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HEARING

ON

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2016

AND

OVERSIGHT OF PREVIOUSLY AUTHORIZED PROGRAMS

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES
ONE HUNDRED FOURTEENTH CONGRESS

FIRST SESSION

SUBCOMMITTEE ON READINESS HEARING

ON

THE DEPARTMENT OF DEFENSE'S READINESS POSTURE

HEARING HELD
MARCH 26, 2015



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THE DEPARTMENT OF DEFENSE'S READINESS POSTURE

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON READINESS,
Washington, DC, Thursday, March 26, 2015.

The subcommittee met, pursuant to call, at 7:59 a.m., in room 2212, Rayburn House Office Building, Hon. Robert J. Wittman (chairman of the subcommittee) presiding.

OPENING STATEMENT OF HON. ROBERT J. WITTMAN, A REPRESENTATIVE FROM VIRGINIA, CHAIRMAN, SUBCOMMITTEE ON READINESS

Mr. WITTMAN. We call to order the Subcommittee on Readiness of the House Armed Services Committee. Mr. Crumpler said he will blow reveille for us this morning.

I would like to thank our witnesses for joining us this morning. I would like to thank our committee members. I want to thank all of our witnesses again for taking time to join us today. This is an important hearing determining where we are currently with the state of readiness and the challenges that we have before us.

This morning we have with us General Daniel Allyn, Vice Chief of Staff, U.S. Army; Admiral Michelle Howard, Vice Chief of Naval Operations; General Larry Spencer, Vice Chief of the United States Air Force, Vice Chief of Staff; General John Paxton, Assistant Commandant, United States Marine Corps. Folks, thank you so much for being here with us this morning. Thanks for your perspective and for your service to our Nation.

As we know, for the past 3 years the Readiness Subcommittee has held a number of briefings and hearings on the state of readiness in our Armed Forces. Without exception, we have heard time and time again of our witnesses, both here with us this morning and from others that our readiness is in peril. We are also challenged in our ability to meet combatant commander demands and to restore readiness to any level that any of us believe is acceptable.

We have also heard about the self-inflicted damage that we have placed upon this Nation's capacity to deal with potential adversaries done by the sequester.

Chairman Dempsey characterized our situation at our Armed Services Committee retreat as being on the ragged edge. And he even stated that the President's budget still puts us just at that ragged edge. He warned that we are moving toward a military that is challenged to execute the most basic strategic requirement of the U.S. military, defeating an enemy in a single major theater operation. And this, to all of us, is unacceptable.

I believe, as I am sure you do, that we are critically challenged today in our ability to perform steady-state missions and simultaneously respond to an unforeseen contingency.

I also remain concerned that, even at the President's budget levels of funding, we accept too much risk. I believe that there is a lack of understanding of what risk entails, being able to bring to bear too little, too late, and with increased casualties and possibly even the inability to accomplish the mission. That is a place where we do not want to be. We have seen ourselves in that place at other times in this Nation's history. And by any measure, it is unacceptable.

I do look forward to this morning's briefing in learning where we are today, in terms of overall readiness. And I hope that our witnesses can touch on the risk inherent in the fiscal year 2016 budget and provide some specific examples of challenges in matching ready and available forces to what the Department referred to in the budget materials as "severe deployment demands."

I would like now to turn to our ranking member, Ms. Madeleine Bordallo, for her opening comments. Madeleine, thank you.

[The prepared statement of Mr. Wittman can be found in the Appendix on page 41.]

STATEMENT OF HON. MADELEINE Z. BORDALLO, A DELEGATE FROM GUAM, RANKING MEMBER, SUBCOMMITTEE ON READINESS

Ms. BORDALLO. Thank you. Thank you very much, Mr. Chairman, and I thank the witnesses, too. And we were briefed in our offices. And I appreciate your coming to see me and, of course, the chairman as well.

We all appreciate the great sacrifices that every service member makes when joining the Armed Forces. At today's hearing, we are making sure that Congress is providing the right resources to support our service members, especially in regard to their overall readiness. However, we hold this hearing on the day after we voted for a budget resolution that undermines defense and uses gimmicks to act like we are truly—have boasted defense spending.

The budget resolution that this House passed effectively continues sequestration. The budget resolution will inhibit the Department of Defense's ability to effectively plan and program for future years, a shortcoming that numerous defense officials have lambasted before the committee these past years.

