and retain our nation's precious talent.

On any given day, the Navy Reserve has about 60,000 Sailors, nearly 150 aircraft, two SEAL teams, three expeditionary medical facilities, and almost half of the Navy's expeditionary combat command and intelligence capability standing at the ready . . . 24 hours a day, seven days a week, 365 days a year . . . with nearly 15,000 serving on active duty orders. I remain in awe of the dedication and professionalism of Navy Reserve Sailors, civilians and the families that support them. They provide the foundation that underwrites more than a century of successful contribution to the Navy and our Joint Force, and the reason I gaze optimistically to the future.

Timely, predictable, and relevant funding from Congress enables the Navy Reserve to deliver this strategic depth and meet operational mission requirements, so we are grateful for your continued support and enduring interest. Continuing Resolutions result in the cancellation or deferment of limited and sometimes irreplaceable training opportunities, negatively impacting the warfighting readiness of the Navy Total Force. Maintaining the Reserve Personnel Navy account funded at Presi-

dent's Budget levels enables the Reserve force to deliver trained Sailors ready to fight and win in the early stages of conflict and to sustain combat operations. Continued Congressional support will ensure the Navy Reserve provides relevant, modern capability, capacity, a resilient surge force, and cumulative warfighting readiness through training orders, facilities, and equipment today and into the future.

WARFIGHTING: DELIVER DECISIVE COMBAT POWER

For more than two decades following the unprovoked attacks of 9/11, and during our global fight against violent extremism, the Navy Reserve provided operational support in land-based combat environments. The strategic shift to address peer adversaries in the maritime domain has forced an evolution to the ready force the Navy Reserve is designed to deliver. With the resurgence of a global pacing challenge, generating warfighting readiness required a force design process focused on modernization and the accelerated delivery of relevant, current capabilities.

Multi-Domain Warfighting Capability and Capacity

Multi-domain warfighting capability and capacity relevance is a mandate for the modernized Reserve Force. As such, we are investing heavily in capabilities that directly align with winning future wars, including Maritime Operations Centers, contested logistics, surge maintenance, integrated fires, Naval Special Warfare, and Maritime Expeditionary Security Squadrons. Additionally, new technologies and capabilities in space, cyber, imagery analysis, battle damage assessment and repair, autonomous and un-crewed platforms, artificial intelligence, machine learning, data analytics, and additive manufacturing represent growth areas that capitalize on the unique skills and experiences of Reserve Sailors and the civilians that enable the Reserve Force.

The Navy Reserve delivers these modern capabilities through three employment models: readiness units that augment active Navy units with trained, warfighting-ready Reserve Sailors; individual Sailors with unique skills that enhance the Total Force; and stand-alone operational units that supplement active component capabilities. The Navy Reserve's operational units require investments in modern equipment to ensure relevancy and strategic depth in logistics, aviation, security, medical capacity, special warfare and other critical capabilities.

Navy Unique Fleet Essential Airlift

The Navy Reserve continues to prioritize intra-theater lift to enable rapid deployment, movement, and logistical support to the Fleet Commanders and Joint Force, particularly through the recapitalization of the KC–130 Juliet. The C/KC–130T aircraft are the Navy's only long-range aerial logistics platform capable of transporting bulk cargo, such as boats, diver recompression chambers, submarine masts, and F–35 engines. Operated solely by the Navy Reserve, the category known as Navy Unique Fleet Essential Airlift (NUFEA) consists of 27 C/KC–130T and 17 C–40A aircraft that comprise the totality of the Navy's organic intra-theater air logistics capability. In Navigation Plan 2022, Chief of Naval Operations Admiral Mike Gilday emphasized resilient logistics in contested environments as a critical force design imperative and directed recapitalization of the C–130 fleet, a reserve-only capability, by 2030. Compared to the legacy "T" variant, the more efficient and reliable "J" model improves operational performance while realizing a cost savings of approximately $1,000 per flight hour—while increasing mission capable rates nearly threefold.

Last year, Navy Reserve air logistics aircraft transported 90,846 passengers and 17.9 million pounds of cargo for the Navy and the Department of Defense. This capability saved the Department $1.24 billion in expenditures relative to alternative means of transportation. Despite their demonstrated necessity and value, the C–130T's age, lack of available parts due to obsolescence, and increasing cost per flight hour, drive a growing gap between the Fleet's demand for this mission and the Navy's capability to fulfill it. For these reasons, the recapitalization of the KC–130J fleet is the Navy Reserve's number one equipment priority.

Aviation Adversary

The aviation adversary mission ensures the readiness of the Navy's carrier-based tactical aircraft and develops Navy pilots' air-to-air combat skill. The Navy Reserve's Tactical Support Wing (TSW) maintains 12 F–16Cs and 12 block 1 F/A–18E/Fs aircraft that replicate high level threats, and 28 F–5N/F and 2 F–5N+/F+ aircraft that replicate low-to-mid level threats. The Navy Reserve is modernizing the F–5N/F avionics suite to improve safety of flight and resolve obsolescence limitations given an average age of over 40 years per airframe. The current fleet of F–5s will reach the end of their service life by the early 2030s; however, eleven up-

graded F–5s purchased in FY20 will come into service over the next 3 years to ensure adversary capacity does not lapse prior to fielding a replacement aircraft. While the F–5 lacks the speed, sensors, and signature to accurately represent the high-end pacing threat, it adequately provides a live adversary platform required for basic airwing air-to-air training, and serves as a bridge until the replacement aircraft is fielded.

In April 2022, the Navy Reserve received twelve F–16C aircraft from the Air National Guard that provide dissimilar aircraft training and high-end adversary support to the fleet. These aircraft have sufficient airframe hours remaining to sustain adversary missions through 2035. Ongoing efforts to upgrade these F–16s, together with investments in Live-Virtual-Constructive technology, increase the fidelity of modern threat replication and ensure Reserve adversary training remains relevant to the fleet until follow-on platforms become available.

Maritime Patrol and Reconnaissance (P–8A and MH–60Rs)

The Navy Reserve completed its transition from the P–3C to the P–8A in 2024. The P–8A aircraft is the nation's only full-spectrum, broad-area Anti-Submarine Warfare platform. Additionally, it provides armed Anti-Surface Warfare and networked intelligence, surveillance, and reconnaissance capability. The Navy Reserve's Maritime Patrol and Reconnaissance Aircraft (MPRA) squadrons mirror the active component units in design and mission, and integrate seamlessly into the Global Force Management (GFM) deployment cycle. In addition to receiving three P–8As in FY23, VP–62 received one aircraft last month, and is scheduled for two more deliveries in FY24 for a total of six aircraft. VP–69 began the transition process to the P–8A in April 2023, with the first aircraft delivered on August 2023. The active component has transferred five P–8s, and the remaining six are scheduled for delivery between FY24 and FY25. VP–62 conducted its first forward P–8A operations to Keflavik, Iceland in November of 2023. They detached within 72 hours of notice of threat submarine operations, successfully flying over 60 hours of Anti-Submarine Warfare missions with exquisite on top tracking of real-world adversary forces. VP–69, supporting Commander Third Fleet (C3F), will surge P–8A detachments during FY24 SUMMER–EX for Homeland Defense (HLD) missions and participate in the Rim of the Pacific Exercise (RIMPAC) 2024 supporting joint, partner, and allied interoperability. Transitioning reserve VP squadrons to the P–8A sustains the joint forces' military advantage over our pacing threat by providing worldwide, continuous deployed presence to deter adversaries and provide robust airborne support of maritime operations.

Helicopter Maritime Strike Squadron 60 (HSM–60), delivers strategic depth and surge force capabilities, providing ready assets to support operational tasking on short notice. Last year they supported high-profile anti-narcotic operations in the Eastern Pacific Ocean, cooperating with USS Farragut and the U.S. Coast Guard. This interdiction not only disrupted significant illegal narcotic trafficking, valued over $69 million, but also highlights Navy Reserve rotary wing capabilities to help project dynamic maritime power and maintain regional stability.

WARFIGHTERS: STRENGTHEN THE NAVY TEAM

Sailors are our most precious resource—they are the backbone and the heart and soul of the Navy Reserve. Our focus remains on creating formidable warfighting teams, attracting and retaining skilled individuals from America's diverse tapestry, and offering them top-tier training and education. We are dedicated to enhancing our Sailors' service quality, encompassing both their quality of life and work, and ensuring Sailors and their families are supported, valued, and prepared for the future.

Administration and Management of the Individual Ready Reserve

The Navy Reserve is comprised of 57,200 drilling Selective Reserve (SELRES) and TAR Sailor billets, and 37,292 Individual Ready Reserve (IRR) members, totaling 94,492 Ready Reserve Sailors. The IRR is a critical component of the Navy Reserve, enabling additional surge capacity for the Navy Reserve Force at a significantly reduced cost. The IRR service requirement is a component of a Sailor's Military Service Obligation (MSO), requiring them to maintain basic readiness standards while affording them opportunities to voluntarily perform training and/or active duty to provide strategic depth to the Navy. IRR Sailors also maintain many of the primary benefits associated with military service such as access to military exchange, commissary and Morale Welfare and Recreation facilities, Space-Available travel, Psychological Health and Outreach Program (PHOP) and Sexual Assault Prevention and Response (SAPR) services.

The Navy Reserve's multi-year transformation includes reimagining the management of the IRR to better align with the requirements of Adaptive Mobilization and strategic competition. Accordingly, we have defined critical skills for the IRR, shifting the focus from the Global War on Terror and Individual Augmentee (IA)-specific skills to those focused on maritime skills, while optimizing IRR muster processes. Additional enhancements include a web-based application in 2023 that improves the screening of IRR members and provides real-time readiness data of the IRR force. Since its implementation, screening has increased nearly two-fold over the past year, improving mobilization availability, recruiting, and warfighting readiness. In line with efforts to improve overall Navy Reserve retention, we have also invested in Sailors' education regarding the requirements and benefits associated with service in the IRR.

Recruiting and Retention

We are competing for talent within a discriminating labor force under rapidly evolving economic conditions. The labor market in the United States is the tightest in recent memory, with more job openings than people to fill them. However, the turmoil and uncertainty of the last few years have shown that many Americans are biased to pursue work for organizations that provide purpose to their lives and align with intrinsic values. We believe the Navy Reserve is the employer of choice for those seeking challenge, purpose, and personal growth within a cohesive community of diverse and motivated individuals. To reach our goals, we are at General Quarters to spread this message to talented Americans who are eager to serve.

The Navy Reserve is projected to miss New Accession Training goals by 973 Sailors and to finish approximately 1,200 Sailors short of the authorized FY24 End Strength of 57,200. To address end strength shortfalls, reserve component recruiters have implemented parallel efforts to access new Sailors as well as those with prior service. To ensure we can fill critical gaps, the Navy Reserve must maintain a deep reservoir of talent, which requires active duty Sailors with prior service to affiliate with the Navy Reserve after leaving active Navy service. In 2023 the Navy established the Navy Recruiting Reserve Command (NRRC) and subordinate Navy Reserve Talent Acquisition Groups, charged with retaining Sailors transitioning from active duty for continued service in the Reserve Component. To better support these new commands the Navy also established the TAR Permanent Professional Recruiter community and designator. These professional recruiters deploy to fleet concentration areas to establish market penetration, facilitating the recruitment and retention of Navy Reserve Sailors. Additionally, NRRC established Prior Service Detachments in the five continental fleet concentration areas and at two locations outside the continental United States. These detachments are staffed with Reserve Benefits Advisors whose purpose is to educate Sailors on the transition process, as well as the benefits and opportunities associated with service in the Navy Reserve.

The Reserve Force is proactively engaging in accession and retention strategies, including promoting transitions from Active Component to Selected Reserve (AC2SELRES) in Transition Assistance Program sessions and mandatory career development meetings. In 2023 we launched programs to promote enlisted SELRES members volunteering for critical mobilization positions to the next higher pay grade. Other efforts include increased bonus programs for affiliation and retention, broadening High Year Tenure policies for greater flexibility, and in the continuation of SELRES Sailors within the fiscal year. Tuition Assistance has been extended to SELRES members and exit surveys have been implemented to pinpoint further improvements for recruitment and retention. Additionally, the Navy also revised the Military Service Obligation contract to mandate 2 years of SELRES service following the initial 4-year active-duty enlistment for Sailors meeting specific Reserve Force needs, thereby retaining essential skills for strategic depth.

Culture of Excellence

In transforming the Reserve Force for strategic competition, Sailors form the foundation of our readiness and remain our most important stakeholders. The Navy Reserve Force forges a culture based on trust and respect, where connectedness and inclusion are key ingredients in every command dynamic. The Navy's Culture of Excellence (COE) campaign was updated with the launch of "Forged by the Sea, COE 2.0." Forged by the Sea is an approach to building great sailors, great teams, and great culture in every Navy command. It emphasizes cultivating exceptional individuals, outstanding leaders, and cohesive teams, recognizing this is the best way to prepare for victory in combat, innovate and solve hard problems, and prevent harmful behaviors. In 2023, the Navy Reserve implemented the Integrated Primary Prevention Workforce (IPPW) capability with other components of the DoD. This dedicated workforce addresses multiple primary prevention functions including suicide,

substance misuse, harassment, and sexual assault. By the close of FY24, the Navy Reserve will have assigned nine Integrated Prevention Coordinators qualified as public health and behavior health SMEs spanning each region to focus on risk and prevention factors.

The Navy Reserve is an exponentially more effective warfighting-ready force when it capitalizes on the diverse backgrounds, experiences, perspectives, and talents of those who serve. With this as our guiding principle, the Navy Reserve is committed to fielding a force as diverse as the country and harnessing the asymmetric advantage of our Sailors to accelerate our warfighting advantage. In aggregate, the diversity of the Reserve Force has increased across all categories over the previous five-year period. The Reserve Force will continue to foster inclusion and equity to harness the diverse and unique capabilities of our Sailors.

Quality of Service

The Navy's Quality of Service (QoS) initiative embodies a steadfast commitment to bolstering Sailors' well-being, both on and off duty, through robust leadership support, the institution of rigorous, enforceable standards coupled with transparency, and the vigilant maintenance of every Sailor's mental and physical health. At the heart of QoS are the dual pillars of Quality of Life—encompassing the lived experiences of Sailors and their families beyond the workplace—and Quality of Work, which pertains to the professional working environments. This fusion is critical for fostering a Culture of Excellence, ensuring our reserve warfighters and teams are unequivocally prepared to excel in their missions.

The Navy Reserve has significantly improved the support and educational development for Reserve Sailors through the launch of the Weekend Drill Childcare (WDCC) and Tuition Assistance programs for SELRES Sailors. These initiatives directly tackle the well-being and operational preparedness of our force. The WDCC program provides critical childcare support during drill weekends, effectively removing a major barrier to our Sailors' participation and focus. Launched in 2023, the WDCC opened the pilot to fleet-concentration areas in San Diego, CA; Kitsap/Bremerton, WA; Jacksonville, FL, and later expanded to Baltimore, MD; Fort Worth, TX; New Orleans, LA; and Ventura County, CA. The expansion of the Navy's Tuition Assistance program to our SELRES Sailors is an investment in future Navy Reserve leaders by supporting the higher education goals and professional development of all SELRES Sailors in good standing. These initiatives are not solely retention benefits; they represent strategic investments in our Force's professionalism, resilience and skills.

Suicide Prevention

Fostering and maintaining the well-being of Reserve Sailors, civilians, and their families is an imperative for a healthy, whole force. While the Navy Reserve has realized a consistent year-over-year decrease in suicide related behaviors since 2019, we continue efforts to offer and destigmatize mental health treatments and ensure they are available to all service members and their families. The Psychological Health Outreach Program (PHOP) provides counselors, coordinators and resources 24/7/365. Electronic behavioral health screenings are available to every Sailor and family member for immediate access to PHOP services while Resiliency Check-ins provide screening and referrals as necessary. In FY23, PHOP completed a total of 656 Reserve Center on-site visits and 35 virtual visits, a 21% increase from FY22, and 3,337 Navy Reserve Referrals. Reserve Sailors, civilians and their families are critical to our warfighting readiness and remain our most important asset—the importance of their health, wellness and safety remains central to our planning, investment, and assessments.

FOUNDATION: BUILD TRUST, ALIGN RESOURCES, BE READY

The Navy Reserve has undergone profound enhancements, moving from routine monthly drills to implementation of scenario-based exercises that mirror the complexities of current and projected future conflicts. Focusing on Warfighting Readiness ensures that Reserve Sailors are prepared and proficient in their designated billet, and ready to contribute effectively from day one of any mobilization. The Navy Reserve Force has modernized legacy models of mobilization, personnel and pay systems, and Navy Reserve Center's functions and locations to better support the fleet by increasing responsiveness and performance. The Navy Reserve Force is committed to ensuring its Sailors are relevant and ready to deliver maritime dominance in today's unpredictable security environment.

Adaptive Mobilization

The legacy approach to mobilization, in which individual reserve Sailors processed through a single centralized facility to receive specialized training over the course of several months, no longer meets the demands of a complex and rapidly changing security environment. To rapidly mobilize the Reserve Force at scale, Adaptive Mobilization (AM) processes were designed, developed and tailored to each billet, and distributed mobilization pathways were instituted to bring mobilization-ready Sailors into their active duty warfighting role efficiently. Employing the AM model, six regional Readiness and Mobilization Commands (REDCOMs) and their subordinate Navy Reserve Centers (NRCs) support distribution of current and future-activations by mobilizing the entire Selected Reserve population—roughly 47,200 Sailors—within 30 days. This model capitalizes on the strategic placement of TAR staffs, located at the REDCOMS, NRCs and within the Fleet, and leverages the nationally distributed Reserve Center infrastructure unique to Reserve Forces to decentralize mass mobilization requirements across globally distributed regions. The Navy Reserve is aggressively exercising these processes through force-wide mobilization exercises that stress-test our capabilities and throughput, and drive future improvements. In 2024 the Navy Reserve Force conducted four mobilization exercises to validate the mobilization readiness of 100% of our Sailors, and to specifically identify and address barriers within the AM process.

Navy Reserve Center Optimization

The 111 Navy Reserve Centers (NRC) spread across the United States, Puerto Rico and Guam make up a critical support network for Reserve Sailors across the world. In Fiscal Year 2020, the Navy Reserve began an effort to optimize this network by strategically realigning TAR personnel to better support reserve Sailors at under-staffed NRCs and REDCOMs, and strategically closing a small number of NRCs. The effort supported and aligns with the Secretary of the Navy's 10-year infrastructure reset strategy, which directed the divestment of the Navy's facility footprint, in this case reducing the Navy Reserve infrastructure footprint by 10.3%. Additionally, the NRC optimization effort reduces the number of stand-alone, off-installation NRCs, decreasing risk to the force and eliminating the expense and Sailor dwell impact of additive Armed Watch Stander programs.

CONCLUSION

My unambiguous focus remains warfighting readiness. We have transformed the Navy Reserve and delivered ready units of action and augmentation manpower to support Navy warfighting throughout the spectrum of conflict. To remain ahead of our pacing threats in the coming decades, we must continue to transform our force with urgency, to face the challenges of today while preparing for the war of tomorrow. Strategic and tactical guidance supports this singular goal, with the enduring foundation of professional, empowered, proficient Sailors at the core. As it has for well over a century, America's Navy Reserve remains "Ready Now." We have made great strides in modernizing how we man, train, equip and mobilize the force. But we still have much to do.

Today, we face a new era with new challenges. On behalf of the men and women of the United States Navy Reserve, thank you for your steadfast support of Navy Reserve Sailors, civilians, families, and employers. With your continued support, we will lead the transformation of our Navy Reserve to address the current and future global environment with speed and agility.

Senator TESTER. Thank you, Admiral.

General Anderson.

STATEMENT OF LIEUTENANT GENERAL LEONARD F. ANDERSON, IV, COMMANDER OF MARINE CORPS RESERVE

General ANDERSON. Chairman Tester, Vice Chair Collins, and distinguished Members of the Subcommittee. Thank you for the opportunity to appear before you today to testify on behalf of the Commandant of the Marine Corps, about our Marine Force's Reserve.

I am honored to appear with fellow Reserve Component Service Chiefs, and with my senior enlisted leaders, Four Star Major Edwin Mota; and Command Master Chief, Michael Mussett.

The Marine Corps Reserve has always been a critical component of the Marine Corps' Total Force. The emergent picture of the intricate and multi-domain warfighting environments of the future increasingly reveals the risk of relying on the Active component alone. The problem set demonstrates why the Marine Corps strategically leverages its Reserve component in two important ways.

First, the Marine Corps Reserve provides support to global Force management, and employed as a vital contributor to meet combatant command requirements. The Reserve component, in close partnership with Marine Force's Command, and the 2nd Marine Expeditionary Force, continues to mature the utilization of service-retained Forces in support of global crisis response operations. We provide Reserve Forces for global deployments that span the spectrum of conflict, and we participate in combat-related training exercises in every geographic combatant command and CYBERCOM (Cyber Command).

Second, the Marine Corps Reserve is amplifying its talent management efforts. This subcommittee has been briefed extensively in recent years on the Marine Corps' Force Design Initiative. Talent management is a major focus of the Marine Corps and the Marine Corps Reserve. We are identifying select individuals with high-demand, low-density skill sets that are inherently challenging to acquire, and providing those Marines pathways to continued Military Service that are complementary to their civilian careers.

Each year, this subcommittee provides National Guard Reserve equipment appropriation funding for the Marine Corps Reserve. And I am grateful for your continued support through NGREA. The Marine Corps Reserve is designed to be equipped at near parity with the Active component, and NGREA funds allow the Marine Corps Reserve to resource that requirement set forth by Congress and the combatant commanders.

The Marine Corps Reserve would realize an even greater advantage by receiving NGREA funding that restores us to our historical share. I ask that you consider this in your future funding decisions.

The Commandant of the Marine Corps recently called the Marine Corps Reserve "our backbone" and emphasized to our senior leaders the need to maximize the potential of our Marine Corps Reserve Forces by resourcing and equipping them to ensure they are prepared to meet the threats that face this Nation. Reserve Marines serve honorably while balancing their civilian careers and families; they bring a depth and breadth of knowledge to the Marine Corps that gives the Total Force an asymmetric advantage.

Chairman, I am glad to be here. And thank you. And I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL LEONARD F. ANDERSON, IV

INTRODUCTION

Chairman Tester, Ranking Member Collins, and distinguished members of the Subcommittee, it is my privilege to testify on behalf of the Commandant of the Marine Corps. This testimony will provide an overview of the current state of the Marine Corps Reserve and the responsibilities that your Reserve Marines and Sailors have in our national security and will highlight the significant progress we have made in recent years.

The Marine Corps Reserve is a critical component of the Marine Corps Total Force, providing essential capabilities and capacity to compete with our adversaries and respond to global crises. We exist to fight and win our Nation's battles. The Marine Corps Reserve is not simply a surge force; our capacity is essential to meet the demands of the 21st century and further enhance the pillars of Force Design. With the rise of new threats and the evolving nature of future conflict, the Marine Corps Reserve is ready and able to adapt and compete in this ever-changing environment.

Our commitment to readiness is unwavering. We continue to exercise and adapt our activation and mobilization processes, and we are constantly working to improve the training and skills of our Marines and Sailors. We are also focused on identifying, developing, and retaining the best talent. Our Marines and Sailors are our most valuable asset, and we are committed to providing them with the tools and resources they need to succeed.

I am confident that the Marine Corps Reserve is ready to meet the challenges of the future. We are a relevant, ready, and responsive force, and we are committed to serving our Nation with honor.

TALENT MANAGEMENT

In the dynamic and evolving landscape of modern warfare, the Marine Corps Reserve recognizes the imperative of effective talent management as a cornerstone for success. To emerge victorious in the intricate and multi-domain warfighting environments of the future, our Marines must attain and sustain advanced technical, intellectual, and physical capabilities. Moreover, they must operate adeptly in distributed and ambiguous scenarios.

The Marine Corps strategically leverages the Reserve Component to address its need for a broader spectrum of high-demand/low-density skillsets that are inherently challenging to acquire and retain. We acknowledge the limitations of relying on the Active Component alone and are committed to attracting and retaining diverse individuals with unique talents and skills across the total force. Simultaneously, we strive to provide pathways to military service harmonious with the pursuit of civilian careers for our Reserve Marines.

Aligned with overarching service goals, the Marine Corps actively embraces new initiatives to enhance career flexibility and cultivate talent within the Reserve Component. Our commitment to the Commandant's Talent Management 2030 initiative is a significant stride in this direction. New initiatives to maximize permeability across the total force include a streamlined process for Reserve Component officers to request transition to the Active Component and a reinvigorated emphasis on the Direct Affiliation Program (DAP), which creates new opportunities for departing Active Component Marines, equipped with valuable skills, to seamlessly transition into the Reserve Component. During FY23, active component units received goals for direct affiliation from active to reserve, and this program resulted in 1,094 Marines approved. The FY24 direct affiliation goal is 2,000 and is on track for success. Direct affiliation demonstrates one of many permeability efforts that seeks to retain talent within the service. The Marine Corps Reserve will continue to develop innovative policies, pathways, and tools designed to capture, catalog, and maintain visibility of our diverse pool of talent, ensuring these Marines have a path for future service.

MODERNIZATION

The Marine Corps Reserve, operating as both a strategic and operational Reserve, is a critical part of the Total Force Marine Corps. As the Marine Corps remains the naval expeditionary force-in readiness in support of Naval Campaigning, Strategic competition, and crisis response the Reserve Component (RC) continues to be an integral element of the planning effort. The Marine Corps' force design process is strategy-driven, threat-informed, and concept-based. Force development is subsequently pursued through deliberate experimentation, wargaming, integrated planning, and studies and analysis that inform an ongoing and iterative campaign of learning to identify what is effective and required. The Marine Corps Reserve participates in and provides support to this force design and development effort while remaining a vital global contributor in meeting combatant command requirements.

AC forces have been rapidly modernizing under the direction of multiple administrations' National Security Strategies (NSS) and National Defense Strategies (NDS). The RC modernization leverages the iterative experimentation, learning, and refinement being accomplished by AC forces and complements AC formations as they transition to new capabilities. The RC remains nested with all Service-related initiatives supporting modernization. As part of a phased modernization with the Active Forces, RC forces will continue to modernize while assessing risk and balancing the Services' ability to remain ready, relevant, and responsive as a vital contributor in

support of Combatant Command requirements. Additionally, the Reserve Component, in close partnership with Marine Forces Command and II Marine Expeditionary Force, continues to mature the concept of Service Retained Forces (SRF) in support of global crisis and contingency response operations. The SRF concept demands will uncover needed adjustments to RC capabilities and platforms and illuminate the vital role the RC plays in supporting campaigning in competition and fighting and winning in conflict.

INNOVATION AND EXPERIMENTATION

The establishment of Littoral Craft Companies (LCC) is a comprehensive initiative producing strong linkages across several Marine Corps Reserve lines of effort (LOEs). The initiative supports numerous key objectives including Site Optimization, Talent Management, New Platforms and Technologies Integration, Experimentation and Wargaming Support, as well as Service component integration in a way that effectively aligns broad aspects of the Marine Corps Reserve's strategic vision.

Transitioning C and D Companies, 4th Amphibious Assault Battalion (Galveston, TX and Tampa, FL respectively) into LCCs presented an ideal Talent Management and Site Optimization opportunity with the bonus of integrating new Platforms and Technology in the form of littoral craft. In partnership with the Defense Innovation Unit, the Marine Corps is pursuing a rapid procurement of these dual-use, commercially available vessels through an area of interest solicitation to the Defense Industrial Base. This highly flexible process offers direct access to vendors capable of producing state-of-the-art littoral craft for the Marine Corps Reserve on an aggressive delivery timeline.

Capability development is already underway in key focus areas to include "Training and Training Sustainment" and "Littoral Maneuver Craft Characteristics." As directed by the Service following LCC initiative approval, the Marine Corps Reserve has held numerous planning sessions to define the mission, training and readiness standards; individual and unit mission essential tasks; military occupational specialty requirements; and other fundamental characteristics necessary for relevant operational employment. Incorporating strategic linkages and supported external entities, this planning accelerates and informs institutional solutions to known littoral maneuver capability gaps.

FISCAL STEWARDSHIP

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 we 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.

A TOTAL FORCE

Throughout the past year, the Marine Corps Reserve supported Combatant Commander requirements by providing reserve forces for global deployments that span the spectrum of conflict. In FY23, 621 Reserve Marines joined their Active Component counterparts in deployments that supported 20 operational requirements across five geographic Combatant Commands. Thus far in FY24, the Marine Corps Reserve has activated 241 Marines in support of five Combatant Commands and is forecasting the activation of more than 600 Reserve Marines to support 19 separate formations throughout the remainder of FY24. These operations significantly increase the Reserve Component's readiness and interoperability with the Active Component, Joint Forces, allies, and coalition partners. Planning is currently underway

for increased activations and deployments, possibly double or triple those of FY24, that integrate Reserve forces with the Active Component commencing in FY25 with continued employment through 2030 in support of high-priority Combatant Command requirements.

In addition to participating in operations, the Marine Corps Reserve conducts a wide array of combat-related training exercises around the world. The purpose of these exercises is to improve the Marine Corps Reserve's combat readiness, retain talent, and foster improved international relations and interoperability between allied nations and partners. In FY23, the Marine Corps Reserve led or participated in 46 military exercises across every warfighting domain in 16 countries, contributing 8,498 Reserve Marines. To date in FY24, the Marine Corps Reserve is forecasted to participate in 52 exercises globally, with a total force of 6,396 Reserve Marines.

The Marine Corps Reserve focuses on operational readiness within the Marine Air Ground Task Force and the Joint operational environment. Joint aviation assets from the Marine Corps, Navy, Air Force, Air National Guard, and the Marine Corps Reserve (who planned and led the event) conducted Tactical Air Control Party training to sustain Joint Terminal Air Controller (JTAC) qualifications at Camp Shelby, Mississippi, and San Clemente Island, California. This training benefitted all participating Services by enabling fixed, rotary wing, and unmanned aviation platforms to achieve mission-essential training in close air support while certifying Reserve Marine JTACs.

The Marine Corps Reserve participates in the Department of Defense (DoD) Innovative Readiness Training (IRT) Program, which provides joint/military training in the United States and its territories to increase deployments and unit readiness. In 2023, the Marine Corps Reserve participated in thirteen exercises under the IRT Program, two of which involved both Active and Reserve forces. Our participating units were able to train to mission essential tasks involving both horizontal and vertical construction, logistical support, communications, and medical care while making tangible, meaningful impacts in communities located in South Dakota, Hawaii, California, New Mexico, Tennessee, Maryland, Louisiana, Texas, Missouri, and Indiana. With Congress's continued support of these efforts, the Marine Corps Reserve looks to expand its footprint in this program to include airlift, construction, medical, and cybersecurity efforts.

The Marine Corps Reserve also supports the Total Force by executing the sensitive and crucial mission of providing casualty assistance to the families of our fallen Marines. There is no responsibility we treat with higher regard than this solemn mission. Inspector-Instructor (I–I) and Reserve Site Support staffs are geographically positioned to accomplish the vast majority of Marine Corps casualty assistance calls and are trained to provide compassionate and thorough assistance to families. Most Marine Corps casualty notifications and follow-on assistance calls to the next of kin are made by our Reserve Marines. During FY23, I–I and Reserve Site Support staffs supported over 75% of the 468 active casualty calls performed by the Marine Corps, and Marine Corps Reserve units performed 94% of the 20,475 total funeral services provided by the Marine Corps for former Marines.

EQUIPMENT

The Marine Corps Reserve is designed to be equipped at near parity with its active component counterpart due to the Total Force approach to equipment fielding. To maximize the potential of our reserves, we must ensure adequate investment in Reserve equipment to ensure the modernization and readiness of our Reserves. Equipment modernization and improved readiness are key factors that allow the Marine Corps to keep pace with future threats and preserve operational agility. However, the high demand for Reserve units and the resulting high operational tempo stress the Marine Corps Reserve's ability to maintain equipment and replenish deficiencies. Delays in appropriations have affected the Marine Corps' modernization efforts, as well as its ability to divest legacy equipment. The Marine Corps Reserve's cost to maintain its legacy equipment continues to increase, adversely affecting unit training and overall readiness. Inadequate or delayed fielding, coupled with delays in the appropriation of funds, disrupts our ability to program long-term equipping activities and challenges our efforts to improve current and future readiness.

The Marine Corps Reserve mitigates risk and ensures material readiness through Training Allowances (TA). Reserve units maintain equipment based on the unit's TA, which is the portion of the unit's full Table of Equipment (T/E) necessary for maintaining training readiness at Reserve Training Centers. This method ensures the necessary amount of equipment to train, maintain, and store remains on hand

within personnel and facility constraints. All equipment above the TA (the difference between the TA and the T/E) is stored at Marine Corps Logistics Bases and other "in stores" locations. Several factors affect maintenance efforts and priorities across the RC. These factors include reliance on personnel to identify and perform preventative and corrective maintenance, operation and exercise of the equipment sets, and targeted fiscal resourcing decisions. Leveraging Operations and Maintenance, Marine Corps Reserve (O&M MCR) funding to employ Marine Logistics Command mobile maintenance support teams helps augment our limited organic maintenance capacity. We also utilize a Service-managed third-party logistics provider to repair secondary components that cannot be repaired organically due to limited intermediate maintenance capacity. Congressional support for Reserve funding as specified in the FY 2025 President's Budget Request is paramount to our continued success in sustaining equipment and maintenance readiness.

FACILITIES

The Marine Corps Reserve occupies 158 Reserve Training Centers in 47 states, the District of Columbia, and the Commonwealth of Puerto Rico. Among these, 28 sites are owned and maintained by the Marine Corps Reserve, while the remaining 130 Reserve Training Centers are categorized as "tenant" status and owned by other Services. Through support agreements, the Marine Corps Reserve assumes maintenance responsibility for facilities at 113 of these tenant sites. Over the past 2 years, the Marine Corps Reserve has dedicated significant efforts to rectifying and ensuring the accuracy of our real property records, aligning them with our complete sustainment funding requirement. Among the total 158 sites, some Reserve Training Centers are situated within major DoD installations, while the majority are dispersed across civilian communities, encompassing residential neighborhoods to industrial and commercial districts.

Traditionally, the Marine Corps Reserve has committed 100% of the facilities budget to support the sustainment, maintenance, and modernization of existing infrastructure and day-to-day operating costs. Because of this investment and commitment, we have improved the overall readiness of our facilities. Moreover, through the comprehensive utilization of the Facilities Sustainment, Restoration, and Modernization (FSRM) program, we have also retained and improved facilities that were deemed vital to support the Marine Corps Reserve's mission.

Presently, our focus is on identifying significant FSRM projects for future funding. Simultaneously, we are actively engaged in efforts to maximize efficiency. This includes a strategic approach to cost reduction and funding savings through the realignment of facilities and the demolition of excess footprint. As part of this initiative, the Marine Corps Reserve is currently in the process of reprioritizing five sites, realizing savings ranging from approximately $200k to $300k per site.

As we capitalize on utilizing the Military Construction, Navy Reserve (MCNR) program, our focus is on providing construction for new and enduring capabilities and recapitalizing our aging facilities. The construction projects enabled by the annual authorization and appropriation of MCNR funding are a significant factor in advancing our facilities support mission, especially as we optimize our force laydown throughout the Nation. Continued support for our MCNR program funding requests is essential for planning and execution to modernize our capabilities and, when needed, to divest from infrastructure or facilities that no longer meet the mission.

The combined effects of our targeted site consolidations, FSRM, and MCNR Programs have steadily reduced the number of inadequate or substandard Reserve Training Centers and enabled improved support to Reserve units and personnel. However, as our infrastructure ages, the operating costs have steadily increased due to the requirements for more secure communications and classified spaces within these facilities and these requirements will continue to rise as the Marine Corps modernizes to meet the requirements of the National Defense Strategy.

The safety of our Marines, Sailors, and their families is of utmost importance; therefore, we are actively engaged in ongoing efforts to improve the overall force protection at all our sites. We take pride in working with our Service partners and the National Guard to improve security at our sites where joint occupation is optimal. Throughout the last 10 years, numerous force protection assessments have been conducted at our facilities, and security-engineering reports have been generated to assist in developing designs that mitigate protection concerns, specifically within the realm of physical security. These assessments identify requirements and serve to prioritize enhancements, ultimately improving the overall facility security for our Marines, Sailors, and their families.

SEXUAL ASSAULT PREVENTION AND RESPONSE

For the Marine Corps Reserve, improving the health and safety of our service members by fostering a culture of dignity and respect are top priorities, as they are vital to reducing and ultimately eliminating sexual assault within our ranks. The Marine Corps Reserve has a unique and adaptable Sexual Assault Prevention and Response (SAPR) Program that provides training, advocacy, guidance, and supportive services across our geographically dispersed force.

The Marine Corps Reserve SAPR Program is undergoing many vital staffing and structure changes in response to the Independent Review Commission (IRC) on Sexual Assault in the Military in accordance with the recommendations approved by the Secretary of Defense. These changes begin by adding more full-time civilian SAPR personnel to strengthen the effectiveness of both prevention and response efforts, and there is an accelerated effort to fill all of the required positions at all levels simultaneously.

The Marine Corps Reserve operates a dedicated Sexual Assault Support Line that is staffed 24/7 by their professional SAPR team. It also actively publicizes the DoD Safe Helpline, a resource that offers crisis support services for members of the DoD community.

QUALITY OF LIFE

The Marine Corps Reserve is dedicated to ensuring quality of life programs are designed to effectively assist all Reserve Marines, Sailors, and their families, whether deployed or on the home front. Marine Corps Community Service (MCCS) programs are flexible and are continually adjusting to meet the needs of our geographically dispersed Reserve Marines and their families. The training programs provided to our commanders, Family Readiness Command Teams, and Marines and Sailors and their families contribute to a ready and resilient force equipped to succeed. The Marine Corps Family Team Building (MCFTB) Program enhances readiness through non-clinical preventive education, professional training, and community-building support throughout the wide array of mission, life, and career events. During FY23, the Marine Corps Reserve conducted 267 training events in which 10,427 Marines, Sailors, and family members received essential information to assist them throughout the deployment cycle. These events helped them prepare for and flourish during deployments and achieve a positive post-deployment reintegration experience.

The Marine Corps emphasizes the importance of readiness for Marines and family members in many areas of life. The Marine Corps Personal and Professional Development Programs provide training and educational resources to increase awareness and build individual and family development skills. These programs enhance the quality of life for our military community by promoting self-reliance and self-sufficiency, as well as continuing the tradition of "taking care of our own." The Marine Corps Personal and Professional Development Programs include transition readiness, personal financial management, voluntary education, and information and referral.

The Marine Corps Transition Readiness Program (TRP) is a comprehensive program that helps Marines and their families develop and attain effective post-transition employment, educational, and entrepreneurship goals. The Marine for Life Network helps to link our Marines to employment, education, and community resources in their hometown areas to support their future goals. A virtual course is available for Marines who are not located near a military installation. In FY23, the Marine Corps Reserve transition staff assisted 761 Marines with pre-separation counseling and 618 Marines with capstone completion.

CONCLUSION

As the operational environment changes, your Marine Corps Reserve will continue to innovate and evolve in order to meet future challenges and deter the pacing threats as prescribed in the National Defense Strategy. The key to our success has been and will continue to be individual Marines, Sailors, and their families. Your Reserve Marines will continue to answer their Nation's call to serve, and with your continued support, we will remain ready. Semper Fidelis.

Senator TESTER. Thank you, General.
General Healy.

STATEMENT OF LIEUTENANT GENERAL JOHN P. HEALY, CHIEF OF AIR FORCE RESERVE

General HEALY. Chairman Tester, Vice Chair Collins, distinguished Members of the Subcommittee, on behalf of the 69,600 men and women of the Air Force Reserve, it is an honor to be here today with my Senior Enlisted Advisor, Chief Master Sergeant Israel Nun?ez. We are both continually amazed at the accomplishments of our Reserve Airmen as they meet every challenge given on behalf of this Nation.

The Air Force Reserve provides an operational capability, strategic depth, and surge capacity across every Air Force core mission set. We provide a ready now, accessible Force that is both mission-effective, and cost-efficient.

Since last October, Air Force Reserve personnel and aircraft have mobilized, within 72 hours, to fill critical airlift and air refueling missions in support of CENTCOM (Central Command) and TRANSCOM (Transportation Command). To date, in fiscal year 2024 Reserve Airmen have accomplished over 68,000 man-days in support of Levant operations.

As effective and efficient as we are, the Air Force Reserve must transform for the future. This requires proportional modernization and concurrent fielding with the regular component. Maintaining equipment parity ensures our ability to match pacing threats. Legacy aircraft investment without recapitalization, and delayed modernization, add substantial risk to our surge capacity.

It is imperative that our funding reflects proportional distribution as well. While our 2025 budget request is relatively flat compared to fiscal year 2024, it is designed to preserve readiness. However, the recent SAC–D (Senate Appropriations Committee—Defense) markup recommends a $111 million reduction to our operations and maintenance budget. This 2.7 percent overall reduction is proportionally 90 times greater than the Active Component's 0.3 percent reduction in O&M (Operation and Maintenance). This puts substantial risk to our Flying Hour Program.

I respectfully request SAC–D address this imbalance during markup, ensuring equitable funding that maintains our readiness as well.

We are grateful to Congress for NGREA funding. NGREA enables us to modernize or replace equipment when recapitalization by the Active Component is infeasible. For fiscal year 2025, SAC–D has proposed an NGREA allocation of $124 million for the Air Force Reserve, a $31 million reduction from fiscal year 2024, and we would appreciate your support to increase this allocation, enabling us to field a more lethal and survivable Force.

While equipment is critical, our most important weapon system is and always will be our Airmen. Two of our most significant lines of effort focus on providing accessible and affordable child care and access to healthcare for family members with special needs through the Exceptional Family Member Care Program.

Over the past seven decades plus, the Air Force Reserve has provided combat-proven readiness. I am certain the Air Force Reserve will always be ready to defend our great Nation now and in the future.

Thank you for the opportunity to appear before you today, for your continued support of the Air Force Reserve, our citizen, Airmen, and their families. And I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JOHN P. HEALY

UNITED STATES AIR FORCE RESERVE

The Air Force Reserve is a combat-ready force, with a Fiscal Year 2024 (FY 2024) authorized end strength of 69,600 Reserve Airmen, stationed throughout the United States. As a cost-efficient and mission- effective force, the Air Force Reserve provides the Nation with operational capability, strategic depth and surge capacity, both overseas and at home. The Air Force Reserve's wide-ranging operational capabilities serve the diverse needs of every Combatant Commander, whose requirements are as varied as the geographic and functional areas they support.

With 74 percent of our Reserve Airmen serving part-time, their combat-tested experience is retained in a cost-efficient force, available whenever our Nation calls. The Nation benefits from the intrinsic value gained by a Reserve member's civilian experience in a variety of careers, from pilots and nurses to teachers and cyberspace professionals, enhancing our mission with a broad spectrum of professional insights and capabilities.

The Air Force Reserve directly supports the United States and neighboring countries with special capabilities, including weather reconnaissance, better known as the "Hurricane Hunters," aerial firefighting and aerial spray. The Air Force Reserve's relationship with other Federal agencies, including the National Weather Service and U.S. Forest Service, demonstrates how Federal, military and civilian organizations work together to support the entire Nation.

The Air Force Reserve is a proven part of the Total Force and vital to the Department of the Air Force's (DAF) effort to address the four National Defense Strategy (NDS) priorities: defending the homeland, deterring strategic attacks, deterring aggression and building a resilient joint force. We execute the full spectrum of DAF missions, providing strategic depth and maintaining operational readiness to deter our adversaries, defend the United States, our Allies and partners, and respond to any contingency—at a fraction of the cost of the full-time members of the U.S. Space Force and the Regular Component of the U.S. Air Force.

As the DAF confronts the challenges presented by Great Power Competition (GPC), the Air Force Reserve stands ready to ensure its success. Air Force Reserve Command (AFRC) is the most diverse Major Command (MAJCOM) in the DAF and with nearly three-quarters of our force serving in a part-time status, we are optimized for Great Power Competition by providing surge capacity and strategic depth. Emerging threats demand a resilient, experienced, and accessible force that is responsive, agile, and lethal—all of which are attributes of the Air Force Reserve. Our cost-effective framework amplifies resource utilization while upholding fiscal responsibility. Focused on talent retention, we draw from a deep pool of institutional knowledge with robust support for Reserve Airmen. This approach not only bolsters our strategic depth but also keeps us resilient and adaptable, essential for maintaining a competitive edge.

AIR FORCE RESERVE FISCAL YEAR 2025 POSTURE STATEMENT

Total Force operations require Total Force investments. The Joint Force faces a complex battlespace across multiple domains. As two parts of the DAF, the U.S. Space Force and the Regular Component of the U.S. Air Force are working to fulfill the NDS priority of building a resilient joint force and defense ecosystem. As part of the Total Force, the Air Force Reserve ensures the DAF can achieve these efforts. Our mission capabilities rest on one foundation—our people. Our Reserve Airmen must be able to work side by side with the U.S. Space Force and our Regular Component partners in the U.S. Air Force. To do that, the Air Force Reserve must train and equip our Reserve Airmen in a manner that is proportional and concurrent with the Regular Component. This will ensure we remain a credible operational and strategic reserve that can provide a surge capacity in crisis or contingency.

Our FY 2025 budget request invests in foundational accounts, focused on preventing year over year degradation, to maintain the capabilities and readiness required to defend the homeland. The Fiscal Responsibility Act dramatically increases the importance of the timely approval of the FY 2025 budget request. Continuing Resolutions delay budgets and prevent the Air Force Reserve from receiving the funding it needs to maintain operational readiness.

With Congress' support, we continue to improve our strategic readiness. I issued a Task Order upon taking Command of Air Force Reserve Command in 2022 that emphasized two priorities: Ready Now and Transforming for the Future. The order empowers Reserve Airmen to own their individual readiness and established accountability across the entire Command to be the Reserve the Nation needs. We issued a revision to the Task Order in 2023 and developed metrics that allowed us to track our progress to maintain operational readiness and transform for the future. By employing data analytics coupled with new tools and processes, we are making timely and informed programmatic decisions. We developed and refined data visualization tools, like the Status of Funds and Flying Hour Tools, that allow us to make timely and informed programmatic decisions. We are implementing policy reform that facilitates modernization and reduces administrative requirements. The result is an agile and judicious execution of financial resources. The timely approval of our FY 2025 budget request will enable the Air Force Reserve to continue improving operational readiness while also transforming into a data dominant Command. We hold ourselves accountable from planning to execution of a comprehensive and effective strategy to build a ready force and transform the organization.

The Air Force Reserve will support the DAF as it makes hard choices in Air and Space power modernization to keep pace with our strategic competitors. Airpower and Spacepower modernization are necessary to address the four NDS priorities, which depend upon effective Command and Control capabilities that are survivable in the threat environment of today and tomorrow. In this joint endeavor, the Air Force Reserve plays a pivotal role, ensuring seamless integration with the Regular Component. For the Air Force Reserve to remain a viable contributor to joint operations, the Total Force must maintain equipment parity and interoperability. These modernization investments require a balance between current and future risk. Some current capabilities must be divested to ensure we have the Reserve Force necessary to prevail in potential future conflicts. As our strategic environment changes, the risk is increasing over time, requiring hard choices to keep pace with evolving threats. We appreciate Congressional support as the Air Force Reserve prioritizes concurrent modernization and proportional fielding. This modernization and proportionality are coupled with a DAF-wide effort to re-optimize every aspect of the Department around GPC. The FY 2025 budget continues to integrate Air Force Reserve capabilities with the DAF to ensure that we can serve as a Total Force contributing to the Joint Force.

Reserve Airmen and their families are the foundation of our operational readiness, capabilities and organizational success. Our Airmen's diverse talent and depth of experience are force multipliers. Their dedication to our mission is second to none and we owe our Airmen stability and predictability. The Air Force Force Generation (AFFORGEN) model will increase predictability and lessen Reserve Airmen's time away from family and the financial burdens they may incur being away from their civilian occupations.

The Air Force Reserve value proposition is simple: we are a cost-effective strategic force that is experienced, accessible and ready. We will use budgeted funds to ensure the Air Force Reserve has the capabilities and training required to generate combat power for the future security environment. We also ensure that the Total Force is ready to answer our Nation's call. Congress's support of our FY 2025 budget request will ensure the Air Force Reserve has the continued ability to organize, train and equip our Reserve Airmen and remain a ready force to defend our Nation and its interests.

AIR FORCE RESERVE'S ROLE IN DEFENDING THE NATION

The Air Force Reserve is codified in law to provide trained and qualified personnel available to the Joint Force and Regular Component in time of war, national emergency, or in response to a crisis or contingency. Recognizing that Joint Warfighters need Air and Space Power, the DAF plays a critical role in defending the homeland, deterring strategic attacks, deterring aggression and building a resilient joint force. Because operational demands fluctuate, the Regular Component cannot be manned to meet peak demands and is therefore right-sized for steady-state operations. The Air Force Reserve provides the strategic depth and operational support the DAF needs to meet these demands. This requires Reserve Airmen to be organized, trained and equipped in line with the Regular Component to be a ready, resilient and combat-credible force in reserve.

Secretary of the Air Force Frank Kendall is posturing the DAF to meet the challenges of Great Power Competition. At the Air and Space Force Association Warfare Symposium in February 2024, he unveiled 24 decisions which are designed to optimize how the U.S. Air Force and the U.S. Space Force organizes, trains and equips

their forces. During this period of optimization, the Air Force Reserve is ready to ensure the DAF's success. The DAF has identified key areas for review, investment and re-optimization. The Air Force Reserve will be an important part of this transformation and needs to be considered in all the DAF's efforts.

Core Functions

Our ability to meet current taskings and to maintain a strategic reserve capacity are predicated on equipment parity and our readiness. The Air Force Reserve provides daily operational support to the Joint Force, while maintaining a ready and accessible strategic force during major conflict or surge operations in an unforeseen event, such as national disasters and contingencies. We also contribute to the DAF's five core functions.

Air and Space Superiority

Preserving the advantage in air and space during GPC requires generating combat power in contested environments. Maintaining equipment parity with the Regular Component ensures our ability to match pacing threats and secure air and space superiority. Legacy divestiture without recapitalization and delayed modernization programs adds substantial risk.

The Air Force Reserve provides vital experience to the DAF's 5th Generation fighter capabilities. The Air Force Reserve's first unit-equipped F–35 wing at Naval Air Station (NAS) Joint Reserve Base (JRB) Ft Worth, Texas is on track for first aircraft arrival in FY 2024 as the unit converts from F–16s to F–35s. We currently execute F–35 Combat Operations through our Classic Association, with the Regular Component as the lead organization, at Hill Air Force Base (AFB), Utah. We conduct F–35 Formal Training at Luke AFB, Arizona and Eglin AFB, Florida through Classic Associations. We also perform Operational Test and Weapons Instructor Courses at Nellis AFB, Nevada through a Classic Association. The experience of our Reserve pilots and maintainers in all aspects of 5th Generation fighter operations reduces costs and improves both the Reserve and Regular Components. The Classic Association at Joint Base Elmendorf Richardson, Alaska demonstrates this with the Reserve Airmen of the 477th Fighter Group being the most experienced F–22 pilots and maintainers in the world. They lower training costs for the Regular Component and will be one of the first units to engage an adversary in the event of a conflict in the Pacific. The Air Force Reserve ensures the preservation of experience across the fighter community. An Active Association, with the Reserve component as the lead organization, at Nellis AFB, Nevada is responsible for the Aggressor mission flying pre-block F–16s in support of many Joint and Coalition exercises. These Reserve Airmen ensure wartime readiness across all mission sets within the Total Force.

The establishment of the U.S. Space Force underscored the criticality of space operations to our National Security. Recent space weapons tests by our strategic competitors amplifies this point. With just under 1,400 space professionals conducting 26 percent of daily missions, the Air Force Reserve is a major contributor to United States Space Command (USSPACECOM) taskings. The Air Force Reserve also provides 50 percent of the Total Force's Space Aggressor capability. Many of our Reserve Airmen bring civilian experience from the aerospace industry and provide the U.S. Space Force an experienced workforce who are a force multiplier that ensures Space Superiority. In 2023, over 200 Reserve space operators mobilized domestically and abroad to conduct space operations in support of Combatant Commander requirements. The Air Force Reserve will continue to provide focused support to the U.S. Space Force and USSPACEOM.

Intelligence, Surveillance and Reconnaissance (ISR)

Our ISR enterprise is optimized to provide strategic depth and operational surge capacity in traditional and emerging mission sets. Currently the ISR enterprise supports distinct intelligence functions such as Targeting, Signals Intelligence, Human Intelligence, Geospatial Intelligence, Measurement and Signatures Intelligence and Acquisition Intelligence. The enterprise drives operations by providing ISR to Special Operations, Combat Air Force, Mobility Air Force, Cyber, Space and Combat Operations Squadrons (COS). We continue to develop capabilities that support the Joint Force while ensuring current mission sets provide decision advantage against pacing threats.

There are 3,300 ISR Reserve Airmen supporting every Air Force MAJCOM and all the Functional and Geographic Combatant Command Intelligence Directorates. As the DAF realigns for GPC, ISR will play a critical role ensuring the Air Force Reserve has access to Sensitive Compartmented Information Facilities (SCIF) to be part of Next Generation Air Dominance (NGAD) systems. The Air Force Reserve continues to invest in the training and development of Chinese and Russian lin-

guists. Air Force Reserve ISR units are available to the Global Force Mission Allocation Plan (GFMAP) enabling the Regular Component and Combatant Commands access to dependable critical capabilities and personnel.

Rapid Global Mobility

Global power projection through Rapid Global Mobility hinges on a robust Airlift enterprise and the extended range provided by a modern aerial refueling fleet. The Air Force Reserve enables combat delivery through our Strategic and Tactical Airlift fleets. The C–5M provides 21 percent of the Air Force's Strategic Airlift capacity and the Air Force Reserve provides 65 percent of the total aircrews and 100 percent of student aircrew training capabilities for the C–5 community. The C–17 provides 79 percent of the Air Force's Strategic Airlift capacity and the Air Force Reserve provides 31 percent of aircrews for the C–17. The Air Force Reserve's C–5 and C–130H fleets continue to face sustainment challenges due to aging aircraft, diminishing vendors and increased parts costs. Each of our mobility platforms require continued investment in modernization to ensure survivability in contested environments. In FY 2024, the Air Force Reserve is forecasted to perform 50 percent of C–17 and 31 percent of KC–135 long term orders for U.S. Transportation Command. In addition to the mobility platforms, the Air Force Reserve provides the majority of the Aeromedical Evacuation (AE) global capability through 18 Aeromedical Evacuation units with over 1900 assigned airmen. AE units deploy every 6 months in every deployment cycle, supporting over 60 percent of the aeromedical mission. Finally, Airmen assigned to Aerial Ports Squadrons (APS) make a significant contribution, accounting for a remarkable 45 percent of the Air Force's overall air transportation capability and leading the way in 42 percent of rotational deployments to several combatant commands, thereby underscoring their contribution to global power projection and military readiness.

Global Strike

Global Strike allows the United States to project military power rapidly around the world. The U.S. Air Force and U.S. Space Force provide deterrence through nuclear and conventional weapons systems and the Air Force Reserve is committed to ensuring both are credible. Nuclear capability is foundational to our national security and Nuclear Deterrence Operations assets include Nuclear Strike, Air Refueling, and Nuclear Command, Control and Communications capabilities (NC3). To modernize the Air Force Reserve's capabilities and maintain Total Force interoperability we are equipping all seven of our NC3 capable command posts with the new primary strategic communication system, the Global Aircrew Strategic Network Terminal. Fielding to units has begun in FY 2024. The Air Force Reserve is also standing up the MH–139 Field Training Unit at Maxwell AFB, Alabama as part of the 908th Airlift Wing mission conversion. It is postured to begin training in FY 2026. The MH–139 will enable increased Intercontinental Ballistic Missile (ICBM) security and represents a Total Force Partnership between the Air Force Reserve, Air Force Global Strike Command and Air Education and Training Command. The Air Force Reserve continues to be an integral part of the bomber portfolio. The B–52 is tasked with conventional and nuclear missions and is AFRC's linchpin bombing platform. The Air Force Reserve is responsible for the B–52 Formal Training Unit (FTU) mission at the 93d Bomb Squadron, an active associate unit. Of the three bomber FTUs in the DAF, the 93d is the largest producer of bomber pilots. The Reserve also contributes to combat operations through the Classic Association of the 343rd Bomb Squadron. With the B–1, an Air Force Reserve Classic Association is tasked with supporting Conventional Combat Operations and the Formal Training Unit. The Air Force Reserve is committed to maintaining its Classic Association in the B–1 until it sunsets and will then transition to the B–21 as the Raider program comes online according to the bomber roadmap.

COMMAND AND CONTROL (C2)

Joint All-Domain Command and Control (JADC2) is the Department of Defense's top modernization priority. The Advanced Battle Management System (ABMS) is the DAF's primary contribution to JADC2 as it provides the situational awareness and decision support tools to close hundreds of kill chains on relevant timelines in all domains—air, land, maritime, space and cyber—while operating in a highly contested environment. As the Regular Component continues to evolve Air Operations Centers (AOCs) to meet emerging operational Battle Management/Command and Control (BMC2) requirements, the Air Force Reserve's Combat Operations Squadrons will provide experienced C2 operators at all AOC Divisions. This evolution of C2 capabilities also extends to the E–3 AWACS as the Regular component divests from the aircraft and transitions to the E–7 Wedgetail. The Air Force Reserve re-

mains the sole surge capability, via the 513th Air Control Group, for the E–3. The Air Force Reserve will also support the E–7 Wedgetail as it enters service.

As the DAF fields new capabilities, the Air Force Reserve must maintain equipment parity to achieve enterprise mission optimization and assure strategic depth. This includes ensuring legacy platforms are equipped with ABMS capabilities to guarantee interoperability and lethality. The Air Force Reserve also provides nonmaterial support for ABMS initiatives with C2 manpower. Investment in digital infrastructure and applications, along with modern air and space communication platforms, provides the foundation of C2 with the speed, adaptability and resilience needed to achieve these objectives. If the C2 enterprise is prevented from adapting at speed and scale, on parity with warfighting requirements to dominate the pacing threat, the Joint Force could be assuming unmanageable risk in other mission areas.