We have neglected to do our very basic job of providing adequate funding for our military. We convene this hearing at a time when the world and this country face seemingly countless challenges to our very way of life. We face challenges in the Asia-Pacific, with an erratic dictator in North Korea, whose every move seems to challenge our status quo and has been quite provocative at times.

The Chinese continue to foster instability in the South China seas, with development of manmade islands and continue to challenge Japan's sovereignty over the Senkaku Islands. Russia continues to foster instability in Ukraine and may be trying to provoke problems in other Baltic and Scandinavian nations. Most visible are the atrocities of the ISIL [Islamic State of Iraq and the Levant]

and their barbaric actions against all people, including fellow Moslems.

And I mention all this, knowing there are also challenges in Africa and other regions of the world. Although we ramp down from more than a decade of war, we find ourselves in a world that remains dynamic and challenging. U.S. leadership is needed across the globe and we cannot neglect our obligation and commitments to our allies.

Unfortunately, I fear that the budget resolution this House passed yesterday undermines our ability to project power and maintain commitments to our allies. We all know that when sequestration hit in 2013, most of the cuts were taken from the operation and maintenance accounts. The effect of these cuts is still being felt today. And in the fiscal year 2016 budget request, we know that only about 50 percent of the Air Force's fighter squadrons are ready to meet their operational requirements.

General Odierno has indicated that the Army's readiness is at its lowest level in 20 years. That is just a small sampling of the very real readiness challenges that we face today, due, in great part, to sequestration and the lack of predictable budgets that would allow the Department to plan and program for the rest of the years.

And I hope that our witnesses today can comment on the impact of having a sequestration-level base budget with increases in the OCO [overseas contingency operations] account. What impact will this have on the readiness of our forces? Will we be able to executive that funding within the constraints that exist on the obligation of funds in that account? How does cementing sequestration levels in the base budget impact planning for the future years?

Further, I hope that our witnesses can speak out on what would happen to future budgets' additional OCO funding—were not provided to offset a sequestration-based budget. What impact would this have on the readiness of our forces and can you provide specific examples of where we would take significant risk and what capabilities would we simply lose?

Today's hearing is an important opportunity to educate this subcommittee, but more importantly, our colleagues on other committees, about the very real readiness challenges that we face. And I hope that our witnesses will help us understand the problems that we have created in funding the base budget at sequestration levels and providing additional funds in OCO.

Unfortunately, I fear this testimony will fall on deaf ears, and we will continue to allow ideology to drive our military's funding and undermine our military's readiness.

And I yield back, Mr. Chairman.

Mr. WITTMAN. Thank you, Ms. Bordallo. I am going to go now to Ms. Stefanik.

Ms. STEFANIK. Thank you very much, Mr. Chair.

I will pass. I didn't realize I had an opening statement.

Mr. WITTMAN. Oh, no. Well, we are going to go right into questions.

Ms. STEFANIK. We are going to questions. Okay. Thank you.

Mr. WITTMAN. And pass by my questions. I am going to defer to the committee members and I will go ahead and ask last, just so that we can make sure we get to our committee members.

Ms. STEFANIK. Great. Thank you very much, Mr. Chair.

Mr. WITTMAN. Sure.

Ms. STEFANIK. Thanks for clarification.

Mr. WITTMAN. Sure.

Ms. STEFANIK. Thank you to all of the witnesses who are here today. Thank you for your service. I wanted to ask about the long-term impacts of severe deployment demands. I represent the 10th Mountain Division, based at Fort Drum. And especially as we continue to draw down end strength, what are we doing to enable units more time to train and regain full-spectrum readiness, and how does the fiscal year 2016 budget support that effort?

General ALLYN. "Climb to Glory," ma'am. General Allyn here. And I will speak partly to the 10th Mountain Division that I know you know very well from your visits there at Fort Drum, but more broadly to the United States Army as a whole. Quite frankly, as we reduce our end strength on the current ramp toward 450,000, it does increase the demands on our trained and ready forces.

And so, our goal is to get to a point where we are at a dwell-to-deployment ratio of 1:2. Right now, if you do not factor in our Pacific-based forces that we have protected from global deployments, by and large, so that they can stay focused in that critical region of the world, our dwell-to-deployment ratio for the rest of our brigade combat teams, like the 10th Mountain Division, is at 1:1.6.

And so, we are well below the—what we consider to be the sustainable level. And you highlighted exactly why it is so important. We need time to restore full-spectrum readiness as we come back from these important missions that we are supporting for the Nation around the globe.