Integrating cyber capabilities enhances our ability to generate combat power but exposes us to new threats, as digital technology is both pervasive and inexpensive. The Air Force Reserve is exploring continued growth in cyber mission sets to counter persistent threat actors. There are currently 3,622 Reserve Cyber professionals assigned to the 960th Cyber Wing or serving as Individual Mobilization Augmentees (IMAs), who are postured to better align with United States Cyber Command and Air Force Cyber and Air Combat Command requirements.

Force Structure

With 74 percent of Air Force Reserve members serving part-time, the majority of Reservists serve alongside our Regular Component counterparts in association constructs. Approximately two-thirds of the Regular Air Force's associations are with the Air Force Reserve. Integrating through associations delivers significant taxpayer value, both in cost savings and improved mission effectiveness, by sharing aircraft, equipment and facilities with the Regular Component. In addition to reservists' military training and experience, our part-time force brings a wealth of knowledge and expertise from their civilian careers to their military service. This strengthens our capabilities, enables the integration of commercial best practices and facilitates beneficial partnerships with industry and other institutions. The Air Force Reserve's Bullpen initiative is one such example fusing military experience and civilian best practices. Bullpens leverage IMAs who have high demand low density (HD/LD) skills that are lacking in the Regular Component. These Bullpens directly support the Secretary of the Air Force's Operational Imperatives (OIs) in preparing the DAF for GPC. Two great examples are the Bullpens that study Hypersonics and China. The Hypersonic Bullpen has 13 Reserve Airmen who are experts from industry and academia. The China Bullpen is stood up in March 2024, with Reservists who have expertise spanning several disciplines including language, internal politics and strategy. This initiative is ongoing with future concentrations planned and is an example of how the Air Force Reserve leverages Reserve Airmen's civilian experience to meet shortfalls within the DAF.

Associations

There are 79 Associations between the Reserve and the Regular Component which span nearly every major mission set. Most of these are Classic Associations, in which the Regular Component is the lead organization. Active associations, in which the Reserve is the lead unit, comprise a little more than twelve percent of current associations. The Air Force Reserve also has units that are equipped where the Air Force Reserve unit is solely responsible for maintaining and operating their weapon system.

Full-Time Staffing

Adequate full-time staffing is essential to readiness. Our full-time force is a mix of Air Reserve Technicians (ART), DAF Civilians and Active Guard Reserve (AGR) members. Currently the Air Force Reserve has a ratio of 26 percent full-time and 74 percent part-time members. The FY 2024 National Defense Authorization Act maintained our AGR end strength at 6,003. For FY 2025, we have requested an AGR end strength of 6,311. Our ART end strength authorized for FY 2024 is 6,882. In FY 2025, we requested an ART end strength of 6,697. Proper full-time manning is necessary for the Air Force Reserve because our AGRs and ARTs are responsible for training our Traditional Reservists (TR). Finding the right balance between ARTs and AGRs is critical and it is essential we are funded to be able to hire the best talent possible. The increase in FY 2025 AGR end strength will support civil engineering, flightline security, cyber operations, and the operational readiness for transitions involving key aircraft and systems such as the F–16 to F–35, KC–135 to KC–46A, HH–60G to HH–60W, and the standup of the MH–139.

Equipment and Infrastructure

Credible strategic depth requires concurrent fielding of systems for the Regular and Reserve Components. Effective support to the Joint Force demands continuous upgrades to legacy platforms to assure interoperability. Rapid technological advancement and the wide proliferation of digital technology have increased the tempo of strategic competition. These forces drive the need for equipment modernization and parity with the Active Component.

In addition to concurrent fielding and proportional modernization, the Air Force Reserve must be able to divest its legacy platforms. Deliberate divestment avoids gaps in capabilities by freeing up resources for investment in capabilities to match pacing threats. Asynchronous airframe divestment can cause significant per platform sustainment cost growth due to diminishing vendors for spare parts. Further, it can also drive increased training costs as we are unable to hire qualified Regular Component members for obsolete legacy platforms.

Weapon System Sustainment (WSS) and Modernization

Fully funding the Air Force Reserve FY 2025 WSS request will help to bridge the fielding gap between the Regular Component and the Air Force Reserve. Aircraft modernization and system upgrades will provide capabilities needed for strategic competition by ensuring survivability in contested environments. A balanced portfolio of new and legacy platforms will achieve adequate wartime readiness. The FY 2025 WSS budget request of $1.2 billion is an increase of $176 million from the FY 2024 Presidential Budget request and will ensure upgrades, repairs and component replacements are provided to Air Force Reserve aircraft.

Infrastructure and Facilities

Maintaining and modernizing our infrastructure is absolutely necessary for readiness, force protection and ensuring a safe work environment. Military Construction (MILCON) appropriations fund new facilities and major infrastructure projects. The Facility Sustainment, Repair and Modernization (FSRM) funds included in our Operations and Maintenance (O&M) appropriation are used to repair and modernize existing facilities and to extend the service life of existing infrastructure. While we work diligently to maximize use of existing facilities at our nine host installations and fifty-seven partner locations, we still have $1.24 billion in MILCON projects and $1.69 billion in validated FSRM projects in backlog.

AIR FORCE RESERVE'S ROLE IN TAKING CARE OF PEOPLE

Taking care of our Reserve Airmen and their families is a top priority. It begins the moment a member joins the Air Force Reserve and continues throughout their career. The Air Force Reserve does everything possible to support our Airmen as they balance their military career, civilian obligations and family responsibilities. This assures the Air Force Reserve retains talented Airmen who can leverage diverse experience from their military service and civilian lives. This support includes improving suicide prevention through investments in resilience, social support through the Yellow Ribbon Reintegration Program, implementing recommendations from the Independent Review Commission on Sexual Assault in the Military as approved by the Secretary of Defense, and efforts to expand childcare availability.

Members

Recruiting and Retention

In FY 2023, the Air Force Reserve did not meet its end strength and we are projected to fall short of our FY 2024 authorized end strength of 69,600 by approximately 2,900 personnel. The recruiting environment continues to present significant challenges based on multiple factors including a reduced propensity to serve, competitive civilian compensation and difficulty in medically clearing recruits. Along with the Chief of Staff of the Air Force and collective Total Force team, we have identified accession policies that limit our ability to recruit young adults to serve in the military. The DAF has already made changes to include revising the tattoo policy to allow for limited hand and neck tattoos and adjusting body fat standards to align with the other Services (increasing to 26 percent for males and 36 percent for females for accessions). In FY 2024, we have also granted members a waiver to re-test following a positive drug test for THC during their accession process into the military. We have also continued to streamline the naturalization process in partnership with the U.S. Citizenship and Immigration Services for inbound recruits. This FY 2025 recruiting goal is not based on completely closing the personnel end strength shortfalls but on what the Air Force Reserve believes we can realistically

achieve in the current market with the tools available. These initiatives will bolster recruiting, but it will take time for them to mature and close the end strength gap.

The Air Force Reserve Human Capital Strategy calls for a 70 percent prior service (PS) and 30 percent non- prior service (NPS) recruiting mix. In FY 2023 we were at 63.4 percent PS accession. In FY 2024 we are project to end the year at 65.7 percent. The accession model is built on the expectation that there will be sufficient PS members leaving the Regular Component who will affiliate with the Air Force Reserve. The Air Force Reserve strives to affiliate ready and trained Airmen. However, current trends indicate increased reliance on NPS recruits which increases training costs and dilutes unit experience. The Air Force Reserve is also executing a plan of action to mitigate recruiting challenges with Reserve Component Affiliation Incentive Bonuses and a deliberate on-boarding process to increase recruiting production.

Increasing retention provides a cost savings by decreasing training requirements. Air Force Reserve retention is at 88.3 percent which is a strong position and in line with the historic ten-year retention average of 88.2 percent. We implemented a tiered retention bonus in FY 2024 to retain enlisted Airmen with 5–10 years of service (our lowest retention segment at 80 percent). We have also stood up a division dedicated to retention in our Manpower, Personnel and Services Directorate at AFRC. Thanks to the funding from Congress, we have been able to offer retention bonuses between $5,000 to $7,500 dollars. We have also been expanded the travel reimbursement program to all Air Force Specialty Codes (AFSCs) for Airmen, E1 to E7. This removes an undue burden on our Reserve Airmen, who previously had to pay for their own travel to attend drill weekends with their units. Travel costs were identified as a contributing factor for members separating from the Reserve and allows units to expand the geographic areas for recruitment.

The Air Force Reserve provides a mechanism to retain talent by providing a continuum of service for members who would otherwise leave military service. The DAF understands the importance of retaining experienced talent from both a cost-effectiveness and capacity perspective. A Total Force Service Commitment is one way to retain these highly trained members. Data shows that members who affiliate with the Air Force Reserve are likely to remain in the DAF for up to 28 years. The Air Force Reserve offers flexible service options designed to retain low-density, high-demand talent, capitalize on investment and leverage experience. This ensures that a member's talent is retained beyond the initial service commitment and the investment in their training continues to be available to the DAF and Joint Force.

The narrative needs to change as a member who joins the Reserve is not "quitting Active Duty," they are continuing to serve their country—they are an Airman for life!

Pilot Manning

In FY 2023, the Air Force Reserve achieved a pilot staffing level of 94%, matching the high from FY 2021 and marking a significant improvement over the previous year. Despite challenges posed by aggressive recruitment from civilian airlines, full-time pilot manning remained steady at 78%. To bolster our ranks and retain talent, we increased aviation bonuses with $50,000 to AGR pilots, $30,000 to ART pilots and $10,000 to $15,000 for TR pilots. For ART pilots, we also offer Recruitment, Relocation and Retention (3R) incentives, which can equal up to 25 percent of annual base pay and Special Salary Rates (SSRs) which provide for base pay supplements of up to around 24 percent above otherwise applicable 2024 locality pay levels. Thanks to congressional support, funding for the Aviation Bonus Program was significantly increased from $3 million in FY 2017 to $34 million in FY 2024. This strategic investment is crucial, as it not only sustains our current workforce but also avoids the estimated $10 billion cost of replacing over 3,600 pilots.

Maintenance Manning

In FY 2023, the Air Force Reserve achieved an overall maintainer staffing level of 84%, mirroring the challenges we face with pilot retention due to competitive recruitment from the commercial sector. Notably, our part-time maintainer force reached 90% staffing, while full-time maintainer staffing remained more challenging at 75%. With 44% of our enlisted maintainers holding the highest level of technical proficiency and an average of 14 years of experience, they are highly sought after in the commercial industry. Similar to our pilot initiatives, we have implemented several strategies to address these challenges, including the use of SSRs, paid Permanent Change of Station (PCS) and 3R incentives. Thanks to the support and funding provided by Congress, we have been able to offer these incentives, which are essential for maintaining our readiness and ensuring the Air Force Reserve remains a competitive and rewarding career path for maintenance professionals.

Training

To make a meaningful contribution to the DAF core functions, the Air Force Reserve maintains a focus on being Ready Now which requires us to have the capability to train Reserve Airmen. The FY 2025 budget requests training funds and flight hours that allows the Air Force Reserve to work closely with Combatant Commands and gain joint experience in training events.

A fully funded Flying Hour Program is essential to maintaining proficient combat-ready aircrews. In FY 2025, the Air Force Reserve will continue to use the Flying Hour Program management tool to assist in effective oversight of the program. This tool uses automation to allow for near real-time flying hour and financial updates to facilitate better utilization of the Air Force Reserve's flying hour funding, maximizing the time aircrews can be in-flight improving their proficiency.

Accelerated Mission Readiness Training (AMRT) is crucial to developing technically proficient Airmen to provide a qualified force to Combatant Commanders. In FY 2023, nearly 59 percent of the enlisted personnel and 35 percent of the officers in the Air Force Reserve were NPS. This places a significant strain on readiness thresholds. Emerging GPC threats and evolving requirements of building Multi-Capable Airmen requires a technically proficient force that cannot be achieved through Unit Training Assemblies and Annual Tour days alone. Without AMRT funds, the average NPS Reservist would need 2–3 years to become minimally proficient on mission requirements. With decreasing numbers of fully qualified members transferring from the Regular Component to the Reserve, there is an increased training burden upon Air Force Reserve Command. Without continued funding, the Air Force Reserve can expect to see a 20 percent decrease in qualified, deployable Airmen, and an increase in excessive training times across all career fields.

The Air Force Reserve is implementing training to develop Multi-Capable Airmen proficient in sustaining operations, hardening air bases and recovering air bases following attack. The FY 2025 budget requests funds for training, ensuring our Reserve Airmen are Ready Now to support the Regular Component as well as the Joint Force. At several Air Reserve Bases (ARB), we have developed organic training centers that allow Reserve Airmen the chance to meet Agile Combat Support (ACS) and Agile Combat Employment (ACE) training requirements and hone their expeditionary skillsets. These centers also support the Regular Component, the Joint Force, and Federal and local agencies. At Westover ARB, Massachusetts, the Dogpatch Expeditionary Training Area offers an expeditionary airfield, as well as a drop zone and tactical vehicle training route. At Youngstown Air Reserve Station (ARS), Ohio, we identified a training need for Security Forces to build proficiency through a 180-hour program of realistic training that simulates combat situations and prepares Security Forces members to deal with stress under fire. The training also prepares participants for ACE and ACS missions. The site has been so successful that we are partnering with U.S. Army Reserve and U.S. Marine Corps Reserve to use the area for joint force training events. Civilian and Federal law enforcement have also used the Youngstown site for training. Finally, at Grissom ARB, Indiana, we developed bivouac sites to better rehearse ACS and ACE events and conduct deployment exercises. Thanks to the funding from Congress, we can provide our Reserve Airmen the facilities to conduct realistic training.

In addition to establishing training sites, the Air Force Reserve provided our Reserve Airmen realistic training through the Rally series of exercises. These exercises began in 2020 and with Congressional funding, we have conducted them annually to conduct ACE operations and provided real-world experience in an austere environment. The most recent, Rally in the Pacific, saw over 400 Reserve Airmen, from a cross section of career fields including Security Forces, Force Support, Logistics, Supply, Medical, Flight Operations and Transportation, simulate deploying with over 185 short tons of cargo from multiple stateside bases to a downrange location in the Pacific. They operated across a 9,000-mile training area setting up a forward operating base in Guam and temporary contingency locations in Palau and the Philippines. The Rally series shows how the Air Force Reserve has been able to maximize its budget to execute targeted training that members need. The total cost of Rally in the Pacific was $2.9 million. To continue providing our members relevant training, we need timely budgets which enable our planners to develop future exercises that prepare our members for GPC. Affording our members the opportunity to perform their primary duties has been one of the Top 5 influences for members to stay in the Air Force Reserve over the last 3 years.

Stability for Members

Our Reserve Airmen and their families and employers need stability and predictability. Exit surveys suggest the high operations tempo and demands of maintaining a work/life balance are the top reasons for leaving the Air Force Reserve. Without

deliberately planned deployments and training, Reservists are unable to adequately prepare their families and notify their civilian employers. AMRT funding allows Reserve Units to offer predictable future training timelines.

The Air Force Reserve is also working to normalize the use of pre-planned forces through AFFORGEN. This predictability enables Combatant Commanders and the DAF to plan and budget for the utilization of Air Force Reserve forces that is consistent with Congressional intent and Title 10 USC Section 12304b. It also enables Reserve Airmen, their families and their employers to prepare for deployments and mobilization as they meet the demands of defending our Nation. As a Reserve Element, we strive to ensure the Regular Component sees access to the Reserve as assured and never assumed. This ensures that accessing the Reserve is deliberately programmed and budgeted, providing an experienced and cost-effective force.

The Space Force Personnel Management Act

In 2023, the Space Force Personnel Management Act was passed by Congress. This significant legislation enables the U.S. Space Force to enhance its personnel system, facilitating the development and retention of a highly skilled military workforce. The act allows more flexibility between full-time and part-time service, helping Guardians to effectively balance their career and personal goals with the operational needs of the U.S. Space Force. Over a 5-year period, our Air Force Reserve space professionals will transition over to the U.S. Space Force. During that period, we will continue to provide support to the U.S. Space Force and U.S. Space Command. We are working with the U.S. Space Force to develop transfer policies that will ensure continuity of operations within current Air Force Reserve space units until the transition is complete. As our Reserve space professionals decide whether to become Guardians, they will be supported throughout the transition to the U.S. Space Force. Not all Reserve space professionals will make the decision to transfer. Reserve space professionals who decide to remain in the Air Force Reserve will be offered the opportunity to retrain, retire or separate. An accurate count of transfers and retraining costs is currently unknown. The enactment of the Space Force Personnel Management Act allows us to work within the DAF and prepare for how the transition of reservists to the U.S. Space Force will occur.

Family

Air Force Reserve Access to Childcare

Recognizing the unique challenges faced by our Airmen, especially those who are single parents or part of dual military couples, the Air Force Reserve is dedicated to addressing childcare availability during weekend training periods. The Home Community Care (HCC) is a no cost program that addresses gaps in coverage at host locations without Child Development Centers and at Regular Component host facilities without weekend childcare options. Currently, the HCC is available, or is in progress, at 41 Air Force Reserve locations and we are working to recruit more providers by zip code. The Air Force Services Center Child and Youth Program experts work with wing HCC representatives to recruit new providers and to determine feasibility of creative solutions to increase childcare available to Airmen during drill weekends. Ensuring maximum childcare options is vital to retention, as 50 percent of Reservists cite family and work/life balance issues as their reason for separating.

Air Reserve Component (ARC) Athena

ARC Athena is a proactive effort by the Air Force Reserve and Air National Guard to increase readiness of female Airmen and their families. ARC Athena focuses on addressing administrative barriers, outdated policies and lack of consolidated resources which inhibit access to specialized equipment, treatment and information for female ARC members. The program is supported by 162 volunteers who serve on nine different lines of effort. These lines of effort include Childcare Programs and Policy, Pregnancy Discrimination and Maternal Bias, Aircraft Sanitization, Female Fitment, Countering Sexual Assault and Harassment, Lactation and In-vitro fertilization, Maternal Fitness, Female Specialized Healthcare and the Exceptional Family Member Program.

At the national level, there is a core group of personnel who volunteer as the Air Force Reserve Command and Air National Guard co-leads. These leads facilitate cross talk between the nine ARC Athena efforts and coordinate with the DAF Women's Initiative Team (WIT), Women's Peace and Security and other MAJCOM Athena programs. In April 2023, the first annual ARC Athena conference was hosted by AFRC's 911th Airlift Wing, Pittsburgh ARS, PA.

ARC Athena helps uncover previously unidentified barriers to service which directly impacts readiness and retention. As the Air Force Reserve focuses on how

best to posture for GPC, we must mitigate barriers to service to promote professional development and longevity in service.

The Yellow Ribbon Program

The Yellow Ribbon Reintegration Program provides pre- and post-deployment education to Reservists and their families on resource, benefit and entitlement eligibility. Historically, the feedback for these events has been overwhelmingly positive. In FY 2023, Yellow Ribbon approved registration for 1,175 deployers and 1,932 family members to attend seven events in Orlando, Florida and one in Dallas, Texas supported by 405 Resource Providers. With the funding provided by Congress, the Air Force Reserve can achieve a target of at least 50 percent of AFRC first-time deployers attending future events, to increase preparedness and resiliency through Yellow Ribbon.

Health and Wellbeing

The health and wellbeing of our members is important since they cannot be ready if they are not healthy in mind, body, and soul. To that end, the Air Force Reserve is committed to supporting programs that ensure their physical, mental, and spiritual fitness.

Mental Health

Timely, high-quality access to Mental Healthcare is a challenge facing our Nation. The Air Force Reserve promotes mental health through early intervention, identifying and supporting members at elevated risk and managing crisis response. While TRs are not eligible for active-duty benefits, there are Reserve specific resources available. This includes 37 mental health providers in the Director of Psychological Health (DPH) Program, who are embedded throughout the Reserve Wings to advise leadership. DPHs provide non- clinical services to Reservists and their families to include training and education, consultations and referrals, needs assessments, suicide prevention, resiliency building, crisis intervention and command advisement on psychological and mental health issues. Reserve Airmen can also access the Military Family Life Consultants, who are licensed contract counselors that work outside of Military Treatment Facilities to provide anonymous and confidential assistance to all military members in problem solving issues resulting from deployment, reunions, reintegration, and/or other times of change.

Spiritual Health

Total force fitness includes spiritual health. The Air Force Reserve is seeing a substantial increase in pre- and post-accession religious accommodation requests as members express their sincerely held beliefs. Our Chaplain Corps provides support and spiritual care through Yellow Ribbon and Strong Bonds courses. The Chaplain Corps also hosts spiritual training courses and religious services on drill weekends to maintain the spiritual health of our Reserve Airmen. Additionally, Chaplains offer the privileged and confidential counseling to Airmen in distress and guide them to agencies for additional support such as mental health or financial and family readiness. This includes 10 AGR Religious Support Team members at our host bases, who also coordinate Chaplain Corps lines of effort across our NAFs and tenant wings. Through our AGR program our Reserve Airmen can access an on-duty chaplain 24 hours a day.

Sexual Assault Prevention and Response

Aligning with the Independent Review Commission on Sexual Assault in the Military as approved by the Secretary of Defense, the Air Force Reserve is expanding our Integrated Primary Prevention Workforce (IPPW) by adding 75 new positions at host wings and headquarters to boost the effectiveness of our prevention programs. Additionally, we are on track to hire 23 Sexual Assault/Sexual Harassment Victim Advocates by the end of FY 2025. Our experts are focused on developing proactive and informed action plans that address sexual assault and harassment, ensuring a safer environment for all personnel.

Suicide Prevention

During calendar year 2023, the nine confirmed deaths by suicide in the Air Force Reserve is a decrease from 2022. However, a decrease is not enough—we are taking proactive measures to eliminate suicide across our workforce. As part of our ongoing efforts to support the health and wellbeing of our Airmen, the expanded IPPW incorporates suicide prevention as a core component of its mission. We allocated $860 thousand in O&M funding to ensure new IPPW positions had workspace, and continued congressional support will ensure we are able to foster an environment that

addresses the safety of our members and further strengthen our fight against suicides in the Air Force Reserve.

AIR FORCE'S ROLE IN SUCCEEDING THROUGH TEAMWORK

Teamwork begins within the DAF, where the Air Force Reserve is an indispensable part of the Total Force. We provide an experienced and accessible Title 10 surge capacity to the Regular Component of the U.S. Air Force and the U.S. Space Force. We work to maintain a Ready Now posture that can support every core function. Maintaining this readiness and teamwork with the Regular Component and the Joint Force requires consistent training. We also play a critical role as the DAF builds ties with partners and allies. Reserve special missions are a unique capability that integrates the DAF with Federal agencies and civilian organizations within the United States and abroad. As the DAF prepares for GPC and determines how forces will be presented to Joint Force Commanders, the Air Force Reserve stands ready to ensure that the DAF can meet its requirements.

Building Ties and Support to Allies and Partners

The 2022 NDS calls for the defense enterprise to incorporate Allies and partners at every stage of defense planning. Close collaboration with Allies and partners is foundational for U.S. national security interests and as part of its efforts to support the Joint Force the DAF strives to improve those ties. The Air Force Reserve also plays in developing ties with U.S Allies and partners and supporting them.

Support to Allies and Partners

In FY 2023 the Air Force Reserve supported taskings to U.S. European Command and U.S. Central Command. This support came in the form of voluntary and involuntary activations. In FY 2023, 270 Reservists volunteered to support the U.S. European Command. The support included 10 Russian and Ukrainian language linguists as well as Reserve ISR Airmen who provided 18,954 man-days in direct support of Ukraine. Air Force Reserve aircrews also airlifted 2,134 tons of cargo and 570 passengers. Support to U.S. European Command's Ukraine efforts have been strictly voluntary. However, the Air Force Reserve volunteers exceeded the Secretary of Defense Orders Book (SDOB) requirements.

Recent Levant operations prove that the Air Force Reserve is accessible as aircrew and aircraft activated within 72 hours to fill critical airlift and aerial refueling missions. Since October 7, 2023, the Air Force Reserve activated C–5 and C–17 Force Elements under Title 10 U.S. Code § 12302—to support U.S. Transportation Command (USTRANSCOM) requirements. The activation start date was November 28, 2023, for 90 days and members activated within seven and eleven days of SDOB signature, an approval that is typically an 18-to-24-month cycle. These crews executed the Air Force Reserve's first involuntary activations in over 20 years. Air Force Reserve C–17s from the 445th Airlift Wing at Wright-Patterson AFB, Ohio supported Levant operations within 72 hours to meet U.S. Central Command requirements and seamlessly assumed mission responsibilities from Regular Air Force mission partners. Additionally, unit-equipped C–5s from the 337th Airlift Squadron, Westover ARB, Massachusetts in support of USTRANSCOM missions joined with the 709th Airlift Squadron, a Classic Association C–5 unit from Dover AFB, Delaware to support Levant requirements. Total support has included 779 Reserve volunteers and 557 who were activated for over 68,000 man-days. Having Air Force Reserve aircrews share taskings over the winter holidays allowed the Regular Component aircrews to prepare for a potential surge in 2024.

Training with Allies and Partners

Building ties to Allies and partners also occurs during training events. One recent example occurred during RESOLUTE SENTINEL '23—a Combined, Joint and Total Force (CJTF) exercise in South America. Over 750 U.S. service members took part working closely with partners from the Americas. The Air Force Reserve represented half of all U.S. participants and led the Air Component portion, PATRIOT FURY. Twenty-five Air Force Reservists served in key roles in the CJTF including the Vice Commander and several key staff positions. Working closely with members of the Air National Guard and Air Force Special Operations Command, Reservists enabled ACE operations in planned and unplanned scenarios from multiple locations. They worked around late cargo flow, delayed Peruvian approvals and retrograde airlift to execute missions on time without delaying the exercise.

In addition to offering Reserve Airmen realistic training, Rally in the Pacific offered a chance to work closely with the Philippine Air Force. At the request of our Philippine partners, U.S. Air Force Reservists demonstrated a Joint Precision Air-

drop System airdrop to their Air Force. This was a priority task for the Pacific Air Forces Commander and the Commander of the Philippine Air Force.

Reserve Special Missions

In addition to supporting the Space Force and the Regular Component of the Air Force, the Air Force Reserve expands the DAF teamwork efforts by partnering with and supporting multiple Federal and civil organizations. We routinely participate in humanitarian aid, disaster relief and scientific research efforts. The Air Force Reserve provides direct support to civil authorities through the execution of Modular Aerial Spray System (MASS), Modular Airborne Firefighting System (MAFFS) and Weather Reconnaissance missions which use specially modified C–130 aircraft.

Modular Aerial Spray System

The 910th Airlift Wing's (AW) 757th Airlift Squadron (AS) from Youngstown ARS, Ohio, operates the Department of Defense's only aerial spray capability. In FY 2023, the 757 AS conducted 8 MASS missions for a combined total of 89 operational, positioning and support sorties, treating 138,397 acres and applying 33,766 gallons of product. These missions control insect populations, eliminate undesired and invasive vegetation, and disperse oil spills in large bodies of water. The 910 AW was selected for conversion to the C–130J from FY 2024 to FY 2026. The first aircraft is expected to arrive in July 2024.

In FY 2022, acceptance testing of the first Electronic Modular Aerial Spray System (EMASS) was completed. It represents a decade long acquisition project to insure the sustainability of the Aerial Spray program. EMASS provides additional capacity and more accurate calibration for precise application of products when compared to our aging legacy MASS. Military Type Certification (MTC) for the EMASS on the C–130H was completed in January of 2024, ensuring final certification for EMASS to be used on the C–130H. A full spray season is planned for the C–130Hs using both the MASS and EMASS systems. EMASS has not been approved for the C–130J. Military Flight Release (MFR) for EMASS on the C–130J was completed in February 2024 and testing is scheduled between 18 and 29 March 2024. The approval process for testing EMASS on the C–130J remains ongoing and we expect completion in FY 2027. Pending a successful test of the EMASS on the C–130J, we would have the ability to fly spray missions under the MFR until the MTC is complete. Reserve Aircrew flew EMASS on the C–130H under MFR for almost 2 years before the MTC was complete. If testing is successful, procurement of 4 additional EMASS units will take place in the next 18 to 24 months. In 2025, we project a full spray season, with both MASS and EMASS on C–130H and EMASS only on the C–130J. In 2026, a limited spray season will occur with EMASS on C–130Js only. In 2027, we project a truncated spray schedule as additional EMASS units arrive and a full and normal spray schedule in 2028.

Modular Airborne Firefighting System

The MAFFS is another specialty mission the Air Force Reserve supports, conducted by the 302d Airlift Wing from Peterson Space Force Base, Colorado. As the only Title 10 Aerial Firefighting asset available for direct tasking, the 302 AW's MAFFS mission supports U.S. Northern Command's Defense Support to Civil Authorities and represents 25 percent of MAFFS assets in the Department of Defense. The Air Force Reserve's MAFFS capability mobilized between 3 August and 6 September 2023 and represented 90.3 employment hours and over 185.2 thousand gallons of retardant delivered during Pacific Northwest, Northern California, Northern Rockies and the Northern Great Basin wildfires. FY 2023 was the second year of limited MAFFS use in the Continental United States causing proficiency and currency to decline within the MAFFS community. The 302 AW has explored options to operate overseas in support of Allies and partners experiencing wildfires, which would help crews maintain proficiency and currency while also building ties. EMASS has been procured with National Guard and Reserve Equipment Appropriation (NGREA) funds.

Weather Reconnaissance

The United States military has been flying into hurricanes since the Second World War. Today, the Air Force Reserve maintains the only operational military weather reconnaissance unit in the United States. The 53d Weather Reconnaissance Squadron (WRS) is the only Department of Defense unit that conducts aircraft reconnaissance missions into severe tropical weather during hurricane season and flies winter storm missions off both coasts of the United States. Stationed in Keesler AFB, Mississippi, their WC–130Js fly out of bases throughout the U.S. Gulf coast, California, Hawaii and the Caribbean to conduct operations which improve forecast accuracy up to 30 percent, enabling commanders and civil authorities to make in-

formed, fiscally responsible decisions to protect personnel and assets during extreme weather events year-round. This is a low-density, high demand capability.

In FY 2023, the 53 WRS flew 135 missions with 1,577 flight hours, the highest in the past 9 fiscal years. This included 469.2 hours in support of 35 West Coast Atmospheric Rivers and East and Gulf Coast requirements. The 53 WRS also flew 1107.9 hours of hurricane reconnaissance across 18 storms in the Atlantic, Caribbean, Gulf of Mexico and East Pacific Ocean, supporting 151 Lead Federal Agency requirements and safeguarding of forces throughout the Western hemisphere.

Mission modernization and resourcing is essential to the expanding weather reconnaissance mission sets that support our military and civilian population across the United States. The Air Force Reserve using a combination of Weapons System Sustainment and NGREA funds to sustain and provide for hardware and software upgrades, some of which are still in progress. With requested funding from Congress in the FY 2025 budget, the Air Force Reserve can continue supporting weather reconnaissance as well as aerial spray and aerial firefighting missions, ensuring that the Air Force Reserve can defend and protect the Nation through teamwork with the Total Force, as well as Federal, state and local agencies.

SUMMARY

Our FY 2025 budget request is carefully crafted to ensure interoperability with the Regular Component and the Joint Force. This request will continue weapon system modernization, positioning our force to be more capable, survivable and lethal, while also enhancing support to our Reserve Airmen and their families. In an era of GPC and increased resource constraints, we will continue to provide strategic depth and operational surge capacity to meet pacing threats in the most cost-effective manner. Reserve Airmen will continue to leverage our unique blend of military and civilian experience to bring outsized impact to the DAF's Operational Imperatives. For this to occur, we need to take care of our Airmen—the FY 2025 Presidential Budget request allows the Air Force Reserve to do just that. With your continued support, we are confident the Air Force Reserve will remain prepared to deliver effects anytime, anywhere to fly, fight and win in air, space and cyberspace.

Senator TESTER. Thank you, General. And I want to thank you all for following within the 3-minute guideline. I appreciate that very much. Please know that your entire written statement will be a part of the record.

I will now turn to Vice Chair Collins.

STATEMENT OF SENATOR SUSAN M. COLLINS

Senator COLLINS. Thank you very much, Chairman Tester, for holding this hearing, and thank you all for your candid assessment of the President's budgets and the needs that you have.

I know that for three of our witnesses, General Hokanson, General Daniels, and General Mustin, that this is, likely, your last opportunity to testify before our committee, and I want to personally to thank you for your many years of Military Service, and for serving your country.

One of our priorities for fiscal year 2025 Defense Appropriations is to ensure that it reflects the fact that many of you have commented on, that the Guard and Reserve have served as operational Forces for the past two decades and not just as a strategic Reserve. Even today, the National Guard and Reserve provide valuable contributions to our national defense, from the southwest border where Guardsmen are supporting border security operations, all the way up to the far corner of the Northeast where Guardsmen in the 101st Air Refueling Wing, based out of Bangor, are refueling Military aircraft.

In short, the need to properly resource, ready, well-equipped, and integrated Guard and Reserve components could not be more clear yet, that is why it is so disappointing that the President's budget

request for fiscal year 2025 cuts the Guard and Reserve budget by nearly $2 billion compared to fiscal year 2024.

As just one example, the Guard and Reserve's budget request for procurement constitutes just 2 percent of the Department's total procurement request for next year, despite the fact that the Guard and Reserve account for 37 percent of the overall Total Force.

Such funding levels, in my judgment, make it virtually impossible to field the new aircraft and weapon systems in Guard and Reserve units on a concurrent and proportional basis, which was and remains the recommendation of the National Commission on the Structure of the Air Force, 10 years ago, and is a principle that many of us support today as well.

As your written statements point out, and your oral testimony as well, the Guard and Reserve provide mission-effective Forces in a cost-efficient way. The National Guard State Partnership Program is a great example of that, this program is a security cooperation program that partners a Guard unit from one U.S. State with another country that is an ally or partner. Today, Guard units have formed 89 partnerships with 106 countries around the world.

I can report firsthand that the Maine National Guard's partnership with Montenegro was essential to paving the way for that country's successful ascension to NATO (North Atlantic Treaty Organization) in 2017.

And General, as you described in your written testimony, these strategic accomplishments occur on a budget that is less than 1 percent of the Department of Defense's annual budget for security cooperation with other countries. What a return on a very small investment.

This is an opportunity for you to candidly share your priorities as well as the operational challenges and readiness concerns that you are experiencing as a result of the constrained budget.

I am very proud of the contributions of our men and women in the Guard and Reserve, and was delighted to welcome the Secretary of the Air Force to the 101st Air Refueling Wing just a couple of weeks ago, and I think he was impressed with what he saw.

Thank you, Mr. Chairman.

Senator TESTER. Thank you, Vice Chair Collins.

Now, we will go to questions, and I will start.

This is a question for all of you. Each year, Congress adds hundreds of millions of dollars to the National Guard and Reserve equipment account. It is important to us to make sure you have modern equipment so you are ready when you are called upon. This money it is in addition to the Department's budget request for recognition, and the Active Forces usually have first pick.

That said, it is concerning to me that despite the funding gaps each of you have, these kinds of funds are spent very, very slowly. A couple of things I would love to have you explain that, and then I would also love to have you explain how this budget process can become more effective and more efficient. What could you do better? What can we do better?

I will start with you, General Hokanson. We will go in the same order as you spoke.

General HOKANSON. Yes, Chairman. As in my written statement, my opening statement as well, NGREA is absolutely fundamental

to the readiness of the National Guard. It allows us not only to find commercial off-the-shelf solutions—80 percent of the solution at 20 percent of the cost—but it also allows us to purchase equipment that the Services don't have the resources to do, which directly impacts our readiness.

In terms of the budgeting process, Chairman, anytime we have a continuing resolution for any period of time, it has a significant impact on our organization, not only readiness, but equipment, MILCON (Military Construction), and everything, particularly state partnership funding, as we are not allowed to access it until the CR (Continuing Resolution) ends. So, any help that we can get to eliminate the CRs would be greatly appreciated. Thank you.

Senator TESTER. Anybody else who would like to respond to that? Go ahead.

General DANIELS. So, one of the reasons that we don't spend immediately, is because we make a very hard look at what we can purchase, what are our current year needs. We also look at what is the rate of production of an existing line that is building something, and sometimes it cannot add any additional equipment in, even though we need it and would like to purchase it that particular year at that point in time. So, we may have to delay until that line can be expanded or until active component resourcing efforts have expired.

Senator TESTER. Okay.

General DANIELS. That slows us down a little bit.

Senator TESTER. Okay. Anybody else? Admiral.

Admiral MUSTIN. Just to add, there is a tactical and a strategic implication of where we are relative to NGREA for this year. So, the House has proposed a 20 percent mark, which leaves the Navy share at a low since 2007. But I would like to comment just at a strategic level also, that in the last two decades, post⅛1, we have seen the preponderance of funds appropriately skewed to the Guard and Air National Guard, with the Service Chiefs allocating about a third between us. If we agree that the Indo-Pacific is a theater of concern, I would offer that the combined total between the Navy and the Marine Corps, which has hovered at about 7 percent of total, could be worthy of revisiting.

And frankly, the kinds of things that we are spending the money on are high-impact dollars, as you heard from General Healy. And I would just ask that we revisit before we close the books on the fiscal year 2025 budget.

Senator TESTER. Okay. General Anderson.

General ANDERSON. I would like to second the predictable budget. I think, just across both the Reserve and the Guard, what is predictable, repeatable, that helps our workforce, that is both on the civilian side and the Military side, so that it reflects and compounds like, as this year is an example, as we approach the last quarter, the NGREA money has not been funded yet, and we are playing catch up when we find ourselves in this CR situation. Thank you, sir.

Senator TESTER. General Healy.

General HEALY. Yes, sir. Currently, the Air Force Reserve shortage is roughly $1.3 billion in terms of major equipment that we can use NGREA dollars on. As my other colleagues have stated, it is

a challenge to get out of the blocks with delays, but once we do, we typically see first-year expenditure at roughly about 10 percent, second-year expenditure, we are usually at about 50 percent of execution for that year, with 3 years executing at 100 percent consistently as far back as my records go.

So, with regard to a 5-year FY DP (Future Years Defense Program), we are still coming in under that, and we are still getting there much quicker than the Active Duty is able to access major equipment in order to make our weapon systems more viable.

Senator TESTER. Okay. Thank you. This question is for you, General Hokanson. The National Guard is now in the seventh year of serving on a Southern Border in support of U.S. Customs and Border Protection. During that time, things have gotten worse under the administration's failed border policies.

So General Hokanson, I am going to ask you the same question I asked Secretary Austin when he was in front of this committee last month. How many Guards' personnel are currently serving on the Southern Border, and what does this mean for Guardsmen's operational readiness for other duties?

General HOKANSON. Chairman, when we look at the—we have about just under 2,500 Guardsmen on the southwest border under Title 10, serving under U.S. NORTHCOM (U.S. Northern Command). As I have expressed within the building as well, there is no Military training value for what we do. This is a law enforcement mission under the Department of Homeland Security. I know that we are providing additional support along there, but for our Guardsmen there, they might as well be deployed to Kuwait, or somewhere overseas, because they are away from their families, they are there doing mission sets that are not directly applicable to their military skill set, and so it increases their personal operational tempo, and that time I think would be better utilized building readiness to deter our adversaries.

Senator TESTER. Okay. Thank you. Chair Collins.

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

General Daniels, as I know you are aware, last October, Maine experienced the worst mass shooting in our history. 18 Mainers were killed; another 13 were injured in a horrific mass shooting that was carried out by a sergeant in the U.S. Army Reserve. I have worked with the Army because I am drafting legislation where I want the Army and all the Services to be able to trigger state crisis intervention laws, yellow flag laws, such as we have in Maine, as an example, that would result in a judge reviewing the evidence of whether or not a service member poses a threat to him, or herself, or others.

And I have waited to introduce that because the Army Reserve has done an extensive investigation, and I asked the Army IG (Inspector General) to review that. Well, that was supposed to be finished in January. We are a long way from January now. I was told by the Secretary that she expected the Army Reserve's Administrative Review to be completed in a couple more weeks. That, too, has passed by. What is the cause of the delay, and when can we expect to get this?

I really don't want to introduce a bill without the benefit of the findings and recommendations in this report, which is going to document how many red flags were missed.

General DANIELS. First, may I say, very sorry for your loss. The report from my side has been signed in late May, we are working on redacting it and making that available in the next couple of weeks, and I look forward to coming and briefing you and your team on what we have found as a part of that report.

Senator COLLINS. Thank you. I am going to hold you to that next couple of weeks.

General DANIELS. Absolutely.

Senator COLLINS. Because I have heard that phrase a number of times.

General DANIELS. Yes, ma'am.

Senator COLLINS. And it really is important. Thank you.

General Hokanson, you have stated that one of your top priorities is the need to recapitalize an Air National Guard's Fighter Fleet because a disproportionate number of new fighter aircraft procured by the Air Force are delivered to Active Duty units rather than to Guard or Reserve units that comprise the Total Air Force. This disproportionate fielding of aircraft also affects other kind of aircraft as well.

For example, I understand that the current KC–46A basing plan would place 71 percent of the new KC–46s, with the active units, 14 percent with Reserve units, and 15 percent with Guard units.

Now, that is the plan, even though the Guard flies about 38 percent of all Air Force tanker aircraft. So, could you explain why this allocation is done this way? And also give me your opinion on whether the fielding of new aircraft in a manner that would be concurrent and more proportional would help improve the operational readiness of the Guard and the Total Force?

General HOKANSON. Vice Chair Collins, it is a great question. So, if you look at where we are today, as you mentioned the Guards, about 37 percent of the aerial refueling, so we are being fielded concurrently, we are just not being fielded proportionally. So, under the current plan, from the 183 KC–46s, 32 will go to the Guards. So, we will go from 37 percent down to about 16- to 17 percent of the new aircraft.

The reason why this is concerning to me is a current recent RAND Study looked at the operational rates of Guard and Active Duty units, and we still meet the same readiness requirements, but we operate at about 34 percent less of the cost of the KC–135, and we think it would be similar on the KC–46. So, the end result is I think that by not putting more in the Guard and Reserve, it is going to be more expensive, and a lot of our experience and capability reside there in the Guard.

Senator COLLINS. I think that is a really important point, that it is going to be more expensive, and plus, that is where the capability is. Thank you.

Senator TESTER. Senator Shaheen.

Senator SHAHEEN. Well, thank you all very, very much for your service to the country, and General Hokanson, General Daniels, and Admiral Mustin, we will miss you.

General Hokanson, I very much appreciated working with you as the co-chair of the National Guard Caucus, so I will especially miss you.

The Senate Armed Services Committee enacted historic reforms several years ago to address sexual assault and harassment in the Military, including taking those offenses out of a service member's chain of command. That was the result of years of work on that issue.

Unfortunately, as we have discussed, these reforms don't necessarily apply to the National Guard, given the State and local jurisdiction of National Guard units, and some States have adopted similar reforms on the State level, but some haven't, and instances of sexual harassment in the Guard continue to be an issue, including in my home State of New Hampshire.

The SASC's (Senate Armed Services Committee) passed NDAA (National Defense Authorization Act) includes legislation that I was pleased to introduce to require the Defense Advisory Committee to study this issue and to report to Congress, and we appreciated the help we got from your office in drafting that legislation, and also to strengthen the Office of Complex Investigations, and their ability to look at command climate as part of the investigations.

So, the Guard Bureau can play a really important role in looking at this issue. Can you talk about how you and whoever succeeds you will be able to use your position as Chief of the National Guard Bureau to incentivize States to take active measures to address this issue?

General HOKANSON. Senator Shaheen, this is one of the priority things that I will share with my successor when that person is named. But at the end of the day, sexual assault is actually not anything ever condoned within any aspect of the U.S. Military, and we have to use every tool we have available to us to ensure that we rid that from our formations.

Now, you can look at the statistics, they have gone down this year, but until they get to zero, we will always have work to do. So, we will utilize our prevention workforce that we are hiring now, also our Office of Complex Investigations to help States bridge that gap between State law and Federal law, depending on the duty status they are in. Our General Counsel is very involved in that.

As we have seen with New Hampshire, we will send staff assistance teams to go out there, take a look at their program, and make recommendations. And we follow up with those as well because at the end of the day we have to eliminate this from our formations.

And so, I think everybody here at this table understands just how important that is, and I don't think there is anything that we are not doing to help promote that.

Senator SHAHEEN. Are there other measures that you think the Congress should take to better encourage States to take action and to better support efforts that the Guard can undertake?

General HOKANSON. Senator, fully funding our prevention workforce is one thing to make sure so that we have got those folks in every brigade, every wing, so that any Soldier or Airman knows exactly who to go to, to get the help they need. But, also to help iden-

tify inappropriate behaviors so we can basically end it well beforehand, and identify those potential perpetrators.

Senator SHAHEEN. Well, thank you. I think it is an — as you know it is an ongoing issue that we have got to continue to work hard to address. I don't know if anybody else on the panel would like to address that at all. Are you happy to have General Hokanson response? General Daniels.

General DANIELS. I will chime in, that while we are seeing an increased number of reports, I had the team go back and take a look at whether or not those were current year reports or prior year reports. So, it appears that our current year harassment and assault cases are in decline, but we are seeing a significant number of prior year reports, which gives me confidence that we are gaining trust, that people are more willing to come forward to say what has happened to them previously, and they trust us to act on that. So that gives me a little bit of hope.

Senator SHAHEEN. Thank you. General Hokanson, as you know, the Guard Bureau's decision to relevel New Hampshire's 157th Air Refueling Wing has been a concern, particularly given Senator Collins' comments about the KC–46 and the disparities that exist and the need to continue those operations.

I appreciate your providing an extension to New Hampshire and to the other units who have requested one, but can you also commit to reporting back to Congress prior to reimplementing the leveling initiative, including on the operational impacts, and also ensure that your successor also understands the importance of doing that?

General HOKANSON. Yes, Senator. Actually, we are working on that now. And the result of this was, we found as we looked across all of our formations, we had a disparity in the full-time manning, and so we wanted to make sure that like units had the same, and what we have identified is the increase in demand on the Reserve component has actually driven a greater need for more full-time manning because of the readiness levels we have to maintain.

And so, we look forward to working with this committee, and others, to make sure that the number of full-time manning adequately reflects what the units are being asked to do, so that we don't put a disadvantage to our part-time Soldiers where we ask them to continue to work more and more to make up the difference in our full-time manning.

Senator SHAHEEN. Well, thank you. I look forward to seeing the report.

General HOKANSON. Yes, ma'am.

Senator TESTER. Senator Moran.

Senator MORAN. Chairman, thank you. Thank you all for your service to our Nation.

General Hokanson, let me follow up again with Senator Collins' questions of you. I would add some additional thoughts on the KC–46A basing. A recent RAND Study shows that the Reserve component pilots are more experienced and cost-effective than their Active Duty counterparts. The study recommends that the Air Force reevaluate its bed-down plans for the KC–46A to maintain an efficient balance between Active and Reserve components.

In your best Military advice, does the Air Force current KC–46A basing plan adequately equip the Air Guard Fleet to maximize the benefits highlighted in the RAND assessment?

General HOKANSON. Senator Moran, thank you for the question. And sir, when we look at concurrent proportional, I don't think it does. We are currently 37 percent of the Aerial Refueling Fleet, but the KC–46 plan has us going to about 16- to 17 percent.

When you look at the fact we operate our KC–135s at 34 percent less cost than the Active component, I would argue by putting more in the Active Duty you are incurring greater cost, whereas the same readiness levels are met within our Air Guard units, and the amount of air refueling that we do is very significant. So, I would argue that more fielding within the Reserve component reduces the cost yet retains the same capability that our Nation needs.

Senator MORAN. On a similar subject, Congress appropriated $350 million to procure one company of Gray Eagles in the National Guard Division. This is a fine start, but all Guard Divisions should mirror the active component's operational capabilities. I particularly think this is true, I mean, that the war in Ukraine has highlighted for me the value, the necessity, in fact, of UAVs (Unmanned Aerial Vehicles), and it seems to me a terrible mistake that our Guard and Reserve would not have the capabilities that are necessary.

In your best Military advice, do you agree, not with my assessment, but with the assessment of the need for more Active component parity?

General HOKANSON. Senator, I would argue one of the greatest missions of the Military is to prevent war by deterring others to do things that they might want to do, and by ensuring that our Reserve and Guard units are man trained and equipped, just like their Active Duty component, then I think it increases the greater deterrent value.

If you look at the fact we have eight divisions within the National Guard, ensuring that they have the same capability and capacity so when called forward, if that need arises, they bring the same capabilities to the battlefield and that our adversaries understand that it doesn't matter if it is Guard or Reserve, they bring the same capability.

And the Gray Eagles, as you mentioned, the drone capability, the reduction of putting manpower forward, but the capability is something we need, absolutely, in every one of our eight divisions.

Senator MORAN. Thank you. General Healy, your opening statement highlighted the risk associated with Legacy Aircraft divestment without recapitalization and delayed modernization, what strategies must be employed to mitigate the potential impacts on air superiority and surge capacity?

General HEALY. I appreciate the question, Senator Moran. And in follow up to the previous question regarding KC–46 Beddown, I would point out as well that we currently have one KC–46 unit, at Seymour Johnson one that is potentially on the books out of March Air Reserve Base. But our six remaining KC–135 units have no program of record. So, we are not being concurrently filled with KC–46 units.

The constant advocacy on my behalf, I think, is the best answer right now, whether that is to the Department of the Air Force leadership or within this body and the House Appropriation Committee as well.

With regard to proportional and concurrent, two issues come about from that. Our ability to act in a fifth-gen fight is severely limited if we have got fourth-gen equipment.

Referencing the RAND Study that General Hokanson brought up, we have a more experienced Force than the Active component, and that is just by virtue of people wanting to continue to do the mission well beyond their 10-year active-duty service commitment.

That being said, if they don't have the opportunity or the venue to go to something that they can continue to provide service in, I think, an F–35 or a KC–46, then we potentially are losing some of the outstanding experience that is on the table with regards to fighting our next conflict, if called upon.

Senator MORAN. General Healy, I would point out your answer to me, one of the things I think is important is all branches of the service to different degrees experience recruitment and retention challenges, and we ought to be utilizing, you just mentioned the capability of retaining personnel in this capacity, and we ought to be taking advantage of that circumstance that doesn't exist in all circumstances, true?

General HEALY. Absolutely, sir. We call it "closing all the windows". We have got to stop letting these people get out. So, we do a fantastic job of retention in the Air Force Reserve. We are currently at about 88.3 percent, 89 percent was our goal for this year, but we are consistently at an 88.2 percent retention on a 10-year average for our Pilot Force, which is the most exquisite and costly Force that we have.

Senator MORAN. Speaking of closing all the windows, you should close all the windows on three of the folks who are sitting at the table this morning. I will miss their presence.

And finally, I would say just as a comment, I am working with the Kansas National Guard in regard to expanding their state partnership, and I would like your help, General Hokanson, and others, to accomplish my goal. Thank you.

Senator TESTER. Senator Baldwin.

Senator BALDWIN. Thank you, Mr. Chairman. Before I get to questions, I want to add my words of congratulations to General Hokanson, Lieutenant General Daniels, and Vice Admiral Mustin on your upcoming retirements. I want to thank you for your service to our Nation.

General Hokanson, I have appreciated working with you over the past few years on expanding healthcare to service members, and I appreciate your mentioning that in your opening remarks. Like you, I believe that increasing access to healthcare and dental care, especially for our Guard and Reserve members, would pay dividends in readiness, especially for short-notice deployments.

Last Congress, I introduced the Bipartisan Healthcare for Our Troops Act, a bill that would provide all National Guard and Reserve Service Members with premium-free healthcare coverage. I understand that the Defense Health Agency is working to study this issue, and I look forward to seeing those results.

So General, can you please describe the progress that your team has made towards this goal during your tenure, and what you see as the feasible next steps?

General HOKANSON. Senator, thank you. And I greatly appreciate your support for this, really my number one priority, and it has been my number one priority since my time as the Chief of the National Guard Bureau.

When you look at the healthcare progress, we continue to have the conversation, the Act that you mentioned, and more and more the conversation is taking place. So, we knew this would take time. We look forward to helping with the study in any way we can to really clarify the costing. Unfortunately, we have to assume that every single member would take the premium-free healthcare, which drives the cost up significantly, when we know that would not be the case. Many of them do have healthcare through their civilian employer.

But there is a lot of other things related to this. We think it would have a significant impact, not only in recruiting, but also retention, so that the family would know, as long as their service member is serving in the Guard or Reserve, that they have healthcare. And so, if they are injured on deployment, or responding to a disaster in their community, that they are going to have the healthcare to get better, and come back, not only to be the breadwinner for their family, or part of that, but also to continue to serve their country.

And so, anything we can do to help promote that, answer those questions, I think is going to be really important. When you look at the economic environment today, most businesses do offer that healthcare. And so, for us to be competitive in the recruiting environment, it is also a requirement for us as well.

Senator BALDWIN. Thank you. And tactical-wheeled vehicles are essential to supplying combat vehicles with fuel, ammunition, and spare parts to seize and control ground. In other words, tactical-wheeled vehicles are a critical backbone of the logistics needed to sustain and win a fight. I am proud that many of these vehicles are made wholly, or in part, in the State of Wisconsin.

As this committee has discussed many times, clear communication with industry and consistently funded demand signals are critical for allowing our industrial partners to plan for and meet future demand.

General Hokanson, can you provide the committee detailed National Guard vehicle requirements and plan purchases for both the family of heavy tactical vehicles and the family of medium tactical vehicles across variants and across the Future Years Defense Program?

General HOKANSON. So, Senator Baldwin, I will have our staff get the exact numbers. But as you mentioned, the heavy- and light- and medium-tactical vehicles are absolutely critical to our ability to move across the battlefield, but also to logistically support our Forces.

And so, as I mentioned earlier, it is important that all of our Guard formations are man-trained and equipped, like their Active Duty counterparts, to reduce the variance of systems. But then also, we can operate more efficiently. So, we would love to do that,

and we will continue to advocate as we field new systems that all of those come into the Guard and Reserve.

Senator BALDWIN. Thank you. And General Daniels, can you also provide this information to our committee?

General DANIELS. Yes, ma'am, absolutely.

Senator BALDWIN. Thank you.

General HEALY. Senator Baldwin, if I may? Can I give just a brief follow up to your initial question regarding access to healthcare and specifically to dental care?

Senator BALDWIN. Please.

General HEALY. One of the issues that has become more and more prevalent to us is the fact that the dental pay requirement is capped at $1,500 for our service members, so once any of their annual dental requirements exceed that, it is out of pocket. As a result of that historically low number of $1,500, we end up having over 700 of our service members not able to be ready to go and deploy, because we don't have the ability to enforce an out-of-pocket expense to our Airmen.

Senator BALDWIN. Thank you for that.

Senator TESTER. Senator Boozman.

Senator BOOZMAN. Thank you, Mr. Chairman. And thank all of you, all, we appreciate your service. We are going to miss those of you that are rotating out. But we do appreciate you so much and appreciate—and I think we always have to remember, this is a family affair, and not only you but your families that for many, many years have been so faithful.

General Daniels, I understand the Funded Reimbursable Authority allows the Reserve component to answer combatant command and intelligence agencies' demand signals for increased support to meet intelligence activity mission requirements. General Daniels, can you describe what Funded Reimbursable Authority is, and how the active component would benefit if this was expanded to other high-demand specialties?

General DANIELS. Thank you very much, Senator Boozman. The Funded Reimbursable Authority allows the combatant commands to assess whether or not they have increased intelligence requirements. And if they do, they can take their operational maintenance dollars and convert them to Reserve component pay and allowances, which then allows our Reserve component members to support those intelligence activities and help with the readiness and help with the current threat assessments that the combatant commands are desiring.

Senator BOOZMAN. Very good. And will expanding the authority incur any additional cost?

General DANIELS. No additional cost would be required, because it is combatant command is looking at what resources they need, we are looking to expand to include not just intelligence but space, information operations, and cyber capabilities as a funded reimbursable capability that they could request from the Reserve components.

Senator BOOZMAN. So, it is a win-win; very good.

General Hokanson, I have heard you mention the need to keep 25 of the 25 Fighter Squadrons in the Air National Guard to meet demands of the National Defense Strategy and keep pace with our

peer adversaries. Is the Air National Guard on track to keep 25 fighter squadrons? If not, what is the impact of losing fighter capability?

General HOKANSON. Senator Boozman, thank you. When you at the current 25 Fighter Squadrons that we have, we are currently in jeopardy of losing two of those, Martin State in Maryland and then Selfridge in Michigan. Both of those are A–10 units. In fact, the unit from Maryland is now redeploying from a tour—a deployment in the Middle East.

When you look at the fact the Air Force is short of about 1,000 pilots and 4,000 maintainers, I don't think we can afford to lose a single formation. And we actually looked at a plan by, we call it a temporary cross-component aircraft transfers, where we could cascade older fighter aircraft into these formations to retain them until production can catch up with replacing those aircraft.

When you look at, there is 48 Fighter Squadrons in the Air Force right now, and I believe the requirement is 60, we are already critically short and the demand for those aircraft globally only goes up. Not only for capabilities but also the deterrent value that they provide, and so we are willing to do just about anything we can to retain those formations because once we lose them, then we literally lose them forever.

Senator BOOZMAN. Very good. Thank you.

General Healy, I appreciate our discussion centered on the Air Force's efforts to reoptimize for great power competition. Can you share your perspective on how the Reserve component will be impacted by this reoptimization, and how your current posture can be leveraged to support future units of action for the Total Force?

General HEALY. Appreciate the question, sir. In short, the Reserves are ideally suited right now for the great power competition moves that the Air Forces, writ large, are making. Through our normal structure of being a relatively lean Force with regard to our own bases, operating 28 days a month on just 25 percent of the staff, we are ideally suited to be able to show the cost savings while also showing the ability to effectively segregate the wing, create deployable combat wings.

Meaning, the fighting Force is able to pick up and go forward while remaining behind is a base component that manages the base. We are perfectly suited for that, and we are only having to make minor changes in our manning structure in order to be ready for the first opportunity to employ this in 2027.