And I know that you are aware that we have about 140,000 U.S. Army soldiers forward deployed, forward stationed and performing missions in about 140 countries, as we speak this morning. And so, I hope that addresses your specific question in terms of why it is so important that we fund the budget, at a minimum, to the President's budget, because it is absolutely the minimum that we can continue to meet the current demands.

And quite frankly, we are consuming readiness as fast as we are generating it today. And so, we are not building surge capacity, we are not building a continuous response capability like you spoke to.

Ms. STEFANIK. Admiral Howard.

Admiral HOWARD. Thank you, Congresswoman.

For the Navy, the core piece to our readiness is our capital ships. And we have had extended deployments over the last 15 years. We are trying to go back to a normalized deployment of 7 months. But for the last 15 years, they have been 8, 9, 10 months. So we have to reset those ships. We had to stretch out and sometimes not do the maintenance avails [availabilities], which is the very first phase of getting a capital ship ready to bring—upload the crew or to bring onboard the Marines.

With this particular budget, we are still in reset, taking those ships through drydocking, through overhauls, all the way up through fiscal year 2018 for our carrier strike groups. And then we don't reset and recover the maintenance on our amphibious ships until fiscal year 2020.

So for us, these platforms are the way we project power and they have got to be—go through overhaul and to recover from the high OPTEMPO [operations tempo] that we placed them under during the last 15 years.

Thank you.

Ms. STEFANIK. General Paxton.

General PAXTON. Thank you, Congresswoman.

And for the Marine Corps, this story is almost identical. We are consuming readiness faster than we can generate it. To your specific question, ma'am, we—in the Marine Corps, we believe we are the Nation's 911 force, the crisis response force. We have every expectation that we will be forward deployed. But right now our dep-to-dwell [deployment-to-dwell] is less than 1:2. It is at 1:2, overall. That is the way we advertise, that is the way we testify.

We have certain critical communities, right now some of our infantry battalions, our refueling squadrons, some of our fixed-wing squadrons, that are less than a 1:2, as General Allyn just mentioned.

In an optimal world, we would like to get to 1:3. The challenge with being at a 1:2 over a sustained period is exactly what you said. We will be ready for the crisis. You will have ready Marine units on ships with aircraft ready to go into harm's way to fight tonight to do exactly what the Nation needs.

The challenge is that the next to deploy will be in a degraded state of readiness. Right now we have over 50 percent of our home station units in what we call degraded readiness, C3 or C4. They don't have their proper equipment, they don't have the right skilled leadership at the small unit level, they don't have the right training opportunities. And this is dependent on O&M [operations and maintenance] dollars, on TOA [total obligation authority], on fixed allocation of resources.

Right now under a BCA [Budget Control Act] cap that will continue to get worse. It has been bad since 2013. We are still feeling the effects of our fixed-wing depot maintenance and our flight rehab [rehabilitation] facilities, and in our shipyards, in our Federal shipyards, where the artisans left, the people were furloughed, the equipment was not being maintained, and we are still in the downward spiral from that, from 2013 right now.

So if the BCA caps continue, you can expect that to get exacerbated.

Thank you, ma'am.

Ms. STEFANIK. General Spencer.

General SPENCER. Good morning, Congresswoman.

Yes, this—so the crux of your question is really a good one, and that is, what are we doing to reduce our dwell so that our folks can come back and become full-spectrum trained? The problem is we are not and because the OPSTEMPO has not dropped. And like the other services, the reason that really puts us in such a bind is because if you think about the capacity we have and the age of the systems that we have, that is really where all the stress is.

To give you some specifics, you know, during Operation Desert Storm, in the Air Force we had 134 combat fighter squadrons. Today we have 55. We are on our way to 49. To give you some additional perspective, and during Desert Storm when we had that

134 fighter squadrons, we deployed 33 of those to Desert Storm. So think about now, we have—today we have 54, if we had Desert Storm today what the impact would be.

We have—our tankers are 52 years old, bombers 50 years old. Our fourth-generation fighters are on average 25 years old.

My colleagues here sometimes accuse me of being a pilot back during the B–17, but the reason they do that is because of this statement, which is true, and think about this, though. In 1999, if we had used the B–17 bomber to strike targets in Baghdad during the first Gulf War, it would have been younger than the B–52, the KC–135, and the U–2 are today.

So that is—if you couple the stress of deployments, the stress—the OPSTEMPO, deploy-to-dwell, with the reduced capacity and the age of our fleets, that in essence is where we are.

Ms. STEFANIK. Thank you very much. I am over my time. Thanks, Mr. Chairman, for the flexibility.