With regards to the overall reorganization and reoptimization, what we discovered and what we were able to show the Active component in the entire Department of the Air Force is through the current construct of our organization. The Reserve component, or the Air Force Reserve specifically, underpins every MAJCOM (Major Command) and every aspect of the current construct.

As the new construct develops, we also will underpin, and be integral, and integrated into each of these new portions. So again, ideally suited to enhance and move forward the Air Force's ability to utilize this new construct.

I think, at the end, from an operator's perspective, great power competition is all about ensuring that we have the ability to fight and win if called upon. And I think the Air Force Reserve is going

to provide deployable combat wings, combat generation wings, and in-place combat wings that will absolutely fill out the need that would be presented by the United States Air Force.

Senator BOOZMAN. Very good. Thank you, sir.

Senator TESTER. Senator Coons.

Senator COONS. Thank you, Mr. Chairman, and Ranking Member. And thank you to all of our witnesses today for your service and your dedication to your Nation.

And to General Hokanson, and Vice Admiral Mustin, Lieutenant General Daniels, thank you and congratulations on your upcoming retirement. I wish none of you were leaving.

We look to you for advice and insight as we try to finalize our appropriations decisions. I am from Delaware, the Delaware Air National Guard is one of four States that are still working to secure C–130Js. I co-led a letter with Senator Barrasso to continue, frankly, to complete what has been, I think, an important acquisition process that helps support national security and ensure interoperability.

I would be interested, General Hokanson, in how you see the Guard Bureau's role in completing the procurement of C–130Js and how that outfitting, in your view, might support national security, and how congressional support might be relevant.

General HOKANSON. Thank you, Senator. And when you look at the C–130 Fleet, obviously with any system, if we can procure fleet to the same model, it reduces maintenance, training, all sorts of costs, and we gain many efficiencies; and so, the intent for us to continue to advocate for the fielding of the C–130J in all of our squadrons so that we can capitalize on those cost savings. And so, we will continue to do that. I know we have four squadrons left to go. And our intent is to hopefully complete that within the next couple of FY DPs.

Senator COONS. That is a high priority for me and for my home State. We also have in Delaware an Air National Guard unit that has, I think, both Guardsmen and Reservists, that is a strong cyber unit. It has both offensive and defensive capabilities, and it is, in my view, a great example of leveraging the private sector. We have very large data centers; many of you are probably carrying credit cards issued from the State of Delaware.

And so state-of-the-art, very high-performing, very capable cyber professionals in the private sector have the opportunity to join and serve in both Guard and Reserve roles. I would be interested in hearing from you, General Hokanson, and also Lieutenant General Healy, how Air Guard units successfully leverage private sector resources to support national security at a lower cost? And what else you think we could be doing to support the outfitting and deployment of cutting-edge cyber units?

General HOKANSON. Senator, when I look at, we have got 66 units in the National Guard, both Army and Air, in 42 States, and the capability they provide is pretty amazing. In fact, up to the highest levels within CYBERCOM, and this is because of our ability to leverage not only their military training, but their civilian training.

In fact, a lot of the young kids say they can do things in their civilian job they can't do in the Military, and they have got things

they can do in the Military they can't do in their civilian job. But by learning from both sides, they develop incredible capability. And not only on their Military side, but also under a State Active Duty to help mitigate cyber-attacks, or issues with networks within their community, where the Governor has the authority under State Active Duty to leverage them.

John.

General HEALY. Yes, sir. I would add, so we are a little bit more modest within the Air Force Reserve, about 3,500 folks doing cyber mission, but very proud of it. Again, we have a retention rate right now of roughly 86 percent, which is fantastic. And what we are also doing in terms of how do we entice and how do we bring more online is we have currently got a direct commissioning program where in 2023 we direct commissioned three individuals. We have got three going in 2024 with seven pending right now.

So, it gives exactly what you are talking about, the opportunity for an individual on the civilian workforce to take their skills and their training that they get credit for, and then we are going to commission them straight into the Air Force Reserve.

Senator COONS. Thank you for that example. Last question, if I could. The State Partnership Program is something I have strongly supported. I have had a chance to visit state units in the field, from the Baltics, to West Africa, to Southeast Asia. It is 30 years old, there is 92 partnerships touching 106 countries. I think Montana's partner is Kyrgyzstan, if I am not mistaken. And I think Maine is Montenegro; Delaware, Mongolia. A country squeezed between China and Russia and eager for American help.

What I have seen about the State Partnership Program is that it allows long relationships. No disrespect, but you know Active Duty folks tend to cycle in and out of a country, and I think the National Guard is the best example we have of civilian control of the Military, integration into civilian missions, disaster response, infrastructure or otherwise.

What do you see, General, as the challenges to sustaining the State Partnership Program? What are the opportunities? What more could they be doing? I think some of the work we did with Ukraine between 2014 and 2022 made a transformational difference, and so I am a huge fan of the State Partnership Program.

General HOKANSON. Senator, we greatly appreciate your support of that program. And just as an example, if you look back to 2023, we did 1,750 global engagements, and as mentioned earlier, that is on 1 percent of our budget related to international interactions. When we look, the challenges we face going forward is as we add partners, we have actually added seven this year, is the startup costs are initially a little bit high, about $800,000 per partnership, but then the sustainment numbers continue to go down over time.

And so stable, consistent funding, not having continuing resolution so we can have access to that fund early in the year, greatly appreciates it. When we get the funding late in the year, sometimes our state partners can't adjust their schedules quick enough, and so the earlier the better.

But as you mentioned, Senator, the great thing is in many cases our State Military or the State National Guard is about the size of the country's Military. And because we are there, like they are,

throughout their career, those relationships are critically important. Not only to develop capability and capacity, and their ability to protect their citizens, but also to have additional U.S. presence to counter the messaging they may see from some of our adversaries.

Senator COONS. Absolutely. Thank you.

Thank you, Mr. Chairman.

Senator TESTER. Impressive recall, but I noticed you didn't get to West Virginia.

Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman. And to all of you, thank you for your leadership, your commitment, and all you have given for your country. We are appreciative and grateful. We recognize, so many of us recognize just the role of our Reserve Forces and all that they bring in terms of talent and experience to the fight. So, thank you.

In Alaska, we certainly see that every day. Not only at the tip of the spear when it comes to Homeland defense, but all that goes on from the 24/7 radar operation, what they are able to do in search and rescue capability. We can't live without you. I think there is a song about that.

Let me ask you, General Hokanson, because we have talked a lot about the Air National Guard transition of the 575 AGR (Active Guard Reserve) positions, to technician, billets, Alaska takes the greatest cut in the AGR Airman, that Senator Shaheen mentioned it from New Hampshire's perspective here.

In the House NDAA, there was an increase to the Air National Guard's AGR ceiling. It added 403 positions. Does this provide enough stability to the Guard to pause the current full-time leveling? As we have discussed, Alaska is on a year pause. That is helpful, but is this the answer here? And as you are answering that, if you can share with me whether you have had conversations with either NORTHCOM (Northern Command), or the PACAF (Pacific Air Forces) that the General—excuse me, Secretary Kendall or General Saltzman on the impact that the full-time leveling would have on their ability to perform their missions?

General HOKANSON. Yes, Senator. So, when you look at the addition of about 400, that just moves the conversation 1 or 2 years down the road. And what I asked our team as I said, Look, we have to stop iterating. Tell me what the actual solution is that we need. And so, when they did that full analysis and Alaska is a great example.

What we are doing is we continue to ask more and more of our National Guardsmen, but we don't provide the full-time manning to sustain that, particularly when you have 24/7 operations. And this week alone, we had an Air Force or a rescue unit saved six people in an airplane crash in Alaska. That capability is made possible by the full-time manning within those units.

And so, when I told them, stop looking at the iterative, and tell me what the actual answer is. And so, they came up with 29,100. And we can actually show you exactly where that manning would be, to prevent making a decision where somebody has to go from an AGR to a technician position.

As I mentioned earlier, we do have a legislative proposal in to fix the Technician Act, because it is just not competitive at all in today's environment. You can't live on that in Alaska. Those are very expensive environments, but we ask a lot of them.

And so, as a result, you know, my best advice is to get 29,100 AGRs within the Air National Guard, and then also to fix the Technician Program. I know we are working with your State to mitigate the impacts of that. We pushed it back a year, while we get this, hopefully, support, and all the data so that we can get the right answer, so we can continue to provide the capabilities that our communities and, frankly, our Nation need every single day.

Senator MURKOWSKI. Well, I appreciate your response to that. But I also recognize that as I talk to these AGR folks back home, they have got decisions to make. They have family commitments that they are looking to, and all they see right now is instability. And thank you for the 1 year reprieve, but this is not the only thing that they are looking at with concern.

We have also talked and off a lot about the Space Force considerations, the fact that Air Force wants to force our Air Guardsmen into the Active Duty Space Force. There has been a lot of back and forth as—from National Guard Bureau is saying: It is not going to cost that much. Air Force says it is going to cost a lot.

But what is really going to cost us is when these people vote with their feet, when they leave, and then we lose that experience that we have invested in them. And so, I know that this is, again, one of those issues that is generating a lot of debate out there. But I look at that, and I listen to what is being discussed up at Clear Air Force Station, as they are manning that operation.

I look at what is going on with this leveling, and the greatest benefit that you have with your Reserves has been the stability that comes with these positions. And I note that, Lieutenant General Healy, you have shared that the recruiting efforts are great within Active Duty and Reserve Forces, but they are lagging within the Air National Guard. And it just causes me to wonder whether or not this self-inflicted instability is having a very detrimental impact on our ability to execute the mission, and really do right by our AGR folks.

General HOKANSON. Yes, Senator. And as you know, it is all about our people. The equipment is nothing without them. And we look at every one of our families. They want to take care of their families, and so they need that stability. And we all need that. And so, we are trying to do everything we can to provide that stability.

And I have been very clear in my conversations about the Space Force from day one. You know, we actually have a Space National Guard. We are just not willing to admit it.

Senator MURKOWSKI. Right.

General HOKANSON. We have Space Forces that have been doing this——

Senator MURKOWSKI. They should come up and see, right?

General HOKANSON. Yes. For 27 years, we have been doing. So, it actually does exist. We just don't name it that. And when you look at the full-time manning requirements, 74 percent in our latest survey said that they want to stay in the Air National Guard. And frankly, we have been doing this for the past over 4 years

since the creation of Space Force. And we can continue to do that. But if we don't take care of our people, if we don't give them predictability, those decades of experience that they have, that will take decades to replace, they are going to vote with their feet, and they are going to do something else. And at this point, the critical point in the history right now of global environments, now is not the time to lose those people.

Senator MURKOWSKI. Exactly. Thank you. Thank you, Mr. Chairman.

Senator TESTER. Senator Capito.

Senator CAPITO. Thank you, Mr. Chairman. Thank you all for being here and to those who are rotating out, best wishes and a voice of gratitude.

In terms of the State Partnership Program, since Senator Coons didn't include West Virginia, we have two partners, Peru and Qatar. So, I was going to ask a question about that. I might get back to that later.

But General Hokanson—he is not even listening, but that is okay—the West Virginia National Guard has done the Ridge Runner Irregular Warfare Training every year, which is a partnership with the Irregular Warfare Center and the Ridge Healer Exercise, which focuses on austere medicine.

So, I am proud of these programs, and have supported them through the appropriations process. And there are 11 partner countries now from the European and Indo-Pacific theaters that are training in irregular warfare and prolonged field care. Not to mention this provides the training and the validation for the Air National Guard Special Forces.

So, I am not sure how familiar you are with Ridge Runner, but do you view this as a value-add for the Guard Bureau and for the DOD (Department of Defense)? And I would be interested in your perceptions, if you are familiar with this program.

General HOKANSON. So, Senator Capito, I am familiar with the exercise, and it is done there for a reason. And 11 nations come there for a reason.

Senator CAPITO. Right.

General HOKANSON. Because of the capability and what they can learn in that environment. The team there does a great job, and the reason why it continues to grow is people see the value from that. It also helps us validate our Special Operations Forces before they deploy. And so, when you look at that field in Special Operations, they go where it works. And that works extremely well.

Senator CAPITO. We are very proud of it. And I know it is growing, and certainly I will continue to support it through the Appropriations process.

So, I am going to go over here to General Anderson. He has been so quiet over there. I have a general question for everybody, but I think it is an important one. The issue of modern equipment to the Reserve component that meets the requirements of an Indo-Pacific contingency should it come about, including extended range and tactical data link capabilities for our Air Mobility Fleets.

So, I know we all saw how much our Reserve components were called upon in Iraq and Afghanistan. So, I would be interested to know from you—and we will just go down the line, as far as we

can go with the time that I have—what specific modernization priorities could help your component meet today's requirements and be ready for a future conflict?

General ANDERSON. Senator, thanks for the question. It has been a long silence over here at this end of the table.

Senator CAPITO. Hoping to get by with that, but I wasn't going to let you.

General ANDERSON. Being the new guy in the seat, I figured it was just a test. To your point on modernization, the responsibility of the Marine Corps Reserve, you know, to the parents that have allowed their young men and women to join, it is my responsibility to train and equip them for the current threat. And we do that with parity in the Marine Corps, and Active component, and the equipment that we have.

One example is that we have a battalion that is going forward. They will be on UDP (Unit Deployment Program) in our priority theater this fall. So, these are all Reservists from the West Coast who will be trained and equipped for the current threat as we rotate and relieve some of those Active component Forces.

The Marine Corps Reserve, to the point of some of the initial comments made at the start of this, is an operational Reserve. That is why Marine Reserves stay. They want to deploy, they want to have the new gear, and they want to be forward and facing the threat. So, it is certainly a priority of mine to do that, so they can answer the Nation's call. And more importantly, return home.

Senator CAPITO. Um-hum. General Daniels.

General DANIELS. In terms of our priorities for equipment, we are looking—the Army has what is called Liquid Logistics, and so those are various different assets for water, petroleum, and so forth. And so, we need modernization of that kind of equipment, because you know, it is enough to have lethality, but then you need that support to keep the lethality to be able to sustain itself, so a lot of Reserve sustainment capabilities need modernization that are not of lethality, as well as communications and vehicles.

Senator CAPITO. Thank you. General Hokanson.

General HOKANSON. Senator, so the great advantage we have in a Reserve component is not only capability but capacity. And what we see is fights aren't over in 2 weeks.

Senator CAPITO. Right.

General HOKANSON. And so, it is great to have capability, but if you don't have capacity like we have in the Reserve component, then you jeopardize, really, a lot of your strategy. So, when I look across the Air Guard specifically, as I mentioned before, it is our Fighter aircraft. Those are the ones most urgent, followed closely by Tankers, and then C–130Js.

On the Army side, we have to make sure that our divisions are fully capable, to deter somebody from doing something. And so, we need to grow to make sure we have attack helicopters, and Gray Eagles in all of our divisions.

And then also, as the Army develops these multi-domain task forces to operate in the INDOPACOM and AOR, to make sure that we also field those in the Reserve component so we have the capacity so that our adversaries realize, not only capable but we have got depth, so we can last.

Senator CAPITO. Um-hum. Vice Admiral.

Admiral MUSTIN. For the United States Navy, both the capacity and the capability for intra-theater lift is a Reserve-only mission. And that is why my number one equipment priority is the recapitalization of our VR Squadrons, our C–130 Squadrons, to the KC–130 Juliet. Right now, I am flying 33-year-old airframes, and struggling to keep them mission capable. And that is both a parts obsolescence issue, but also just a training and availability issue.

So that is number one. And then number two is, we talked a little bit about the NGREA funding. That is another one where I am almost at a 20-year low, given the proposed AGD mark. So, I would certainly love to revisit how we can modernize our avionics on our existing aviation fleet, which is what we use NGREA for, as well as recapitalizing our ability to do expeditionary vertical launch reload, like we are doing in the Red Sea.

Senator CAPITO. Um-hum. Yes, General.

General HEALY. You know, what I have been talking about, either in visits and to my superiors, is we provide an Air Force Reserve access and affordable mass, which is rails for the fight at cost. So, what we are doing with our NGREA dollars is ensuring that if we do have Legacy Aircraft, they are well tricked-out Legacy Aircraft.

Senator CAPITO. Um-hum.

General HEALY. So that includes tactical data link, as you mentioned, for not only our F–16s, but all of our heavy fleet, large aircraft, infrared countermeasures so we have got the ability for C5s, C17s to defend themselves. We are talking also about survivable radar and missile warning systems for the 135s out there, so they actually know if something is coming at them. And one of our most impressive is the AESA Radar, which is the Active Electronically Scanned Array Radar, one of the most advanced radars in the world that we are putting into our Block 30 F–16s, which make them more than formidable.

Senator CAPITO. Good. Well, that is a good list. And thank you for providing that. In terms of the state partnerships, just quickly, I will say, I just returned from a trip with Senator Moran, and some others, and we were all over the place: Finland, Sweden, Egypt, Greece, these state partnerships are not just meaningful to us and our States, but they all mentioned it as we went around, how the benefits that they reap, how they are stronger than ever, and how they really, not just like them, but feel like it is such a necessity, as we see the globe sort of shrinking right before us.

So, thank you all very much. And thanks for the opportunity.

Senator TESTER. General Hokanson, I will go a little parochial with you, then. The Guard announced, spring of 2026 to the fall of 2026, the C–130Js will be delivered to Montana. Do those dates still stand?

General HOKANSON. Yes, Senator, those dates still stand. I think April 2026 to October 2026, and then initial operating capability; and fully operational capability shortly thereafter.

Senator TESTER. Okay. And will they be—will the Js—will the Hs, the museum pieces, called the C–130–H will be swapped out for the Js on a one-to-one basis?

General HOKANSON. Senator, right now, I believe it is a two-for-two.

Senator TESTER. Okay.

General HOKANSON. That we will send two at a time, and make sure that our air crews and maintainers are well trained in advance.

Senator TESTER. Okay. My last question is for you and General Daniels; General Hokanson and General Daniels. This subcommittee has been made aware of two Anti-Deficiency Act Investigations involving the Army National Guard and Army Reserve, and both involve budgeting errors that happened during COVID. I would just like to have you both explain what happened, the status of the investigation, and what corrective actions have been implemented.

Go ahead, General Hokanson.

General HOKANSON. Mr. Chairman, I can follow up with you on that, because that investigation has not been concluded yet. We are waiting for the conclusion and any recommendations or disciplinary——

Senator TESTER. When do you anticipate that conclusion?

General HOKANSON. Chairman, I have been following it weekly. I am hoping that it is done by the end of this month, or mid-July at the latest.

Senator TESTER. And when do you retire out?

General HOKANSON. September 1, Chairman.

Senator TESTER. Okay. So, we have got a little time. Okay. Go ahead.

General HOKANSON. Yes. Before I leave, Chairman.

Senator TESTER. Okay. Good. General Daniels.

General DANIELS. I am going to mirror his response if that is okay.

Senator TESTER. Okay. No problem. We look forward to finding out what happened, why it happened, and what corrective actions will be taken. Hopefully, you will be able to do that in writing, you know, moving forward.

Senator Collins.

Senator COLLINS. Thank you, Mr. Chairman.

General Daniels, I understand from your testimony that the Army Reserve maintains approximately 18,000 Humvees and that almost half of them are beyond their useful life and need to be replaced. What is even more concerning to me is that the Army's budget request, unless I am misinterpreting it, only supports buying 16 Humvees, which just doesn't make sense to me, since it is so far below the 1,631 vehicles needed to maintain the minimum rate of production.

I am pleased to see that the Army Reserve does plan to spend $29.5 million with its fiscal year 2024 NGREA funding to buy new production Humvees, if we do appropriate funding for NGREA in this coming fiscal year, do you expect to use portions of that funding to buy Humvees?

General DANIELS. Yes, ma'am, we do. We are looking, explicitly, because of the safety concerns of the older fleet and being able to have the new safety features of the anti-lock brakes and the electronic stability control kits, those are things we would like to see

in the newer models for our safety purposes. So yes, we do look to expend our NGREA funds on Humvees.

Senator COLLINS. Because that really is an extraordinary disparity between what you need and what the budget request is.

General Hokanson, I want to follow up on a question that Chairman Tester started going down the road on, and that has to do with the obligation of funds. From 2015 to 2024, only 4.4 percent of the DOD procurement budgets were allocated to Guard and Reserves, and this year's request, as I mentioned earlier, is barely 2 percent. I think that is totally inconsistent with the tremendous contributions that each of the components make to our national security.

So what Congress did in response is to fund the National Guard and Reserve Equipment Account, NGREA, as it is called. And it provides procurement funding separate to address critical Guard and Reserve modernization needs.

Now, I am very much aware that in the last 2 years, Congress has funded this separate account at a billion dollars per year. However, to follow up on the Chairman's point, a substantial fraction of the amount appropriated over the last 3 years is still unobligated.

Now, I understand how terrible continuing resolutions are for your ability to get your jobs done, but we are taking 3 years and it looks like it is more than half has remained unobligated. It is difficult for us to make the case, which we want to make, if you are not obligating the money, and this seems to be across the board. So, tell me why it is taking so long to put the funding on contract for such needed equipment?

General HOKANSON. So, Vice Chair Collins, when you look at our—historically, our execution rate, though, it is 99 percent at the end of the period. And unfortunately, when we look at the demand for equipment, sometimes the delay is manufacturing capability to meet with it. But we do execute 99 percent, or over 99 percent of the funding at the end of the 3-year timeframe. But because of COVID and manufacturing issues, sometimes at the one to 2-year mark, it looks completely off. But we are usually able to obligate all of it, or 99 percent of it, within the time that we are authorized to do it.

Senator COLLINS. I realize that you have a period of time that you can use. But is it accurate that about half of the funding appropriated over the last 3 years is still unobligated?

General HOKANSON. I can follow up with that, Vice Chair Collins, but my understanding is it all gets executed, it is just a matter of when we can get the contracts signed within the timeframe, so that we do make sure we don't leave money on the table, but sometimes the contracts are delayed, and we can't get them as soon as we would like them.

Senator COLLINS. General Daniels, did you want to add something?

General DANIELS. I completely agree. We expand down to the last nickel because each one of those dollars is vital to our ability to modernize. We may not have it early on in that 3-year period, but we absolutely prioritize, rigorously scrutinize that list, and buy everything that we possibly can with the dollars that we receive.

Senator COLLINS. Thank you. Thank you, Mr. Chairman.

Senator TESTER. I want to thank you all for your testimony and your concise answers with the questions. We appreciate that. As you guys can probably tell, this Committee appreciates your service to this country, and very much appreciate the folks who are hanging up their cleats come September. And we thank you for your service.

ADDITIONAL COMMITTEE QUESTIONS

Senators may submit questions for the record. We would ask you all if you get a question to respond to it as timely as possible.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO GENERAL DANIEL R. HOKANSON

QUESTIONS SUBMITTED BY SENATOR JERRY MORAN

Question. The Army National Guard (ANG) and Customs and Border Protection (CBP) operate helicopters to secure the southern border. CBP helicopters fly similar missions to the ANG UH–72 Lakota, but with added ballistic protection. The latest B-model Lakota helicopters have more power, so adding ballistic protection should be feasible.

Is there a material difference in the risk from ground fire between the missions flown by the CBP and the Army National Guard?

Answer. Yes.

Question. Is there a reason that the Army National Guard is flying unarmored helicopters while performing missions where ground fire is possible?

Answer. Army Northern Command considers the environment as permissive therefore no ballistic protection is required on the aircraft assigned to the mission. Furthermore, due to the permissive nature of the mission, aircrews do not wear ballistic protection. The UH–72 is not fielded for, nor intended to be deployed to, non-permissible, combat, or hostile environments and therefore, the UH–72 has never been considered to be equipped with ballistic protection.

Question. Has the Army National Guard performed a risk assessment of National Guard Lakota helicopters supporting law enforcement missions? If so, how has the risk of groundfire been mitigated?

Answer. The ARNG has not conducted an internal risk assessment of the SWB mission. Army Northern Command Group Task Force (T–10) maintains the mission's authority and responsibility and possesses the detailed intelligence, data, and metrics to determine operational risk. When conducting home station missions such as the counterdrug mission, the aircrews receive formal intelligence briefs/update provided by local law enforcements and agency to mitigate risk.

QUESTIONS SUBMITTED BY SENATOR JOHN HOEVEN

Question. It is important that the Guard has capabilities equivalent to its Active Duty counterparts. We have been working to bring the Army's Gray Eagle mission to the Army National Guard, but there has been some confusion about the size of a company of Gray Eagles. It is my understanding that there was a Force Design Update (FDU) based on the Future Attack Reconnaissance Aircraft (FARA) program that reduced the size of a Gray Eagle company from 12 to 8 aircraft. However, as you know, the FARA program has been cancelled.

With the FARA program being cancelled, does the FDU from 12 to 8 aircraft still apply?

Answer. Headquarters, Department of the Army (HQDA) approved a Force Design Update adjusting the Gray Eagle Companies from 12 to 8. HQDA has provided no justification to reverse this requirement in response to the cancellation of FARA.

Question. How many aircraft does the modified table of organization and equipment (MTOE) recommend?

Answer. The Army National Guard is in the process of fielding one (1) company with the "K" Series modified table of organization & equipment (MTOE), which includes twelve (12) Gray Eagle systems. That company was approved in the Army

Structure (ARSTRUC) document for 2025–29 Army force structure. The ARSTRUC is the authorizing document for force structure across the Army, including force structure for the ARNG. The ARNG will continue to implement future force design updates based on subsequent ARSTRUC documents according to requirements informed by the Total Army Analysis (TAA).

Question. The 119th Wing in Fargo, North Dakota has a number of Block 5 MQ–9 Reaper aircraft on-loan. This is significant because the Air Guard is not allowed to modify aircraft that is not permanently assigned, and the Air Guard—particularly the 119th Wing—has played a vital role in identifying ways to modernize the MQ–9 Reaper fleet.

What are the plans to modernize the Air National Guard MQ–9 Reaper fleet?

Answer. NGB is currently developing a plan with Air Combat Command and Headquarters Air Force to receive MQ–9 Block 5 aircraft from the current active-duty inventory at Holloman AFB.

Question. When do you anticipate that Block 5 MQ–9 Reapers will be permanently assigned to the 119th Wing?

Answer. Based on Air Combat Command's guidance, NGB anticipates initial assignment of Block 5 MQ–9 Reaper(s) to the 119th Wing to begin in FY 2025.

Question. The 119th Wing is home to an Air National Guard Regional Training Site, one of just a few locations in the country that provides wartime mission training as well as proficiency training to U.S. Air Force and Air National Guard civil engineers. In the last few years, the Air Force Civil Engineer Center has made significant investments in how Airmen recover damaged airfields. In 2022, a new training program—Rapid Airfield Damage Recovery (RADR)—was expanded to the North Dakota Regional Training Site, which now trains Airmen from around the country on RADR.

What plans do you have to ensure that the Regional Training Sites have the facilities needed to support the RADR training program?

Answer. The 119th Civil Engineer Squadron has the necessary facilities to perform all required Rapid Airfield Damage Recovery (RADR) training. We continuously work with all our Wings to ensure they have the needed facility to support their mission requirements.

CONCLUSION OF HEARINGS

Senator TESTER. This committee now stands in recess.

[Whereupon, at 11:28 a.m., Tuesday, June 18, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2025

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

NONDEPARTMENTAL WITNESSES

[CLERK'S NOTE.—The subcommittee was unable to hold hearings on nondepartmental witnesses. The statements and letters of those submitting written testimony are as follows:]

PREPARED STATEMENT OF ACTIVATE GLOBAL INC.

On behalf of Activate Global Inc. (Activate), we are pleased to provide this written testimony to the Senate Appropriations subcommittee on Defense for the official record.

Activate respectfully requests the subcommittee to provide at least an additional $8 million for the Entrepreneurial Fellowship Pilot in the fiscal year (FY) 2025 defense appropriations bill.[1] Activate, in partnership with the U.S. Army Research Lab (ARL), is committed to investing in forward-thinking entrepreneurial fellows to foster early-stage innovative technology commercialization to accelerate and enable new national security capabilities across the defense innovation ecosystem.

Founded in 2015, Activate is a 501(c)3 nonprofit organization that partners with U.S.-based funders and research institutions to support its fellows. Activate transforms scientists and engineers into founders, empowering them to reinvent the world by bringing their research to market around key technology focus areas[2] through a model that has the potential to immediately innovate our Nation's national security pipeline. Activate's entrepreneurial fellowship model originated at Cyclotron Road, a program of Lawrence Berkeley National Laboratory and founding Activate partner. Activate has in-residence communities in Berkeley, Boston, New York, and Houston. With support from the National Science Foundation (NSF) through authorization granted in the CHIPS and Science Act of 2022, Activate has been able to scale to support additional fellows; partner with more Federal agencies and stakeholders; and create a new remote offering, Activate Anywhere, that supports fellows across the Nation in addition to its in-residence communities. For FY 2025, Activate is seeking to expand its reach across the Department of Defense (DoD) through ARL regional sites, strategically located in multiple locations across the Nation.

ACTIVATE'S ENTREPRENEURIAL FELLOWSHIP MODEL

Activate strongly believes a 2-year fellowship pilot program in partnership with ARL would empower the most promising science entrepreneurs to transform their national security-relevant research into products that can benefit the warfighter and bolster the Nation's defense industrial base. Nearly all Activate Fellows receive follow-on financing from corporate, venture, or government partners to bring their products to market, ensuring the Nation remains at the forefront of scientific innovation.