Mr. WITTMAN. No problem. Thank you. I want to remind our witnesses that your full statements are going to be entered into the record, and if you would like at this time you can make a brief opening statement in the summary of that, and then we will go to Ms. Bordallo.

General Allyn.

General ALLYN. We are very flexible, Chairman.

Mr. WITTMAN. Yes, indeed.

STATEMENT OF GEN DANIEL B. ALLYN, USA, VICE CHIEF OF STAFF, U.S. ARMY

General ALLYN. Chairman Wittman, Ranking Member Bordallo, distinguished members of the subcommittee, thank you for the opportunity to testify on the readiness of your United States Army.

On behalf of our Secretary, the Honorable John McHugh, and our Chief of Staff, General Ray Odierno, I thank you for your support and demonstrated commitment to our soldiers, Army civilians, families, and veterans. There are over 140,000 soldiers committed around the globe, partnered with our allies in response to increasing instability across Europe, the Middle East, Africa, and the Pacific, continuing the mission in Afghanistan, and reacting to humanitarian crises.

The velocity of instability is increasing, and now is not the time to drastically reduce our capability and capacity. The Army needs Congress to provide adequate, consistent, and predictable funding.

Today only 33 percent of our brigades are ready, when our sustained readiness rate should be closer to 70 percent. The fiscal year 2015 enacted funding for our Army is $5.1 billion less than last year's budget and challenges our commanders and leaders across our Army to sustain our hard-fought gains in readiness.

We are funded to achieve just enough readiness for immediate consumption and are unable to generate the readiness required to respond to an emerging contingency.

While the fiscal year 2015 budget constrains training, we remain committed to our combat training center rotations to develop leaders and build unit readiness. We accept risk in home station training to conserve resources for the combat training centers. The result of this approach is that units arrive at our combat training

centers not fully trained and ready for these complex training scenarios, and therefore unable to derive the full benefit of the training that is provided.

Under the President's budget in fiscal year 2016, our goal is to increase regular Army brigade combat team readiness to 70 percent, allowing us to balance force requirements while maintaining some surge capacity. But we need consistent resources to get there.

Sequestration will undermine readiness, ultimately putting soldiers' lives at risk and will increase significantly the involuntary separation of officer and noncommissioned officer leaders who have steadfastly served their country through the last 13 years of war.

Sequestration will also severely impact our ability to maintain our installation readiness and protect the industrial base, both key components to maintaining a ready force. It will cut essential funds from military construction, sustainment, restoration, and modernization on our installations.

Sequestration will degrade the industrial base's ability to sustain the lifecycle readiness of warfighting equipment, while also maintaining the capability to surge to meet future demands.

To achieve our required readiness level in fiscal year 2016, we need Congress to support all of the cost-saving measures the Army has proposed. These include compensation reform, a new round of base realignment and closure, and the aviation restructure initiative [ARI].

Aviation restructure eliminates 700 aircraft from the Active Component and 111 from the Guard and Reserve, but increases readiness and saves $12 billion. If the Army does not execute ARI, we will incur additional costs buying aircraft and performing maintenance at the expense of modernizing our systems and maintaining readiness for a heroic total force aviators.

The Army remains committed to protecting our most important resource, our soldiers, civilians, and families. We build leaders of character and trusted professionals who provide an environment where every member of our great Army is treated with dignity and respect, supported by essential soldier and family programs. We will protect our most vital programs, but sequestration-driven budget cuts affect every facet of our Army.

I thank you again for your steadfast support of the outstanding men and women of the United States Army and I look forward to your questions.

[The prepared statement of General Allyn can be found in the Appendix on page 42.]

Mr. WITTMAN. Thank you, General Allyn.

Admiral Howard.

STATEMENT OF ADM MICHELLE HOWARD, USN, VICE CHIEF OF NAVAL OPERATIONS, U.S. NAVY

Admiral HOWARD. Chairman Wittman, Ranking Member Bordallo, and distinguished members of the committee, thank you for the opportunity to testify today. It is my honor to represent the Navy's Active and Reserve sailors and civilians, and particularly the 41,000 sailors who are underway and deployed around the world today. They are standing the watch right now and ready to meet today's security challenges.

The citizens of this Nation can take great pride in the daily contributions of their sons and daughters who fulfill our Navy's long-standing mandate to be where it matters when it matters. And recent events exemplify the benefit of forward presence. Last August, the *George Herbert Walker Bush* Carrier Strike Group relocated 750 nautical miles from the Arabian Sea to the Arabian Gulf in less than 30 hours to respond to ISIL attacks in Iraq. They executed 20 to 30 combat sorties per day, and for 54 days they were the only coalition strike option to project power against ISIL.