To date, Activate's 188 fellows have formed 147 companies and raised over $2.3 billion in follow-on funding, with 94% of companies still active. Additional support

[1] Program Element 0602182A, C3I Applied Research, Department of Defense, Army, 2040 Research, Development, Test & Evaluation.
[2] https://www.activate.org/verticals.

from Congress will ensure that this program continues to meaningfully scale and reach capacity while expanding support to more diverse scientists located around the U.S. Broadening the reach of this effective program would ensure more and better research translation outcomes nationwide and go a long way toward advancing our Nation's defense industrial base around numerous key technology areas.

Since 2018, Activate has been working to deliver entrepreneurial fellowships with support from DoD through the Defense Advanced Research Projects Agency (DARPA)'s INNOVATE Program. The DARPA program will end in October 2024, having funded 27 microelectronics innovators who founded 22 companies that have raised over $163 million. A pilot program with the Army would expand Activate's footprint to other mission-driven agencies supporting DoD technology needs.

THE VALUE OF THE ENTREPRENEURIAL FELLOWSHIP PILOT

With the ever-present need to stay competitive against our Nation's adversaries, rapid innovation is critical to developing and deploying advanced defense technology. The Entrepreneurial Fellowship Pilot would fund 12 Activate Fellows and their companies in support of the Army to accelerate new national security capabilities and enable faster innovation cycles. Funding for Army-specific entrepreneurial fellowships would foster early-stage innovation across Army Research Lab (ARL) regional sites, decreasing risk for Army-relevant technology research and eventually increasing speed of innovation by tapping into venture capital.

Activate Fellows would support technology commercialization across ARL's core competency areas, including but not limited to: Biological + Biotechnology Sciences; Photonics, Electronics, and Quantum Sciences; Electromagnetic Spectrum Sciences; Mechanical Sciences; Sciences of Extreme Materials; Energy Sciences; and Network, Cyber, and Computational Sciences. This request would also expand and diversify the Army STEM workforce and further leverage defense laboratory resources, lab space, and lab equipment, while further enriching surrounding communities. Overall, Activate's 2-year fellowship pilot in partnership with ARL would help sustain military readiness, bolster technological superiority, and improve operational effectiveness.

CONCLUSION

Given Activate's existing capabilities to support research across ARL's core competency areas, Activate respectfully requests the allocation of an additional $8 million for the Entrepreneurial Fellowship Pilot within the C3I Applied Research account (PE 0602182A) to embed fellows at Army Research Laboratory regional sites to foster the commercialization of national security technologies of interest to the Department of the Army and the broader defense industrial base.

On behalf of Activate, we would like to thank you for the opportunity to provide this testimony. Please do not hesitate to contact us should you have any questions about Activate or the 2-year entrepreneurial fellowship pilot. Activate sincerely appreciates the subcommittee's long history of support for scientific research and innovation.

[This statement was submitted by Karin Lion, Chief Growth Officer, Activate Global Inc.]

PREPARED STATEMENT OF THE AMERICAN SOCIETY OF TROPICAL MEDICINE AND HYGIENE

The American Society of Tropical Medicine and Hygiene (ASTMH)—the largest international scientific organization of experts dedicated to reducing the worldwide burden of tropical infectious diseases and improving global health -appreciates the opportunity to submit testimony to the House Appropriations Committee's subcommittee on Defense. ASTMH urges the subcommittee to protect funding for malaria research at the Department of Defense. Our request pertains to both the Congressionally-Directed Medical Research Program (CDMRP) and research funding in the Defense Health Program budget.

PROTECTING MALARIA RESEARCH PROGRAMS AT THE WALTER REED ARMY INSTITUTE OF RESEARCH AND THE NAVAL MEDICAL RESEARCH CENTER

Every year, the Department of Defense (DoD) ranks malaria as one of the leading infectious disease threats to our men and women in uniform. Combatant commanders support continued disease research for the benefit of service members forward deployed in malaria-endemic countries, and also partner and ally militaries,

Americans traveling abroad, and for the good of all people living with the threat of the disease.

Despite this history of need and impact, malaria research programs at the Walter Reed Army Institute of Research (WRAIR) and the Naval Medical Research Center (NMRC)—the world's premier malaria research programs—are on the verge of elimination due to U.S. Army budget cuts enacted without the consent of Congress or combatant commanders. In recent years, DoD outlined a plan to eliminate malaria drug and vaccine research funding over the next few years. DoD has already in recent years reduced funding for malaria vaccine research by shifting and removing lines and program elements, but today the entire malaria drug and vaccine portfolio is at risk. This comes at a time when we are experiencing locally acquired cases of malaria in the US and the parasites that cause malaria and the mosquitoes that carry them continue to evolve and are adapting to new environments, showing signs of resistance to current drug treatments and insecticides, and deleting specific genes to evade our current testing methods to detect them. Further, there is the spread of a new invasive malaria vector, the Anopheles stephensi mosquito that can thrive in both rural and urban areas, and persist throughout dry seasons. It has been spreading to new regions and is an evolving threat. For example, if it invades large cities, the horn of Africa could face unprecedented-sized malaria outbreaks. This could put an additional 126 million people in urban areas at risk of malaria as well as US troops that may deploy to these areas.

Cutting or eliminating malaria research programs at WRAIR and NMRC would be detrimental to troop readiness and protection, as well as global health, and represent a loss of talent and capability not easily rebuilt once gone. The shortsightedness of such a move is astounding given these anticipated impacts:

1. DoD would lose world-leading infectious disease researchers—many of whom can and have pivoted to apply their expertise to COVID–19, Zika, and other threats when needed.
2. The US government's essential bench-to-bedside malaria research capabilities would be lost, and our premier malaria research labs in need of rebuilding and restaffing. This would significantly hamper our capabilities when we have new military confrontations in malaria-endemic regions and when parasites become resistant to current malaria drugs—rendering treatments in use today by our military ineffective, and hinder our ability to develop new ones.
3. Service members from every branch of DoD are currently deployed to malaria-endemic countries all over the world and this is unlikely to change any time soon. According to WRAIR, malaria infections among service members are responsible for an estimated 5,300–21,000 lost work hours and $1.12–4.37 million per year in evacuation and medical care costs.[1] Further, rollbacks to funding for malaria research could gravely leave U.S. troops deployed in endemic areas without essential new critical life-protecting and life-saving antimalarial medical countermeasures.

Given these potential impacts, ASTMH urges Congress to maintain support for malaria research in the Fiscal Year (FY) 2025 Defense Appropriations bill.

INCLUDING MALARIA ON THE LIST OF DISEASES ELIGIBLE FOR CDMRP FUNDING

ASTMH urges the subcommittee to include malaria on the list of diseases eligible for funding through the Peer-Reviewed Medical Research Program under CDMRP for FY 2025. The Peer-Reviewed Medical Research Program has been essential in supporting and supplementing funding for the DoD research labs and for attracting researchers to important work that will protect service members. Malaria was previously included as a research topic in the Peer Reviewed Medical Research Program in FY 2004, from FY 2012–2018 and FY2021–2024, but was excluded in FY2019–2020.[2] Such sporadic inclusion undermines long-term research. A review of the Congressional Directed Medical Research Program database shows that, when malaria is included on the list of eligible research topics, there is robust demand for malaria research funding. As noted above, military malaria researchers at NMRC and WRAIR are working to develop drugs and vaccines designed to protect or treat healthy adults with no developed resistance to malaria—U.S. military and travelers. The Peer-Reviewed Medical Research Program's renewed inclusion of ma-

[1] Biologics Research & Development. Walter Reed Army Institute of Research (WRAIR). https://wrair.health.mil/Biomedical-Research/Center-for-Infectious-Disease-Research/Biologics-Research-Development/.

[2] Peer Reviewed Medical. Congressional Direct Medical Research Programs (CDMRP). https://cdmrp.health.mil/prmrp/topicareas/topicareas.

laria and the military's work in this area is critical to maintaining both the health of our troops and protecting U.S. national security interests.

CONCLUSION

With an estimated 249 million infections and an estimated 608,000 deaths reported in 2022, malaria continues to pose a threat to U.S. military operations and the health and well-being of deployed military personnel.[3] To ensure mission success and troop readiness in all theaters, it is critical that Congress support sustainable investments in U.S malaria R&D at the Department of Defense, particularly through WRAIR and NMRC, to increase our knowledge, understanding, and tools to confront infectious diseases. ASTMH appreciates the opportunity to share its expertise and we hope you will provide the requested FY25 resources to the programs identified.

[This statement was submitted by Linnie Golightly, MD, President, American Society of Tropical Medicine and Hygiene.]

PREPARED STATEMENT OF THE AMERICAN TYPE CULTURE COLLECTION

Chairman Tester, Ranking Member Collins, and Members of the subcommittee:

I appreciate this opportunity to provide written testimony on Defense appropriations for fiscal year 2025. My name is Dr. Joseph Leonelli and I have the honor of serving as the Senior Vice President and General Manager of ATCC Federal Solutions of the American Type Culture Collection (ATCC).

ATCC is a non-profit organization founded in 1925 and headquartered in Manassas, VA. We serve as a national resource to the life science research and development community. Our team of over 670 employees provides the research community with the world's most diverse biological resource center with high-quality reagents that support and catalyze global health initiatives within the U.S. government, academia, industry, and research foundations. We have supported the Federal Government for over 50 years, with frontline research and development (R&D) and with biological research starting materials. Many of these biological specimens are cited as standards by the U.S. Food and Drug Administration (FDA), U.S. Department of Agriculture (USDA), Association of Official Analytical Collaboration (AOAC) International, Clinical and Laboratory Standards Institute (CLSI), US Pharmacopeia (USP), World Health Organization (WHO), and other organizations and agencies that are involved in public health, diagnostics, food safety, and clinical and therapeutic product development. ATCC exemplifies readiness and robustness to pivot to global pandemic response rapidly and seamlessly in its responses to several recent outbreaks (Zika, H1N1, and Ebola virus outbreaks) and the COVID–19 pandemic. For example, through the NIAID Biological and Emerging Infections Research Resources Repository (BEI Resources) program, managed by ATCC, we have provided more than 200,000 vials of SARS-CoV–2 and related coronavirus strains and reagents to over 3,500 researchers at 1,860 institutions in more than 77 countries. Through the CDC International Reagent Resources (IRR) contract, ATCC has shipped 69,245 products since the start of 2020 to support the surveillance and detection of SARS-CoV–2 globally. These efforts were critical in the development of vaccines, diagnostics, and therapeutics. Aside from COVID–19, ATCC has been a vital partner in the Federal response to every notable emerging infectious disease outbreak in the last two decades, including H1N1 swine influenza in 2009, MERS in 2012, Ebola in 2014, Zika in 2016 and MPOX in 2022.

Specific to the Department of Defense, infectious diseases are a persistent threat to U.S. military personnel and pose a serious risk to military operations and the readiness, health, and effectiveness of current and future forces, and thus the security of our country. Furthermore, Warfighters are hospitalized more often for infectious diseases than those who are wounded in combat. Thus, the current national military strategy specifies a worldwide force protection capability that requires surveillance, prevention, diagnosis, and treatment to protect U.S. Forces against potential infectious disease threats. However, the increased demand for public health and pandemic response capabilities has highlighted inadequate resourcing and exposed deficiencies in coordination required for a rapid response to our National health security needs. Preparing for, responding to, and recovering from complex infectious disease outbreaks requires an integrated approach between government Departments and stakeholders. The development of innovative medical countermeasures

[3] World Malaria Report (2023). https://www.who.int/teams/global-malaria-programme/reports/world-malaria-report-2023.

must be pursued to address increasing resistance to currently available treatments while providing a continuous pipeline of potential solutions for protecting and treating military personnel from infectious diseases to strengthen military operational readiness and effectiveness.

There's no greater evidence for ATCC's commitment to warfighter health than our integral role in supporting the U.S. government's public health responses. Since 2003, ATCC has had a proven record for acquiring critical reagents and supplies, the expansion and characterization of high-quality materials, and storage and global distribution where the materials are needed. Our actions have contributed to the rapid development and deployment of diagnostic assays and therapeutics for emerging and re-emerging infections. ATCC currently supports the Federal Government by providing well-characterized microorganism isolates, biorepository management services, and quality-assured technical documentation to screened, registered, and government-approved research laboratories. Through the BARDA Biospecimen Storage and Investigational Products (BSIP) program, ATCC serves as a national biorepository for clinical samples related to the pandemic vaccine development efforts. In conjunction with ATCC's commercial operations, these contracts afford us superior global logistics experience handling biological materials.

To adapt and fortify the Nation's defense and biodefense systems against infectious disease vulnerabilities in the future, the Department must look at biotechnology beyond a means to improve medical care and vaccines and must capitalize on the biomanufacturing revolution to meet its capability gaps. Manufacturing products using biology will contribute to supply chain resiliency, enhance logistics, and create materials with novel, mission-required properties, which fortify the U.S. military's ability to provide integrated protection, treatment, and deterrence from infectious diseases.

Thank you for your leadership and service on the Senate Committee on Appropriations and subcommittee on Defense on behalf of our country's brave and dedicated military personnel. Without question, our military men and women go above and beyond, risking their lives, in service to our country. I respectfully request your support for programs and funding for the Department's development of medical countermeasures (MCMs), which are crucial for health and biodefense preparedness and response against biological threats.

[This statement was submitted by Joseph Leonelli, Ph.D., Senior Vice President and General Manager, American Type Culture Collection.]

PREPARED STATEMENT OF THE AMERICAN UROLOGICAL ASSOCIATION

The American Urological Association (AUA), the premier organization for urologists worldwide with over 15,000 urologists across the United States, thanks Chairman Tester, Ranking Member Collins, and fellow members of the committee for the opportunity to provide written testimony on the health needs of our military and veterans, including bladder cancer.

Our testimony outlines the importance of combatting bladder cancer to our Nation's military and veteran population, as well as the need for expanded investments in research and new advances in treatment and care. We respectfully request an $8 million line item within the Fiscal Year (FY) 2025 Congressionally Directed Medical Research Programs (CDMRP) for bladder cancer to stabilize the field and fund groundbreaking science that can finally bend the survival rate of bladder cancer in the right direction.

Bladder cancer is the fourth most diagnosed cancer in U.S. military and veteran populations, and the sixth most diagnosed cancer in Americans.[1] The American Cancer Society estimates that in 2024, approximately 83,190 Americans will be diagnosed with bladder cancer and roughly 16,840 will lose their lives to this dreadful disease. While survival rates for other cancers have increased and treatment and risk management paradigms advanced, the 5-year survival rate for bladder cancer has not improved in more than 30 years and progress has lagged comparatively.

Congress has previously provided funding for bladder cancer research through the Department of Defense's Peer Reviewed Cancer Research Program within the CDMRP. Despite the support to date for innovative and competitive bladder cancer research, there remains an urgent need to provide predictable investment that will improve the outcomes for this deadly cancer. A dedicated funding line will help attract researchers to this field by demonstrating a sustained commitment to this work.

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[1] VA News: Bladder Cancer and Veterans: What You Need to Know, May 11, 2022: https://news.va.gov/103200/bladder-cancer-and-veterans-what-you-need-to-know/.

The AUA represents the interests of urologists and urologic professionals across the United States. We know firsthand that new tools, treatments, and techniques are necessary to ensure that a bladder cancer diagnosis has good, long-term outcomes. Investments in research are fundamental to that end. Highlighting bladder cancer's importance to our military community by including a line item will ensure that the research field can grow and that more research applications are funded moving forward. This is particularly critical for younger investigators who may be interested in pursuing bladder cancer research but are unsure of the field's financial stability and the feasibility of their grant applications given extremely limited resources.

The relevance to U.S. veterans is clear: many who served in the military were exposed to high levels of "rainbow herbicides," including Agent Blue and Agent Orange that are both recognized as highly toxic. In the National Defense Authorization Act for FY 2021, Congress directed the addition of bladder cancer to the Department of Veterans Affairs' list of presumptive diseases linked to Agent Orange exposure. This addition came after the National Academy of Medicine included bladder cancer on its list of "suggestive evidence of association" with Agent Orange exposure.

Additionally, there is a growing body of evidence suggesting a significant link between exposure to burn pits and bladder cancer, which must be further explored. Unfortunately, bladder cancer is a lagging indicator for carcinogens given it tends to impact older individuals. However, we can be sure that there is likely a connection to burn pits based on other inhaled carcinogens being known risk factors.

The AUA's Research Appropriations Committee met with members of the U.S. House Appropriations Committee earlier this year about this issue, making clear that establishing an $8 million Bladder Cancer Research Program under CDMRP is the AUA's top research priority in the FY 2025 appropriations cycle. They were joined by a bladder cancer patient and veteran named Carlos Glender, who shared his story as part of these meetings, summarized below.

Carlos was born in Evanston, Illinois in June of 1954. He started his professional career by serving 20 years in the U.S. Navy, in the field of naval aviation, from 1975 to 1995. After that, he worked as a Materials Manager for the cargo airline, Airborne Express in Wilmington, Ohio for 13 years. Following that position, he worked as a civil service Logistics Manager for the U.S. Air Force at Wright Patterson AFB, where he worked for 6 years. In the fall of 2016, Carlos noticed blood in his urine. His wife, who is a nurse, persuaded him to see his urologist.

Carlos was diagnosed with Non-Muscle Invasive Bladder Cancer (NMIBC) in January 2017. He had surgery to remove the tumor and went to the nearest National Cancer Institute for a second opinion, which was the James Cancer Center at Ohio State University. They confirmed the cancer, and after another surgery, placed him on a BCG treatment regimen. Carlos has since completed 18 BCGs and he has been cancer free for over 7 years.

Carlos received BCG, which is general standard of care treatment for bladder cancer. Notably, BCG is primarily used as a vaccine against tuberculosis and more than one hundred years old. In the past four decades, it has also become the main immunotherapy used to treat early-stage bladder cancer.

The fact that the front-line treatment for bladder cancer is a tuberculosis treatment that's more than hundred years old speaks to the dire need for expanded investments in research and the treatment development pipeline. Second-line therapies for patients who recur after BCG are particularly lacking. Another high-impact area of focus in bladder cancer research is the development of novel therapies to avoid major surgery.

It is clear more must be done, and that our men and women in the armed forces will directly benefit from advancements against bladder cancer given its higher incidence rate among veterans than the general public. Establishing an $8 million Bladder Cancer Research Program in FY 2025 would go a long way toward helping to stabilize the funding environment and recruiting the next generation of researchers to bladder cancer.

We thank you for your time and attention to this urgent health priority for our military and veteran population.

PREPARED STATEMENT OF THE COALITION FOR NATIONAL SECURITY RESEARCH

On behalf of the Coalition for National Security Research (CNSR), a 100-member-plus coalition of industry, academia, scientific and professional associations, and non-profits, we write to thank you for your support for the Defense Science and Technology (S&T) program in the fiscal year (FY) 2024 Defense Appropriations bill. We understand the FY 2024 appropriations cycle has been especially challenging as

Congress has debated overall funding levels for the Federal Government; we sincerely appreciate Congress' careful consideration of Defense S&T funding throughout the process. As you transition to considering the FY 2025 Defense Appropriations bill, we urge you to prioritize the Defense S&T program once again.

As you know, the Pentagon continues to ignore the congressional direction included in the Defense appropriations bills and unilaterally removes the generous—and essential—funding increases Congress provides to the 6.1, 6.2, and 6.3 program elements that comprise the Defense S&T program. As a result, these accounts were cut significantly in the FY 2025 budget compared to FY 2024 appropriated levels. Perhaps even more concerning, the Administration's FY 2025 budget request for Defense S&T is in general less than its FY 2024 request. We are deeply concerned by this trajectory. The looming threats of near-peer conflict and increasing gray zone activity mean it is imperative we adequately fund Defense S&T and basic research.

To provide a clear overview, the table at the end of this document summarizes the recent funding history and our specific requests for the program elements most relevant to our coalition. While each PE has its own unique portfolio of work, they share two key characteristics: (1) The Defense basic research funded by these programs support the R&D that contributes to revolutionary technological capabilities. (2) These programs directly and indirectly strengthen our defense industrial base workforce.

MILITARY CAPABILITIES TO WIN STRATEGIC COMPETITION

We must invest in the foundational research that underpins our National security and technological superiority. Prior investments in DoD basic research have led to advances in hypersonics testing, various quantum technologies, creating semiconductors fueling defense radar systems, improvements in solar cell efficiency, laser technologies, stealth capabilities, night vision, GPS, sonar, radar, precision munitions, biosensors, and near-real-time delivery of battlefield information. Current investments in DoD basic research are working towards next-generation sensor technologies to improve situational awareness (optics, materials science, electrical engineering); autonomous vehicles to support Service members in the field (AI, cognitive psychology, underwater robotics, aeronautics); new strategies for enhancing Service members' health and performance (bioengineering, material science, genetics, neuroscience); new systems to improve maintenance of key equipment (optics, electrical engineering, AI, mechanical engineering); and more.

Unfortunately, there is growing evidence—in reports from groups like the House Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party (House CCP Committee), DoD and the National Science Board (NSB)—

—the United States is falling behind in the race for leadership in certain critical technologies;[1,2]

—China currently is the world leader in hypersonics and aims to overtake the West in AI R&D by 2025;[3] and

—China has the largest Navy in the world, placing further importance on the developing military technologies to provide strategic advantages.[4]

University and Basic Research Initiatives: The Army, Navy and Air Force each have a University Research Initiative (URI) program element that supports critical multidisciplinary research (through MURI) as well as the instrumentation (through DURIP) that is needed to create transformational military technologies. The Office of the Secretary of Defense has a comparable program called Basic Research Initiatives (BRI). Investments in BRI and URIs have resulted in new domestic semiconductor manufacturing capabilities, advances in quantum computing and communication, military drones, nanotechnology, and sensor enabling navigation in GPS compromised environments among many other military technological capabilities.

In FY 2025, the Pentagon includes a URI program element for the Space Force as well. While CNSR is pleased to see this inclusion in the budget request, we are concerned it comes at the expense of Air Force research. We continue to investigate the budget details to understand the impacts, and we urge Congress to ensure that Air Force and Space Force URIs both have the support they need.

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[1] https://selectcommitteeontheccp.house.gov/media/policy-recommendations/reset-prevent-build-strategy-win-americas-economic-competition-chinese.

[2] https://ncses.nsf.gov/pubs/nsb20243.

[3] https://media.defense.gov/2023/Oct/19/2003323409/-1/-1/1/2023-MILITARY-AND-SECURITY-DEVELOPMENTS-INVOLVING-THE-PEOPLES-REPUBLIC-OF-CHINA.PDF.

[4] Ibid.

Minerva Research Initiative: Many of the National security challenges we face are social or have social elements to them. Minerva serves as DoD's signature social science basic research program, and each Service contributes some funding for Minerva to support their social science research priorities. Minerva research provides an important source of new ideas to better understand social, behavioral, cultural, and political aspects that are inherent to our security stability. is contributing to areas of strategic interest to DoD such as AI/machine learning, contested maritime water issues, cyber and ransomware, and China's rise in foreign affairs among others.

Defense Advanced Research Projects Agency (DARPA): DARPA's ability to create truly revolutionary new military capabilities is well documented. With no intramural research laboratories, DARPA relies on partners, such as CNSR members, to conduct transformational scientific research to advance military technologies. In fact, more than 90 percent of DARPA's R&D budget is awarded extramurally. DARPA-sponsored research with industry and the academic community has led to stealth capabilities, unmanned aerial systems, metamaterials, advances in microelectronics and the computer chips fueling AI technologies.

STRENGTHEN DEFENSE INDUSTRIAL BASE AND S&T WORKFORCE

The Defense basic research programs described above are a critical component of ensuring the U.S. has a robust defense industrial base (DIB) and S&T workforce. When adequately resourced, individuals funded by these research programs can enjoy a long career of intellectually stimulating projects that have larger national and social impacts, as well as access to state-of-art facilities and equipment. Furthermore, basic research program elements support a wide range of programs dedicated to strengthening the industrial base workforce by attracting the most creative minds to solve complex military challenges and training students in fields of critical interest to DoD.

This work is essential as DoD estimates that the DIB will require more than 4 million total jobs to maintain sustainable throughput in 2030.[5] The various subsectors that make up the DIB, like advanced manufacturing (missing 2.1 million worker)[6] and semiconductors (missing 67,000 workers)[7], are anticipating labor shortfalls in that same time period. Additionally, a DIU report on the space sector calls out workforce as a top industry concern.[8] According to the House CCP Committee, this is happening at the same time China is gaining on the U.S. in the race for global talent. They find that the CCP has invested heavily in scientific and technological education, which has resulted in as many as five times as many STEM graduates as the United States. "It is clear the United States needs more individuals working on research and development in critical and emerging technologies," they say.[9]

Defense S&T Scholarship and Fellowship Programs: With adequate resources, DoD programs—like the Science, Mathematics, and Research for Transformation (SMART) Scholarship-for-Service Program and the National Defense Science and Engineering Graduate (NSDEG) Fellowship—support DoD's ability to recruit and educate the future DoD civilian STEM workforce and DIB. These programs provide unique pathways for STEM students to pursue high quality educations—which include research internship opportunities—and begin a rewarding career with the DoD.

Programs Ensuring Everyone is Engaged in Defense S&T: Only by ensuring everyone in the U.S. has the opportunity to engage in the Defense and S&T enterprises can we meet the challenges of today and tomorrow. The National Defense Education Program (NDEP) supports a comprehensive workforce development and training by funding activities such as the manufacturing engineering education program, enhanced civics education, after-school programs, competitions, and internships for students and professional development and training for educators. For institutions of higher education (IHE), DoD's Historically Black Colleges and Universities and Minority-Serving Institutions (HBCU/MI) program brings a diverse pool of talent to engage in critical discovery, while the Defense Established Program to Stimulate

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[5] https://www.defense.gov/News/News-Stories/Article/Article/3540407/dod-is-taking-steps-to-shore-up-industrial-workforce/.

[6] https://www2.deloitte.com/us/en/insights/industry/manufacturing/manufacturing-industry-diversity.html.

[7] https://www.semiconductors.org/chipping-away-assessing-and-addressing-the-labor-market-gap-facing-the-u-s-semiconductor-industry/.

[8] https://www.diu.mil/latest/ssib23-report-calls-for-action-to-build-enduring-advantages-in-space-for.

[9] https://selectcommitteeontheccp.house.gov/media/policy-recommendations/reset-prevent-build-strategy-win-americas-economic-competition-chinese.

Competitive Research (DEPSCoR) ensures DoD is resourcing IHEs across the U.S. regardless of institution type or geographic location.

	Program Element	FY 23 Enacted	FY 24 Budget Request	FY 24 Enacted	CNSR FY 25 Request	FY 25 Budget Request	FY 25 Budget - FY 24 Budget
	RDT&E Overall	*$139,760,526*	*$144,979,625*	*$148,320,479*	*$151,985,687*	*$143,156,590*	*-1.26%*
	6.1 Basic Research	*$2,918,940*	*$2,479,661*	*$2,626,162*	*$3,418,142*	*$2,452,901*	*-1.08%*
	6.2 Applied Research	*$7,800,894*	*$6,017,674*	*$7,604,821*	*$7,568,167*	*$5,795,874*	*-3.69%*
	6.3 Advanced Tech. Dev.	*$11,705,849*	*$9,327,385*	*$11,292,885*	*$10,602,299*	*$8,959,028*	*-3.95%*
	Defense Science & Technology (S&T)	*$22,425,683*	*$17,824,720*	*$21,525,868*	*$21,588,608*	*$17,207,803*	*-3.46%*
Army	Defense Research Sciences	$391,642	$296,670	$334,670	$383,370	$310,191	*4.56%*
	University Research Initiatives	$107,160	$75,672	$85,672	$186,212	$78,166	*3.30%*
	University and Industry Research Centers	$121,160	$108,946	$124,946	$126,083	$109,726	*0.72%*
	Cyber Collaborative Research Alliance	$5,355	$5,459	$5,459	$5,787	$5,525	*1.21%*
	Artificial Intelligence and Machine Learning Basic Research	$10,078	$10,708	$10,708	$11,350	$10,309	*-3.73%*
	Basic Research Overall	**$635,395**	**$497,455**	**$561,455**	-	**$513,917**	3.31%
Navy	University Research Initiatives	$147,376	$96,355	$106,355	$208,136	$94,259	*-2.18%*
	Defense Research Sciences	$541,513	$540,908	$557,158	$632,987	$483,914	*-10.54%*
	Basic Research Overall	***$688,889***	***$637,263***	***$663,513***	-	***$578,173***	***-9.27%***
Air Force	Defense Research Sciences	$406,125	$401,486	$381,386	$457,269	$361,930	*-9.85%*
	University Research Initiatives	$206,192	$182,372	$185,472	$297,300	$143,372	*-21.38%*
	Basic Research Overall	**$612,317**	**$583,858**	**$566,858**	-	**$505,302**	**-13.45%**
Space Force	Defense Research Sciences	$25,000	$0	$20,100	$74,306	$21,349	*N/A*
	University Research Initiatives	$30,000	$0	$14,400	$121,264	$14,731	*N/A*
	Basic Research Overall	***$55,000***	***$0***	***$34,500***	-	***$36,080***	***N/A***
Defense-Wide	DTRA Basic Research	$16,584	$14,761	$21,761	$23,067	$15,311	*3.73%*
	Defense Research Sciences	$404,370	$311,531	$304,031	$366,263	$303,830	*-2.47%*
	High Energy Laser Research Initiatives	$21,257	$16,329	$16,329	$17,309	$16,518	*1.16%*
	Basic Research Initiatives	$93,673	$71,783	$111,783	$118,490	$77,132	*7.45%*
	Basic Operational Medical Research Science	$76,874	$50,430	$50,430	$53,456	$99,048	*96.41%*
	National Defense Education Program	$174,347	$159,549	$162,549	$171,242	$169,986	*6.54%*
	Historically Black Colleges and Universities/Minority Institutions	$100,500	$100,467	$101,467	$128,755	$99,792	*-0.67%*
	Chemical and Biological Defense Program	$39,734	$36,235	$33,486	$35,495	$37,812	*4.35%*
	Minerva Research Initiative (MRI)	$22,798	$22,668	$22,668	$24,028	TBD	*TBD*
	Basic Research Overall	**$927,339**	**$761,085**	**$801,836**	-	**$819,429**	*7.67%*
	Defense Advanced Research Projects Agency (DARPA)	$4,064,764	$4,388,382	$4,122,590	$4,338,073	$4,369,913	*-0.42%*
	DHP R&D & CDMRPs	$3,041,610	$0	$2,877,048	$2,074,391	$0	*0.00%*

PREPARED STATEMENT OF DEPARTMENT OF DEFENSE STARBASE

I write to respectfully and personally request the Defense subcommittee fund the Department of Defense (DoD) STARBASE Program at $60 million for Fiscal Year 2025. This level of funding, a $7 million increase in total enacted FY24 funding, will allow the DoD to launch additional programs, expand existing capacity, and upgrade classroom technologies.

DoD STARBASE is an effective outreach in Science, Technology, Engineering, and Mathematics (STEM) educational programs for elementary and secondary school students. STARBASE provides 25 hours of STEM instruction, along with hands-on after school STEM activities. Since its inception in 1993, DoD STARBASE has served more than 1.7 million students from 38 States and territories in more than 590 schools districts. In addition, DoD STARBASE locations have documented 14,254 volunteers contributing 191,288 hours to the program; valued at $6,013,543, the efforts of all these volunteers demonstrates strong community support for the DoD STARBASE program locations.

In FY2023, DoD started three new STARBASE program sites. Although the program's on-going funding remains uncertain, DoD has approved start-up funding in FY2024 for Offutt Air Force Base, Nebraska, and Fort Barfoot Maneuver Training Center, in Blackstone, Virginia. The first Coast Guard STARBASE program site at Elizabeth City, North Carolina is expected to receive start-up funding in FY2024 as well. An additional 17 locations remain on the waiting list for a STARBASE program site in the future. Currently, a total of 86 DoD STARBASE program sites are located on military installations nationwide.

Strong evidence-based evaluations of STARBASE program participants show significant improvement in the students' understanding, interest, and abilities in math and science, which has led to increased enthusiasm in pursuing STEM education. Studies conducted by Wilder Research and the University of New Mexico, identify long-term program impacts on students' high school graduation, college enrollment, and interest in STEM. Survey results indicate that former DoD STARBASE students and military personnel have incredibly positive feelings about DoD STARBASE, even a decade later.

With its national reach and broad record of success, STARBASE is a key tool in the DoD's ongoing national efforts intended to close the STEM achievement gap with other nations. The STARBASE program is also a key tool in bolstering relationships between the DoD and local communities, through assured access to military installations while fostering awareness of military culture.

Continued interest and knowledge in STEM are important to our Nation and the state of Oregon's future as we strive to build and sustain a highly educated and skilled workforce capable of meeting the advanced scientific and technological requirements of the DoD. STARBASE Oregon is currently serving over 5,000 underserved students annually and has significantly enriched the educational landscape in local urban and rural communities for over two decades. The potential closure of Oregon's four STARBASE program sites due to insufficient funding would severely impact these students, depriving them of the invaluable exposure to hands-on STEM curriculum.

For all these reasons and more, I ask that the DOD STARBASE Program receive your full support for Fiscal Year 2025.

Thank you for your consideration of this request as well as your past support of the STARBASE program. The point-of-contact to answer any additional questions you may have is: Jordan Brown, Executive Director, STARBASE Oregon, at: Jordan.Brown@omd.oregon.gov.

Sincerely,

Alan R Gronewold
Brigadier General
The Adjutant General

PREPARED STATEMENT OF THE FOUNDATION FOR AMERICAN INNOVATION

Chairman Tester, Ranking Member Collins, and members of the subcommittee:

My name is Dan Lips. I am Head of Policy at the Foundation for American Innovation, a think tank focused on promoting innovation, strengthening governance, and advancing national security. I write to respectfully request that the Committee include report language requiring the Department of Defense (DoD) to include in its annual GAO–IG Act report "estimated completion dates" for all open Government Accountability Office (GAO) and Inspector General (IG) recommendations. Further, the Committee should require DoD to identify currently unimplemented recommendations that could achieve substantial cost savings for American taxpayers, strengthen national security, and improve the safety and wellbeing of military personnel and their families.

DoD will spend more than $800 billion in FY2024.[1] Defense spending accounts for nearly half of the Federal Government's discretionary spending.[2] But the Federal Government is facing a fiscal crisis that will create increasing pressure on discretionary spending, including the defense budget. For example, according to the Congressional Budget Office, the Federal Government will spend more on net interest than the defense budget in 2024 and in subsequent years.[3] The scenario unfolding is what once caused former Joint Chiefs of Staff Michael Mullen to warn in 2010 that "the most significant threat to our National security is our debt," since the Nation's ability to appropriately resource the military depends on fiscal and economic conditions.[4]

Congress has a responsibility to take broader actions to course correct the Nation's "unsustainable long-term fiscal path."[5] But the subcommittee and DoD also have an opportunity to achieve substantial cost savings and improve DoD's performance.

Through the FY2023 Omnibus Appropriations Act, Congress required GAO to issue a report estimating the potential cost savings that could be achieved if Federal agencies acted upon the congressional watchdog agency's unimplemented recommendations.[6] According to its report responding to Congress, GAO estimated that implementing all of GAO's open recommendations and matters for Congressional

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[1] Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer March 2024, United States Department of Defense Fiscal Year 2025 Budget Request (2024), https://comptroller.defense.gov/Portals/45/Documents/defbudget/FY2025/FY2025__Budget__Request__Overview__Book.pdf.

[2] Congressional Budget Office, Discretionary Spending in Fiscal Year 2023: An Infographic, March 5, 2024, https://www.cbo.gov/publication/59729.

[3] Congressional Budget Office, The Budget and Economic Outlook: 2024 to 2034 (2024), https://www.cbo.gov/system/files/2024-02/59710-Outlook-2024.pdf.

[4] CNN Wire Staff, "Mullen: Debt Is Top National Security Threat," CNN, August 27, 2010, https://www.cnn.com/2010/US/08/27/debt.security.mullen/index.html.

[5] Government Accountability Office, "A Warning About Our Nation's Fiscal Health," February 16, 2024, https://www.gao.gov/blog/warning-about-nations-fiscal-health.

[6] FY2023 Omnibus Appropriations Act, Legislative Branch Division I—Explanatory Statement, https://www.appropriations.senate.gov/imo/media/doc/Division%20I%20-%20Leg%20Statement%20FY23.pdf.

consideration "could produce $92 billion to $182 billion of measurable, future financial benefits." [7] However, the watchdog agency indicated that this was a conservative estimate, since the estimate did not include "certain individual recommendations that may have large potential financial benefits, such as one for equalizing certain Medicare payment rates that the Congressional Budget Office estimated could result in $141 billion in financial benefits." [8]

Regarding the Department of Defense, GAO explained that it had made more than 7,600 recommendations for DoD since 2001, and that GAO had identified 251 instances of financial benefits totaling $151 billion and 4,300 other (non-financial) benefits from these recommendations.[9] Further, GAO conducted a simulation that estimated that DoD could achieve between $28 billion and $44 billion in savings if it implemented open recommendations.[10]

As of May 8, 2024, GAO reports that more than 780 recommendations (including 43 priority recommendations) for DoD remain open.[11] More than 200 of these recommendations (including more than 20 priority recommendations) were made more than 4 years ago,[12] which is important since GAO has warned that recommendations not made within 4 years are less likely to be implemented.[13]

With its budget submission, DoD included an appendix in response to the GAO–IG Act, which includes detailed information about the status of each open GAO and Inspector General recommendation. A review of DoD's recommendation database shows that the "Estimated Completion Data for Full Implementation" was listed as "to be determined" for 86 recommendations (including for 47 recommendations made more than 4 years ago).[14] Similarly, 91 open IG recommendations had a "to be determined" completion date (including for 26 recommendations made more than 4 years ago).[15]

To help achieve taxpayer savings and achieve other improvements, the Committee should require DoD to do the following:

First, the Committee should include report language encouraging DoD to provide estimated completion dates for all unimplemented GAO or IG recommendations in its GAO–IG Act reports in FY2026 and future years. Providing a clear timeline for the implementation of open recommendations would allow Congress to hold the Department accountable for achieving cost savings and achieving other improvements to strengthen DoD's improvements in future years.

Second, the Committee should require DoD to identify currently open recommendations that could achieve significant cost savings and expedite their implementations. The Committee could require the DoD to brief Congress on these recommendations and provide a plan of action to implement them in a timely manner. GAO and IG recommendations likely provide a reasonable starting point for achieving substantial cost savings within DoD's budget. Requiring DoD to identify and brief lawmakers on recommendations that would achieve substantial cost savings and provide a plan for swift implementation would help Congress use its legislative, oversight, and appropriations authorities to increase the efficiency of the National defense budget.

* * *

The Federal Government's serious fiscal challenges will require Congress and DoD to increase efficiency to maintain the Nation's defense. Implementing nonpartisan watchdog recommendations in a timely manner should be a priority for Congress and DoD.

[This statement was submitted by Dan Lips, Head of Policy, Foundation for American Innovation.]

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[7] Government Accountability Office, GAO–23–106598, Potential Financial Benefits: Estimating the Value of Implementing Open GAO Recommendations (2023), https://www.gao.gov/assets/gao-23-106598.pdf.

[8] Ibid.

[9] Ibid.

[10] Ibid.

[11] "Recommendations Database," GAO, May 8, 2024, https://www.gao.gov/reports-testimonies/recommendations-database.

[12] Author analysis of a downloadable spreadsheet of open recommendations for the DoD as of May 8, 2024.

[13] Government Accountability Office, GAO–24–900483, Performance and Accountability Report FY2023 (2023), https://www.gao.gov/assets/d24900483.pdf.

[14] Comptroller, Department of Defense, Good Accounting Obligation in Government Act (GAO–IG Act) report (2024), https://comptroller.defense.gov/Budget-Materials/. Author analysis of spreadsheet data.

[15] Ibid.

PREPARED STATEMENT OF THE FRIENDS OF UKRAINE NETWORK

Mr. Chairman, members of the committee, the Friends of Ukraine Network (FOUN) is an initiative of the U.S.-Ukraine Foundation and is a coalition of Ukraine experts—leading policy and international security professionals.

Each year since the Russian Federation first invaded Ukraine in 2014, FOUN has developed, published, and distributed annual Priority Recommendations for U.S. Assistance to Ukraine. Within those Recommendations the FOUN National Security Task Force has, among other recommendations, included specific weapons and weapon systems that Ukraine needs to defeat Russia.

Again, this year specific weapons systems and capabilities are included in our 2024 Recommendations which are attached to this statement. Some of these systems are finally being provided but the need is that they be provided in sufficient numbers and with the critical support required to allow the people of Ukraine to defend their country and defeat the Russian invader.

In addition to FOUN's specific recommendations we call to the subcommittee's attention and to the attention of the Secretary and the Chairman of the Joint Chiefs our "Longer Term" recommendation.

Starting on Page 17 you will find: The Bottom Line: Putin will not stop until he is stopped. If given what it needs, Ukraine will stop Putin.

In a critical message, FOUN addresses the nature of Putin's regime and urges our government and the West to internalize the reality that we will continue to face a long-term strategic confrontation with Russia. Like it or not, Russia has declared itself our enemy.

Russia must understand that there can be no normalization of relations until it upholds—in deed as well as in word—the fundamental principles laid down in the Helsinki Final Act, Paris Charter, and the NATO Russia Founding Act, it will be equally important for the United States and allied to see there is no normalization until Russia's behavior upholds those principles.

We must see Russia and Putin for what they are and have and implement a strategic plan to deal with them accordingly.

The National Security Task Force of the Friends of Ukraine Network:

—Chair—*Ambassador John Herbst*—former U.S. Ambassador to Ukraine—head of Eurasia Center at the Atlantic Council

—*General Philip Breedlove* USAF (Ret) Former Supreme Allied Commander Europe

—*Ian Brzezinski*—Former Deputy Assistant Secretary of Defense for Europe and NATO Policy

—*Debra Cagan*—Former State and Defense Department official

—*General Wesley Clark* USA (Ret) Former Supreme Allied Commander Europe

—*Luke Coffey*—Senior Fellow, Hudson Institute

—*Ambassador Paula Dobriansky*—Former Under Secretary of State for Global Affairs

—*Ambassador Eric Edelman*—Former Under Secretary of Defense for Policy, U.S. Ambassador to Turkey, U.S. Ambassador to Finland, and Principal Deputy Assistant to the Vice President for National Security Affairs

—*Lt. General Ben Hodges* USA (Ret) Former Commander U.S. Army Europe

—*Glen Howard*—former President of the Jamestown Foundation

—*Dr. Don Jensen*—John Hopkins University

—*Dr. Phillip Karber*—President of the Potomac Foundation

—*David J. Kramer*—Former Assistant Secretary of State for Democracy, Human Rights & Labor

—*Robert McConnell*—Co-Founder, USUF, former Assistant Attorney General

—*Secretary Leon Panetta*—Former Secretary of Defense, Former Director of the CIA, Former White House Chief of Staff, and Former Director of the Office of Management and Budget

—*Herman Pirchner*—President, American Foreign Policy Council

—*Peter Rough*—Senor Fellow and Director, Center for Europe, and Eurasia at Hudson Institute

—*Ambassador Sandy Vershbow*—Former U.S. Ambassador to Russia and Former Deputy Secretary General NATO

—*Ambassador William Taylor*—Former U.S. Ambassador to Ukraine

—*Ambassador Kurt Volker*—Former U.S. Ambassador to NATO

In addition, we include here before the attached 2024 Priority Recommendations For U.S. Assistance to Ukraine an article by FOUN member, Ambassador Kurt Volker pointing out the path to a Ukrainian victory.

THE CIPHER BRIEF

The Biden Administration Must Ensure Ukraine a Path to Victory. Here's How.

Posted: April 26th, 2024

By *Ambassador Kurt Volker*

OPINION—With the successful House of Representatives vote on Ukraine aid behind us, the Senate and the White House will move quickly to put the $61 billion package into law. No doubt, the U.S. military has already been pre-positioning ammunition and equipment so it can deliver key elements of aid as soon as possible.

This is a key moment in ways that not everyone has grasped and reveals significant positives. Some 71% of House members voted in favor of the bill, reflecting resounding bipartisan U.S. support for Ukraine at both the political and popular levels. Several members of Congress favoring passage, highlighted the growing connections between Russia, Iran and China, a new axis of authoritarians who are actively working together. This is a clear-eyed assessment of the threat facing the free world.

Former President Donald Trump provided political cover to House Speaker Mike Johnson to proceed with this legislation when the two met on April 12. This is a clear sign that if re-elected, Trump does not want to inherit a disaster. While he wants peace, he wants peace through strength, not peace through weakness and capitulation.

So much for the good news. The bad news is that the delays and difficulty in passing the aid bill put U.S. national security at risk and should serve as a warning that this process cannot be allowed to drag on. We must no longer give Ukraine just enough to survive, but not enough to win. A Ukrainian victory is essential to reestablish peace in Europe, to deter Chinese aggression in Asia, and to reinforce Iranian worries about attacking Israel ever again. Several measures should be taken immediately.

—The Biden Administration must clearly and unequivocally back up President Biden's statement on December 12 saying, "We want to see Ukraine win the war." America's objective is a Ukrainian victory. This message needs clear and consistent repetition from the highest levels of the U.S. Government and must be backed up with the policy decisions necessary to make this a reality. There must be no equivocation with the President's words. We must have strategic clarity. Lower-ranking American officials must stop avoiding the words "win", "victory" and "Russian defeat".

—Now that funding is assured, the U.S. military should flood Ukraine with massive quantities of arms and ammunition as quickly as possible. The Russian military is in a weak condition with poor equipment, training, morale and leadership but it has made gains in recent months due to Ukraine's lack of ammunition. Russian forces need to feel "shock and awe" to understand that the battlefield has now changed, and that time is not on their side. We need to begin deterring Russia against further aggression rather that assuring it that we seek to avoid "escalation". Rather than worrying about what Putin might do, Putin should worry about what we might do.

—As part of this, the Biden Administration must lift all artificial and self-imposed limits on aid to Ukraine. The U.S. should provide Ukraine with its longest-range ATACMS ballistic missiles, which can reach Sevastopol, the Kerch Strait Bridge and Russian logistical concentrations well behind the front lines. It should stop declaring Russian territory as "off limits" for Ukrainian targeting and instead urge Ukraine only to hit militarily relevant targets which is con-

sistent with international law. It should declare already de-commissioned aircraft sitting in the Arizona desert as Excess Defense Articles and begin providing A–10 ground attack aircraft, F–16 combat aircraft and other airframes to Ukraine in order to build a properly scaled Ukrainian Air Force that can deny Ukrainian airspace to Russian aircraft.

—The administration should work closely with Turkey, Romania and Bulgaria (our Black Sea NATO allies) to expand de-mining capacities and engage in freedom of navigation operations in the Black Sea. Under the Montreux Convention, non-belligerent nations can bring warships into the Black Sea for 21 days at a time. This should allow for a persistent presence in the region to deter Russian attacks on commercial shipping.

—France, the United States, the UK and other NATO allies should form a 'coalition of the willing' to directly assist Ukrainian defense of its cities, civilians and non-military infrastructure from drone, missile and rocket attacks—just as they did recently with Israel. This can be done by establishing together with Ukraine, a 'cordon sanitaire' in Ukrainian airspace adjoining NATO. This could be done from NATO territory only, or also within Ukraine itself. Hitting unmanned vehicles that are only aimed at harming Ukrainian civilians and for example, their power plants, and present a risk to neighboring NATO territory does not require nations to engage Russian forces directly. It only requires engaging in the humanitarian protection of civilians as well as preventing any accidental strikes on NATO territory. Such a cordon could extend hundreds of miles into Ukrainian airspace and increase the protection afforded to Lviv, Odesa and Kyiv while relieving the country's overworked and under-armed missile crews.

—The United States should begin to build consensus within NATO for increasing burden-sharing in support of Ukraine by turning the Ramstein military assistance process into a NATO clearing house mechanism and establishing a fund as proposed by Secretary General Jens Stoltenberg to provide consistent military support to Ukraine despite hiccups in U.S. and European processes. The United States should contribute to this fund but it should be based on the same percentages assigned to funding for other NATO budgets, i.e., a contribution of around 2%.

—The United States should also begin building consensus within NATO for an invitation at the July Washington Summit for Ukraine to begin talks about its accession to NATO as soon as possible. Such an invitation is essential to tell Vladimir Putin that he will never defeat Ukraine, to help provide a Ukraine victory strategy and to lay the foundation for a future European peace settlement.

—The U.S. Congress should move swiftly to approve a lend-lease facility for Ukraine up to $500 billion. U.S. assistance to Ukraine is necessary and appropriate but to avoid gaps in available funding in the future, Congress should preposition authority for Ukraine to borrow from the U.S. for its defensive needs. This is how the United States saved Great Britain in World War II and it is entirely appropriate today in the case of Ukraine. Such a move would also signal to Putin that we can outlast and outspend Russia no matter what he does, so his adventure in Ukraine must come to an end.

The House of Representatives vote is a watershed but it does not assure victory and peace in and of itself. It now must be followed by decisive action from the U.S. administration to bring about a Ukrainian victory and in doing so, to re-establish the conditions for permanent peace, prosperity and security across Europe and to re-establish deterrence on that continent, in the Middle East and Asia.

The consequences of failing to do so must not be underestimated because they could be dire.

PREPARED STATEMENT OF THE HALO TRUST AND MINES ADVISORY GROUP U.S.

As the world's largest humanitarian demining organizations, The HALO Trust and Mines Advisory Group (MAG) U.S. protect lives and restore livelihoods of those threatened by explosive hazards. We remove and destroy landmines, improvised explosive devices (IEDs) and other explosive remnants of war and help secure weapons that could fall into the hands of terrorist groups. For 20 years, HALO and MAG have partnered with the U.S. Department of Defense's (DOD) Humanitarian Demining Research and Development (HD R&D) Program in more than 15 countries and territories. This program, implemented by the U.S. Army, specializes in developing and testing innovative technologies to detect and clear landmines, unexploded ordnance (UXO), and IEDs. These technologies increase the effectiveness, efficiency,

and safety of demining operations for military and humanitarian use—saving lives and taxpayer money.

The HD R&D team designs technologies to respond to technical challenges in the field, drawing from new commercial technology, equipment currently in use by the DOD, and advanced sensor technology available only through other DOD R&D programs. They then trial prototypes in real field conditions through partnerships with the Department of State's (DOS) humanitarian demining programs. During field evaluations, operators provide feedback on the functionality and effectiveness of the equipment. This allows HD R&D to modify and improve the equipment and increase the U.S. military's technical capacity to respond to explosive threats.

HD R&D produces four specific outcomes. First, the field evaluation process collects data that helps improve demining technologies used by the U.S. Armed Forces and support geographic combatant commands in achieving humanitarian mine action objectives. Second, successfully trialed equipment is used to train and equip explosive disposal units of the U.S. military as well as allied militaries. By equipping partner militaries to address their own explosive threats, U.S. soldiers are more likely to remain out of harm's way. Third, HD R&D equipment removes explosives to save civilian lives, most frequently children, and amplifies the impact of American assistance by increasing the amount of clearance performed on DOS projects without increasing costs. Fourth, the HD R&D program supports American jobs by utilizing American manufactured machines and products, when possible, in their equipment development process.

The HD R&D Program has a track record of success, having performed nearly 250 operational field evaluations in 44 countries since 1995. The program is responsible for developing advanced technology for the Handheld Standoff Mine Detection System (HSTAMIDS), which combines metal detection with ground penetrating radar, the rotary mine comb, designed to efficiently excavate low metal content anti-vehicle mines, and TRAXX, built to cut through hard-to-see tripwires and lift mines from soil. Overall, HD R&D equipment has been used to clear more than 26,600 acres of land, and to destroy more than 420,000 mines and UXO.

As you know, HD R&D now receives funding from the following account: Research, Development, Test & Evaluation, Army/PE: 0603920A/Program Title: Humanitarian Demining. Due to strong bipartisan support, the program received $23.068 million in Fiscal Year 2024. However, the FY25 President's Budget proposes only $9.272 million for HD R&D, which would represent nearly a 60% decrease from the previous year's appropriation. This proposed funding reduction would substantially curtail the ability of the HD R&D program to develop necessary demining equipment that would otherwise protect members of the Armed Forces.

HD R&D equipment has created huge cost savings for humanitarian demining programs managed by the State Department through increased efficiencies. Through the deployment of HD R&D-developed HSTAMIDS detectors, HALO's program in Zimbabwe estimates a cost savings of approximately $16 million over the last 7 years and the program was able to clear in 5 years what would have otherwise taken eight. These detectors have saved roughly $3 million every year in HALO's Cambodia program, and an evaluation of these detectors in Angola between January and March 2023 saw a 950% increase in efficiency as compared to traditional methods. The Rebel Crusher, a mobile soil sifter and rock crusher used by MAG in Lebanon and Iraq has allowed for mine clearance at a rate five times faster than with a traditional demining team. Remote-controlled Robocut machines, used to cut through tripwires in Ukraine, has accelerated clearance rates by an estimated 500%. The Wirehound, used to identify hard-to-detect IED components, has increased clearance by over 200% compared to traditional methods. The FAE Mulcher, a vegetation clearing tool being used by MAG in Cambodia, can clear 200% more area than a single deminer using a handheld strimmer. Investing in resources for HD R&D will allow humanitarian and military deminers to eliminate threats far more quickly.

Innovative technology developed by HD R&D also protects deminers. Advanced machines including the Mini MineWolf and the Medium MineWolf, can operate remotely to physically destroy anti-personnel (AP) and anti-tank (AT) landmines with no threat to demining personnel.

This program has a long list of unfunded projects it is waiting to trial, including expanding the global use of drone technology with various sensors to reduce the amount of time to identify explosive hazards and counter-IED machines in Iraq and Libya. The HD R&D Program also requires resources to address the heavy contamination and varied threat types across Ukraine, where the program is evaluating several technologies to address the complex operational environment, including advanced attachments to John Deere equipment, U.S.-manufactured remote demining robots, and the expansion of the Scorpion detection system. Further, investments in

advancements in artificial intelligence combined with demining technology has the potential to dramatically increase efficiencies.

We appreciate the support this subcommittee has provided for this valuable program, and urge the subcommittee to raise funding to a level of $25 million in FY25 for HD R&D. This additional funding will improve the ability of U.S. soldiers and our allies' ability to safely detect and clear landmines, UXO, and IEDs. This funding is especially important as new conflicts uncover new challenges in Ukraine and the Middle East.

Thank you for your consideration of this request.

[This statement was submitted by Chris Whatley, Executive Director, The HALO Trust and Jamie Franklin, Executive Director, Mines Advisory Group U.S.]

PREPARED STATEMENT OF HUMACYTE, INC.

Chairman Tester, Ranking Member Collins, and Members of the subcommittee:

Thank you for this opportunity to provide written testimony on Defense appropriations for fiscal year 2025. My name is Laura Niklason and I am the Founder, President, and Chief Executive Officer of Humacyte, Inc.

Humacyte is developing a disruptive biotechnology platform to deliver universally implantable bioengineered human tissues, advanced tissue constructs, and organ systems designed to improve the lives of patients and transform the practice of medicine. The Company develops and manufactures acellular tissues with the potential to treat a wide range of diseases, injuries, and chronic conditions. Humacyte's initial opportunity, a portfolio of Human Acellular Vessels (HAVs), is currently in late-stage clinical trials targeting multiple vascular applications, including vascular trauma repair, AV access for hemodialysis, and peripheral arterial disease. Preclinical development is also underway in coronary artery bypass grafts, pediatric heart surgery, treatment of type 1 diabetes, and multiple novel cell and tissue applications. Humacyte's 6mm HAV for AV access in hemodialysis was the first product candidate to receive the FDA's Regenerative Medicine Advanced Therapy (RMAT) designation and has also received FDA Fast Track designation. Humacyte's 6mm HAV for urgent arterial repair following extremity vascular trauma also has received RMAT designation. The HAV received priority designation for the treatment of vascular trauma by the U.S. Secretary of Defense. In February 2024, the FDA accepted and granted Priority Review of Humacyte's Biologics License Application (BLA) seeking approval of the HAV in urgent arterial repair following extremity vascular trauma when synthetic graft is not indicated, and when autologous vein use is not feasible. The Prescription Drug User Fee Act (PDUFA) date, the FDA action date for their regulatory decision regarding the BLA, is August 10, 2024.

Vascular injury sustained on the battlefield is a leading cause of death and disability in military settings and has increased significantly in recent conflicts.[1] Alternative conduits for vascular repair, reconstruction and replacement are needed in life threatening severe vascular injuries because the current standard of care is limited by harvest time, availability of veins to harvest, increased infection risk, and poor outcomes.[2] Regenerative medicine research and development, funded by the Department of Defense (DoD), has advanced the creation of universally implantable, bioengineered human tissue conduits that model themselves after and mature into vessels that resemble the patient's own vasculature and resist infection.[3]

Blast injuries are common for military personnel in theater, and account for the majority of vascular trauma suffered by warfighters.[4] Researchers have found vascular trauma is five times higher in the Global War on Terror as compared to previous wars.[5] Explosions and gunshots are the two leading causes of injuries in contemporary combat operations and carry a substantial risk of wound contamination

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[1] Patel JA, et al. A contemporary, 7-year analysis of vascular injury from the war in Afghanistan. J Vasc Surg. 2018;68(6):1872–1879. doi:10.1016/j.jvs.2018.04.038.

[2] Morrison JJ, et al. Clinical implementation of the Humacyte human acellular vessel: Implications for military and civilian trauma care. J Trauma Acute Care Surg. 2019;87(1S Suppl 1):S44–S47. doi:10.1097/TA.0000000000002350.

[3] Pottol K, et al. Hope regenerated. Army AL&T. January-March 2018:51–55. https://www.army.mil/article/198646/hope__regenerated.

[4] Williams, T.K., Clouse, W.D. (2018). Vascular Injuries. In: Galante, J., Martin, M., Rodriguez, C., Gordon, W. (eds) Managing Dismounted Complex Blast Injuries in Military & Civilian Settings. Springer, Cham. https://doi.org/10.1007/978-3-319-74672-2__11.

[5] Shireman PK, Rasmussen TE, Jaramillo CA, Pugh MJ. VA Vascular Injury Study (VAVIS): VA-DoD extremity injury outcomes collaboration. BMC Surg. 2015;15(1):13. Published 2015 Feb 3. doi:10.1186/1471–2482–15–13.

due to the penetrating nature of the trauma.[6] Limb salvage strategies include vascular repair in these patients, with resistance to infection and repair durability being of particular importance, considering the contaminated wound settings and the young age of most service members.

Traumatic wounds caused by blast injuries are almost always contaminated, and often compromise the vascular supply to limbs and organs. The most common permanent vascular repair procedures used today are associated with risks such as further damage and complications to limbs where repair vessels are harvested from patients (autograft) and infection from implanted synthetic vascular grafts. Repairing these contaminated injuries via current methods carries a high risk of complications and infection, meaning that there is a lack of suitable conduit available to effectively repair vascular injuries in most war-injured patients.

The shift towards biologic solutions in treating civilian and humanitarian vascular trauma represents a significant opportunity for advancement in military medical care. These solutions are particularly beneficial in combat settings, where the risk of infection and the need for rapid healing are paramount. Biologic grafts, being more biocompatible than synthetic alternatives, reduce the body's immune response, leading to better integration and fewer postoperative complications. This advantage is crucial in combat scenarios where soldiers need to recover quickly and return to duty. The improved biocompatibility and reduced rejection rates associated with biologic solutions could significantly enhance the long-term health outcomes of injured service members.

I appreciate this opportunity to provide written testimony and want to thank you for your leadership. The Department of Defense has a pivotal role in enhancing military medical capabilities by focusing on biologic solutions for vascular trauma and I respectfully request your support for funding and programs for the advanced development of innovative solutions in vascular repair therapies that offer improved outcomes in terms of biocompatibility and reduced rejection rates (immunogenicity), which is vital in battlefield scenarios and for saving the lives of severely injured Warfighters.

Thank you.

[This statement was submitted by Laura Niklason, M.D., Ph.D., Founder, President, and Chief Executive Officer, Humacyte, Inc.]

PREPARED STATEMENT OF THE HUMAN FACTORS AND ERGONOMICS SOCIETY

On behalf of the Human Factors and Ergonomics Society (HFES), we are pleased to provide this written testimony to the Senate subcommittee on Defense and Related Agencies for the official record. HFES urges the subcommittee to provide robust funding levels for Research, Development, Test, and Evaluation (RDT&E) at the Department of Defense (DOD) in the fiscal year (FY) 2025 appropriations process. Specifically, we urge the subcommittee to direct DOD to identify opportunities across the services to transition human performance research to defense RDT&E activities and acquisition programs to reduce cost, strengthen force protection, reduce the potential for re-engineering, and enhance training.

HFES and its members believe strongly that investment in scientific research serves as an important driver for innovation and the economy, and for maintaining American global competitiveness. Accordingly, we thank the subcommittee for its longtime recognition of the value of scientific and engineering research, and its contribution to innovation in the U.S.

THE VALUE OF HUMAN FACTORS AND ERGONOMICS SCIENCE

HFES is a multidisciplinary, professional association with over 3,500 individual members worldwide, including psychologists, scientists, engineers, and designers, all with a common interest in designing safe and effective systems and equipment that maximize and adapt to human capabilities.

For over 50 years, the U.S. Federal Government has funded scientists and engineers to explore and better understand the relationship between humans, technology, and the environment. Originally stemming from urgent needs to improve the performance of humans using complex systems such as aircraft during World War II, the field of human factors and ergonomics (HF/E) works to develop safe, effective, and practical human use of technology. HF/E does this by developing scientific ap-

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[6] Khorram-Manesh A, Goniewicz K, Burkle FM, Robinson Y. Review of Military Casualties in Modern Conflicts-The Re-emergence of Casualties From Armored Warfare. Mil Med. 2022;187(3–4):e313-e321. doi:10.1093/milmed/usab108.

proaches for understanding this complex interface, also known as "human-systems integration." Today, HF/E is applied to fields as diverse as transportation, architecture, environmental design, consumer products, electronics and computers, energy systems, medical devices, manufacturing, office automation, organizational design and management, aging, farming, health, sports and recreation, oil field operations, mining, forensics, and education.

With increasing reliance by Federal agencies and the private sector on technology-aided decision-making, HF/E is vital to effectively achieving our National objectives. While a large portion of HF/E research exists at the intersection of science and practice-that is, HF/E is often viewed more at the "applied" end of the science continuum-the field also contributes to advancing "fundamental" scientific understanding of the interface between human decision-making, engineering, design, technology, and the world around us. The reach of HF/E is profound, touching nearly all aspects of human life from the healthcare sector to the ways we travel, to the hand-held devices we use every day.

HUMAN FACTORS AND ERGONOMICS AT THE DEPARTMENT OF DEFENSE

HFES strongly believes that Federal investments in DOD-funded research will have a direct and positive impact on national security, the economy, and the overall safety and well-being of Americans. For this, HFES supports robust funding for DOD RDT&E programs, including HF/E research programs across the Services to encourage further advancements in technology and safety, among other areas.

With the creation of the Department of Defense Human Factors Engineering Technical Group (DOD HFE TAG), DOD has demonstrated the value it places on the inclusion of HF/E-related research and has acknowledged the benefit of interagency collaboration, as it relates to RDT&E in this field. DOD HFE TAG is comprised of technical representatives from DOD, the National Aeronautical and Space Association (NASA), the Federal Aviation Administration (FAA), the Department of Homeland Security (DHS), and the Department of Veterans Affairs (VA).

The scope of this working group is broad, making its benefits diverse. The goals of DOD HFE TAG are to:

—Provide a mechanism for the timely exchange of technical information in the development and application of human factors engineering.

—Enhance coordination among government agencies involved in HF/E technology research, development, and application.

—Assist in the preparation and coordination of tri-service documents, and sponsor in-depth interaction, which aids in identifying HF/E technical issues and technology gaps.

In addition, the American National Standards Institute recently approved ANSI/HFES 400–2021, the Human Readiness Level Scale in System Development Process. This standard, created by HFES, defines the nine levels of the Human Readiness Level (HRL) scale and provides guidance for their application in the context of systems engineering and human systems integration processes. The HRL scale both complements and supplements the existing Technology Readiness Level scale to evaluate, track, and communicate the readiness of a technology or system for safe and effective human use. The HRL standard is currently being utilized by DOD program managers as a voluntary standard.

HFES strongly believes that all DOD programs developing new technologies should be required to report to the Department on the HRL of their systems on an annual basis. The HRL should be reported for each major component of new military systems and should be used to identify deficiencies and areas where additional attention to human-system integration is warranted to reduce risks to program schedules, human safety, and effectiveness. DOD's HRL scale should correspond to the requirements set forth in ANSI/HFES 400–202.

Ahead of implementing an HRL scale, the Secretary of Defense, with the Under Secretary of Defense for Acquisition and Sustainment and with the Under Secretary of Defense for Research and Engineering, should determine how any materials from ANSI/HFES Standard 400–2021 can be incorporated or referenced in DOD procedures and guidance material in order to enhance safety in relation to human factors. The Secretary should report on the current HRL level of major development and acquisitions programs and compare them to the current listed Technology Readiness Levels. By reviewing and ultimately incorporating this standard DOD will better understand if needed human-system integration activities have been conducted before deploying new national security systems and technologies.

Continuing to prioritize HF/E research at DOD, along with incorporating the Department's use of the HRL system would undoubtedly produce positive impacts on the safety and well-being of American citizens.

CONCLUSION

Given DOD's critical role in supporting fundamental research and development across defense and engineering disciplines, HFES supports robust funding levels for DOD RDT&E programs, especially those that specifically fund human factors RDT&E activities in FY 2025 as well as improvements to the inclusion of human systems integration in acquisition programs. These investments fund important research studies, enabling an evidence base, methodology, and measurements for improving organizational function, performance, and design across sectors and disciplines.

On behalf of the HFES, we would like to thank you for the opportunity to provide this testimony. Please do not hesitate to contact us should you have any questions about HFES or HF/E research. HFES truly appreciates the subcommittee's long history of support for scientific research and innovation.

[This statement was submitted by Carolyn Sommerich, President, and Steven C. Kemp, CAE, Executive Director, Human Factors and Ergonomics Society.]

PREPARED STATEMENT OF MANUFACTURING TIMES DIGITAL

On behalf of Manufacturing Times Digital (MxD), we are pleased to provide this written testimony to Senate Appropriations subcommittee on Defense for the official record.

MxD respectfully requests the subcommittee to provide at least an additional $19,500,000 to accelerate and modernize the Army's organic industrial base (OIB) facilities and capabilities in the fiscal year (FY) 2025 defense appropriations bill. This funding will allow the Nation's digital manufacturing institute to implement enterprise-level digital modernization capabilities across the Army's arsenals and depots and harmonization efforts across the Army's Organic Industrial Base (OIB) facilities.

Manufacturing Times Digital (MxD) is a DoD-sponsored public-private partnership that convenes the best of industry, academia, and government to strengthen and accelerate OIB digital modernization initiatives. Through our over 300 members, which includes the DoD, industry, academia, non-profit organizations, and other government stakeholders, MxD integrates multiple digital technologies and systems, helping manufacturers improve their operations and driving systemic productivity improvements. MxD is the National digital manufacturing institute and focuses on enhancing the global competitiveness of U.S. manufacturing by developing and deploying advanced digital manufacturing technologies, educating the present and future workforce, and securing the U.S. supply base. MxD, which is also the DoD-designated National Center for Cybersecurity in Manufacturing, was launched in February 2014 as the second national manufacturing innovation institute, a network known as Manufacturing USA. MxD is committed to developing the most cutting-edge technology and research to not only modernize the current state and condition of military facilities but to transform the Nation's arsenals and depots to provide flexible, agile, and technology-enabled infrastructure needed for future needs and capabilities. The proposed effort will result in a versatile and scalable modernization effort implementable throughout the State's OIB and beyond.

MXD AND THE DIGITAL MODERNIZATION ACCELERATOR PROGRAM

MxD proposes to scale their Digital Modernization Accelerator Program for Army Material Command (AMC) to help the Army fulfill the goals of its 15-year OIB Modernization Implementation Plan (MIP)[1] and overall Modernization Strategy.[2] The Digital Modernization Accelerator Program, as authorized in the FY 2024 National Defense Authorization Act (NDAA), consists of a team of experienced and skilled technical fellows, engineers, and program managers to expand their existing OIB-focused Digital Manufacturing Modernization Accelerator program with the tools, techniques, and procedures (TTPs) needed for Army OIB modernization. The Digital Modernization Accelerator Program will support existing and future requests from AMC and their subordinate commands, to implement digital, cybersecurity, and work force development capabilities at all OIB installations. The first pilot is being conducted at Iowa Army Ammunition Plant and is expected to be scalable and transferable to the other OIB Arsenals, Depots, and Ammo plants. The project team will coordinate with local community colleges/trade schools, the government oper-

[1] https://www.army.mil/standto/archive/2022/03/25/.
[2] https://www.army.mil/e2/downloads/rv7/2019__army__modernization__strategy__final.pdf.

ated/contractor or government owned industry members, and virtual training sites to distribute the courses.

Aligned with the Digital Modernization Accelerator Program mission, MxD has hosted multiple workshops to share lessons learned, scope relevant projects, and convene the Institute's ecosystem to assist the Services to implement their OIB Modernization Strategies. Since the program's inception, MxD has hosted the Army munitions (Iowa) and small arms ammunition (Lake City) stakeholders as well as the Navy's Shipyards, including all four shipyards (Norfolk, VA, Puget Sound, WA, Pearl Harbor, HI, and Portsmouth, ME) and their command from Naval Sea Systems Command, Shipyard Infrastructure Optimization Program (SIOP).

This project is focused on bridging the funding gap the Army is experiencing due to their OIB modernization Program Objective Memorandum (POM) funding being unavailable until FY 2026. MxD will leverage this funding to ensure the consistent and continuous modernization progression of AMC OIB facilities.

THE VALUE OF DIGITAL MODERNIZATION AT THE ARMY MATERIAL COMMAND (AMC)

The U.S. Organic Industrial Base (OIB) provides critical material and sustainment support to warfighters around the world by manufacturing, repairing, maintaining, and deposing of essential equipment and munitions, which ensures the readiness and superiority of U.S. military. While the Military Services have announced and embarked on long-term OIB modernization efforts, in recent months, there has been growing observation and concern that the efforts are not advancing quickly enough to ensure operational readiness now and in the future. A 2022 Government Accountability Office (GAO) report[3] found that, since FY 2016, the condition of depot infrastructure (including facilities and equipment) has not improved and ranks fair-to-poor.

While the Army's MIP recognizes the critical need for resources for Army facilities, further resources would help build and accelerate the necessary capacity to maintain readiness by sustaining the Army's enduring and future systems and aim to overcome the backlog and significantly improve current facility conditions. OIB modernization efforts are also typically hindered by a skilled labor shortage, a consequence of long-term disinvestment in US manufacturing. Leaders of the DOD's OIB, including the AMC OIB Modernization Task Force, have developed essential and bold plans to digitally modernize the OIB to support and sustain the future U.S. military force. The Department calls for collaboration with industry, academia and subject matter experts across needed technologies and implementations to ensure a successful, integrated approach to the next generation of U.S. capabilities.

MxD has initiated the OIB Digital Modernization Accelerator Program with recent site visits and assessments at multiple OIB facilities, including Picatinny Arsenal in New Jersey, Watervliet Arsenal in New York, Iowa Army Ammunition Plant in Iowa, and the Marine Corps Maintenance Depot in Georgia. Rock Island Arsenal is an example of the impact these types of assessment and pilot projects can generate which resulted in the coordination and down selection of pilot projects. For example, the program has delivered a machine health and status dashboard(s) to relay real-time machine and production status. Another project conducted feasibility studies of paint assembly systems that have a massive impact on human health and safety. MxD is also planning to expand efforts to the Anniston Army Depot in Alabama with support from the Army Materiel Command.

All the projects provide solutions through incorporating digital TTPs to provide the foundational requirements to incorporate advanced manufacturing capabilities such as additive, robotics, and artificial intelligence (AI). The outcomes of these projects constructed to be easily transferable to other sites included in AMC. Through this effort, MxD is also partnering with fellow DOD manufacturing institutes, ARM and LIFT, to create workforce development training and hiring guides for critical roles at Army Ammunition Plants.

CONCLUSION

Given MxD's role in supporting OIB facilities across the country, MxD respectfully requests the allocation of an additional $19,500,000 of funding to scale OIB Modernization efforts in partnership with the Army Material Command (AMC) OIB Modernization Task Force.

This effort will inform the AMC's knowledge and implementation, reduce redundancy, and expedite modernization at the OIB facilities. While the results of this project will benefit AMC sites across the Nation, MxD will prioritize initial mod-

[3] https://www.gao.gov/assets/gao-22-105009.pdf.

ernization efforts for Rock Island Arsenal in Illinois, and Anniston Army Depot and Redstone Arsenal in Alabama.

More specifically, for FY 2025, the Digital Modernization Accelerator Program will target current efforts with AMC's Tank-automotive and Armaments Command (TACOM). This work will build upon, scale, and transition based on the direct engagement with enterprise-level Services, focusing on the most immediate or current needs such as the conflict in Ukraine or Israel and preparing for the long-term threat that could occur in the Pacific.

On behalf of MxD, we would like to thank you for the opportunity to provide this testimony. Please do not hesitate to contact us should you have any questions. MxD truly appreciates the subcommittee's long history of support of the USA Manufacturing Institutes and our work in manufacturing innovation and modernization.

[This statement was submitted by Berardino Baratta, CEO, and Erin O'Donnell, Director, Government Engagement, MxD.]

PREPARED STATEMENT OF THE NEUROFIBROMATOSIS NETWORK

Thank you for the opportunity to submit testimony to the subcommittee on the importance of continued funding for the Department of Defense's Peer-reviewed Neurofibromatosis (NF) Research Program (NFRP). NF is a terrible genetic disorder closely linked to many common diseases widespread among the American population. The highly successful Neurofibromatosis Research Program has shown tangible results and direct military application with broad implications for the general population.

On behalf of the Neurofibromatosis (NF) Network, a national organization of NF advocacy groups, I speak on behalf of the 120,000 Americans who suffer from NF as well as the millions of Americans who suffer from diseases and conditions linked to NF such as cancer, brain tumors, heart disease, memory loss, bone abnormalities, deafness, blindness, and psychosocial disabilities, such as autism and learning disabilities. Thanks in large part to this subcommittee's strong support, scientists have made enormous progress since the discovery of the NF1 gene in 1990 resulting in clinical trials now being undertaken by the NFRP.

In Fiscal Year 2025, we are requesting $25 million for the Peer-reviewed Neurofibromatosis Research Program (NFRP) within the Defense Health Program, the same as the Fiscal Year 2024 enacted level. The NFRP is now conducting clinical trials at nation-wide clinical trials centers created by NFRP funding. These clinical trials involve drugs that have already succeeded in eliminating tumors in humans and rescuing learning deficits in mice. In addition, in March 2020, the Food and Drug Administration approved the first ever drug, co-developed by NIH and AstraZeneca, with seed money from the NFRP, for the treatment of plexiform tumors in neurofibromatosis type 1 (NF1). Administrators of the NFRP have stated that the number of high-quality scientific applications justify a much larger program. For these reasons, it is imperative that we continue to invest in research if we are to advance toward treatments and a cure for the numerous diseases associated with NF.

WHAT IS NEUROFIBROMATOSIS?

NF is an unpredictable genetic disorder of the nervous system that affects almost every organ system in the body. Neurofibromatosis (NF) refers to three different genetic medical conditions, Neurofibromatosis type—1, Schwannomatosis, and NF 2—related Schwannomatosis, involving the development of tumors that may affect the brain, spinal cord, and the nerves. While not all NF patients suffer from the most severe symptoms, all NF patients and their families live with the uncertainty of not knowing whether they will be seriously affected because NF is a highly variable and progressive disease. NF causes tumors to grow along nerves including in the skin, just below the skin, and in the brain and spinal cord. It strikes worldwide, without regard to gender, race or ethnicity. Approximately 50 percent of new NF cases result from a spontaneous mutation in an individual's genes and 50 percent are inherited.

NF can cause a myriad of devastating clinical problems including nerve and brain tumors; disfiguring skin growths; inability to heal after bone fracture, which may ultimately require amputation; psychosocial disabilities, including autism and learning disabilities; unmanageable chronic pain; deafness; blindness; cardiovascular defects; vascular disease; and paralysis. NF gene mutations are also important 'drivers' of cancers in the lungs, liver, brain and breast.

NF'S CONNECTION TO THE MILITARY

Neurofibromatosis (NF) has become a clinical 'model' for advancing medical research. The genetic information learned from NF holds the key to understanding a number of health issues that benefit the war fighter, as well as the general population, including cancer, bone fracture and repair, vascular disease, nerve regeneration, behavior and psychosocial issues, and pain.

The Neurofibromatosis Research Program (NFRP) is providing critical research that directly benefits the War Fighter including:

Bone Repair.—At least a quarter of children with NF1 have abnormal bone growth in any part of the skeleton. In the legs, the long bones are weak, prone to fracture and unable to heal properly; this can require amputation at a young age. Adults with NF1 can have low bone mineral density, placing them at risk of skeletal weakness and injury. The NFRP is a strong supporter of NF1 bone defects research and as a result this field has made significant progress in the past few years. Bone fractures sustained by the war fighter and how to repair them is of interest to the military. Research studies will identify new information about understanding bone biology and repair and will pave the way to new strategies to enhancing bone health and facilitating repair.

Pain.—Severe and unmanageable pain is seen in all forms of NF, particularly in schwannomatosis, and significantly impacts quality of life. NF research has shown similarities between NF pain and phantom limb pain. NFRP funding has been critical in supporting this. Chronic pain, and how to treat it effectively, is one of the most poorly understood areas of medicine but has very high relevance to those in the military recovering from service-related injuries. NF Research in this area could help identify new ways to target pain effectively with the right drugs or therapies.

Vascular Disease.—NF1 elevates the risk of vascular disease including aneurysm, stroke and vessel occlusive disease. NF1 predisposes patients to early cardiovascular disease, which is also the leading cause of death among United States Veterans. NF research has demonstrated that when treating affected NF mouse models with an antioxidant medication it reduced vessel disease. Discoveries related to cardiovascular disease in NF1 are likely to be more broadly informative, including for veterans and active-duty military personnel.

Psychosocial and Cognitive Disabilities.—NFRP research has revealed common threads between NF1 learning disabilities, autism and other related disabilities. Research being done within the NF Clinical Trials Consortium, NFRP created clinical centers, has led to important findings and expanded research in this area. This research contributes to our broadening understanding of how brain signaling can impact on behavior and psychosocial difficulties. Members of the military returning from service can suffer from psychological trauma and it is not easy to understand how this can be effectively treated. As we learn more from the NF population about psychosocial function, we will be able to shed light on this area for the benefit of the military.

Nerve Tumors and Repair.—Nerves are the most common location for tumor development amongpatients with NF. Tumor growth alone, or treatments for the same, commonly cause nerve injury and associated deficits. Identifying mechanisms to improve nerve repair would benefit patients with NF, as well as advance the science needed to better treat nerve injury common in warfighters.

DOD' CONTRIBUTION TO NF RESEARCH

While other Federal agencies support medical research, the Department of Defense (DOD) fills a special role by providing peer-reviewed funding for innovative and rewarding medical research through the Congressionally Directed Medical Research Program (CDMRP). CDMRP research grants are awarded to researchers in every State in the country through a competitive two-tier review process. These well-executed and efficient programs, including the NFRP, demonstrate the government's responsible stewardship of taxpayer dollars.

Recognizing NF's importance to both the military and to the general population, Congress has given the NF Research Program strong bipartisan support. From FY1996 through FY2024 funding for the NFRP has amounted to over $452 million, in addition to the original $8 million appropriated in FY1992. In addition, between FY1996 and FY2022, 500 awards have been granted to researchers across the country.

The CDMRP funds innovative, groundbreaking research which would not otherwise have been pursued, and has produced major advances in NF research, including conducting clinical trials in a nation-wide clinical trials infrastructure created by NFRP funding, development of advanced animal models, and preclinical therapeutic experimentation. Because of the enormous advances that have been made as

a result of the NFRP, research in NF has truly become one of the great success stories in the current revolution in molecular genetics. In addition, the program has brought new researchers into the field of NF. However, despite this progress, officials administering the program have indicated that they could easily fund more applications if funding were available because of the high quality of the research applications received.

In order to ensure maximum efficiency, the Department of Defense collaborates closely with other Federal agencies that are involved in NF research, such as the National Institutes of Health (NIH). Senior program staff from the National Institute of Neurological Disorders and Stroke (NINDS), for example, sit on the NF Research Program Integration Panel which sets the long-term vision and funding strategies for the program. This assures the highest scientific standard for research funding, efficiency and coordination while avoiding duplication or overlapping of research efforts.

Thanks in large part to this subcommittee's support, scientists have made enormous progress since the discovery of the NF1 gene. Major advances in just the past few years have ushered in an exciting era of clinical and translational research in NF with broad implications for the general population. These recent advances have included:

—In March 2020 the Food and Drug Administration approved the first ever drug, co-developed by NIH and AstraZeneca, with seed money from the NFRP, for the treatment of plexiform tumors in neurofibromatosis type 1 (NF1).
—Phase II and Phase III clinical trials involving new drug therapies for both cancer, hearing tumors, vision tumors, bone graft and cognitive disorders.
—Establishment of the Neurofibromatosis Clinical Trial Consortium which includes an operation center and 23 clinical sites. Allows for partnerships with well-established NF Centers, pooling expertise and resources, quicker turn arounds of scientific reviews and regulatory approvals, leveraged work with pharmaceutical companies all towards the common goal of new treatments and a cure for Neurofibromatosis.
—Development of advanced mouse models showing human symptoms.
—Determination of the biochemical, molecular function of the NF genes and gene products.
—Connection of NF to numerous diseases because of NF's impact on many body functions.

FISCAL YEAR 2025 REQUEST

The highly successful Neurofibromatosis Research Program has shown tangible results and direct military application with broad implications for the general population. The program has now advanced to the translational and clinical research stages, which are the most promising, yet the most expensive direction that NF research has taken. Therefore, continued funding is needed to continue to build on the successes of this program, and to fund this promising research thereby continuing the enormous return on the taxpayers' investment.

We respectfully request that you include at least $25 million in the Fiscal Year 2025 Department of Defense Appropriations bill for the Peer-reviewed Neurofibromatosis Research Program. With this subcommittee's continued support, we will prevail. Thank you for your support.

[This statement was submitted by Kim Bischoff, Executive Director, Neurofibromatosis Network.]

PREPARED STATEMENT OF TB ALLIANCE

TB Alliance is pleased to submit this testimony to the Senate Committee on Appropriations, subcommittee on Defense for consideration in fiscal year (FY) 2025 appropriations. TB Alliance is a not-for-profit organization dedicated to the discovery, development, and delivery of better, faster acting, and affordable tuberculosis (TB) drugs that are available to those who need them. We submit this testimony and urge the subcommittee to include TB in the Congressionally Directed Medical Research Program's Peer Reviewed Medical Research Program's (CDMRP PRMRP) list of eligible diseases in FY 2025, as it has done in FYs 2016—2019, and FY 2023.

As you know, the men and women in our armed forces are responsible for protecting our Nation from threats both domestic and abroad. A critical element of the Department of Defense's (DoD) mission is supporting infectious disease research, which it conducts at various facilities such as the Walter Reed Army Institute of Research and the Naval Medical Research Center. Since the DoD cannot program-

matically fund every disease that could cause harm to our Nation's military personnel, Congress fills this gap in research through the CDMRP, which presents a critical opportunity for Congress to directly influence research funding by providing a list of approved diseases eligible for competitive peer reviewed grant opportunities via the PRMRP.

TB, an airborne disease, is the leading global infectious killer globally with about 1.3 million deaths in 2022 according to the World Health Organization (WHO). The global TB pandemic, including the rapid spread of drug-resistant TB, poses a serious global security threat. Although considered a low-incidence country, even here in the U.S., every State continues to report TB cases each year and the disease remains a significant public health issue. In 2022, the Centers for Disease Control and Prevention (CDC) reported over 8,000 cases of TB in the U.S. The cost to treat and care for a patient with TB in the U.S. averages $20,000 for drug-susceptible TB, $182,000 for multidrug-resistant TB (MDR–TB), and $568,000 for extensively drug-resistant TB (XDR–TB) according to most recent estimates. Additionally, the CDC believes there are up to 13 million individuals in the U.S. with latent TB infections-a future reservoir of active TB cases.

TB is of particular concern for the DoD because of its potential impact on our armed forces. Our global military footprint means that American military men and women are posted in countries and regions that experience high rates of both active TB disease and TB infection. For instance, in Europe, where over 100,000 U.S. troops and dependents are stationed, there were nearly 164,000 cases of TB and 73,000 cases of MDR–TB in 2021. In the Western Pacific region, nearly 82,000 troops live amidst over 1.8 million cases of TB and 70,000 cases of MDR–TB according to the most recent WHO estimates. Ukraine continues to be a high-burden MDR–TB country. With the war in Ukraine ongoing, millions of Ukrainians are seeking refuge in NATO ally countries, some of whom are on TB treatment or have undiagnosed TB, putting a significant strain on in-country public health resources while exposing our military to potential MDR–TB outbreaks. These outbreaks globally could cause drug shortages, severe economic consequences, and possibly extensive fatalities as well as global destabilization. Funding research and development now can make this scenario less likely in the future.

Additionally, through programs like the Pacific Pathways, thousands of U.S. military members rotate through countries around the Pacific Rim like the Philippines and Thailand, where a combined 844,000 cases of TB occurred in 2021, including thousands of cases of MDR–TB. The WHO, however, estimates that global TB numbers are much higher than currently reported due to disruptions in diagnosis stemming from the COVID–19 pandemic and resource diversion. As an example, the Philippines has one of the highest incidents of TB in the world, with 737,000 cases report in 2022 and accounts for 7% of all TB cases globally. The U.S. and the Philippines recently launched their largest joint exercise in years, with around 16,000 troops participating in the "shoulder-to-shoulder" trainings. As we strengthen our alliance with the Philippines and other Pacific countries, our soldiers will come in increasing contact with countries that have high burden TB rates in the region.

For these reasons, more research into TB and related treatments, vaccines, and diagnostics is imperative if we want to avoid tragic scenarios of MDR—and XDR–TB outbreaks in the future. Having adequate treatments on hand in case our warfighters fall ill with TB is critical to our military's mission readiness and our National security. Today, we are at a unique and unprecedented point in TB research due to positive advancements in key areas of development. Recently, the FDA approved a new drug regimen to treat XDR–TB and complicated MDR–TB-demonstrating that better diagnostics, a fully effective vaccine, and shorter, less toxic treatment regimens are the only way we will successfully eliminate TB. The DoD CDMRP funding has been integral in these efforts.

We urge you to build off the progress already made and continue to include TB in the list of eligible diseases for FY 2025.

[This statement was submitted by Pietro Turilli, Senior Vice President, External Affairs, TB Alliance.]

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