I want to make it clear, the fiscal year budget—the fiscal year 2016 budget is the minimum funding required to execute the Nation's defense strategy. In other words, if we return to a sequestered budget, we will not be able to execute the Defense Strategic Guidance.

Past budget shortfalls have forced us to accept significant risk in two important mission areas. The first mission at risk is deter and defeat aggression, which means to win a war in one theater, while deterring another adversary in a different theater. Assuming risk in this mission leads to a loss of credibility in the ability to assure our allies of our support.

The second mission at risk is to project power despite anti-access/area denial challenges. This brings risk in our ability to win in war. Some of our people and platforms will arrive late to the fight and inadequately prepared. They will arrive with insufficient ordnance and without the modern combat system sensors and networks required to win. Ultimately this means more ships and aircraft out of action, more sailors, marines, and merchant marines killed.

Our Navy will continue to ensure the security of the maritime domain by sustaining its forward presence, warfighting focus, and readiness preparations to continue operating where it matters and when it matters. Since there is no foreseeable reduction to global maritime requirements, we have focused our fiscal year 2016 Navy budget to address the challenges to achieving the necessary readiness to execute our missions. Any funding below this submission requires a revision of the defense strategy.

So to put it simply, sequestration will gravely damage the national security of our country.

Despite these challenges, we are fortunate to have the highest quality, most diverse force in my Navy history. These outstanding men and women who serve our Nation at sea make us the finest navy in the world. So on behalf of all those Active and Reserve sailors, and our civilians and their families, I extend our appreciation to this committee for your efforts and your continued support to keep our Navy ready to defend this Nation.

[The prepared statement of Admiral Howard can be found in the Appendix on page 63.]

Mr. WITTMAN. Admiral Howard, thank you.

General Paxton.

STATEMENT OF GEN JOHN PAXTON, USMC, ASSISTANT COMMANDANT, U.S. MARINE CORPS

General PAXTON. Good morning and thank you, Chairman Wittman, Ranking Member Bordallo, and distinguished members of

the subcommittee. I appreciate having the opportunity to appear before you today and to report on the readiness of your United States Marine Corps.

Today, as always, your Marine Corps is committed to remaining our Nation's ready force, a force that is truly capable of responding to a crisis anywhere around the globe, at a moment's notice.

I know that this committee and the American people have high expectations of your marines. You expect your marines to operate forward, to stay engaged with our partners, to deter potential adversaries, and to respond to crises. And when we fight, you always expect us to win. You expect a lot of your marines, and you should.

As we gather today, more than 31,000 marines are forward-deployed and forward-engaged. They are doing just what you and we expect them to be doing. Our role as our Nation's ready force continues to inform how we man, train, and equip the Marine Corps. It also prioritizes the allocation of the resources that we receive from Congress. And I can assure you that your forward-deployed marines are indeed well-trained, well-led, and well-equipped.

In fact, our readiness was proven last year as your Marine Corps supported recent evacuations of American citizens in South Sudan, in Libya, and in Yemen. Those ready forces are also currently engaged in the Middle East in conducting strike operations against ISIL in Syria and Iraq, through training the Iraqi Army units, and through protecting our embassy compound in Baghdad.

They also routinely deploy and exercise across the Asia-Pacific region where over 21,000 are currently west of the International Date Line. All of these events demonstrate the reality and the necessity of maintaining a combat ready force that is capable of handling today's crisis today. Such an investment is essential to maintaining our Nation's security and our prosperity for the future.

While we work hard with you, in order to maintain the readiness of all our forward-deployed forces, we have not sufficiently invested in our home station readiness and our next-to-deploy forces. We have also underfunded or delayed full funding for modernization, for infrastructure sustainment, and for some of our quality-of-life programs.

As a result, approximately half of our non-deployed units are suffering personnel, equipment, or training shortfalls. Ultimately, this has created an imbalance in our overall institutional readiness.

At the foundation of our readiness, we will emphasize and we do emphasize that all marines and all units are physically and mentally ready, are fully equipped, and have sufficient time to train at home station with quality small-unit leaders at the helm. They are, thus, ready to go anywhere when they are called.

As we continue to face the possibility of full implementation of the Budget Control Act, our future capacity for crisis response, as well as major contingency response is likely to be significantly reduced. Quite simply, if our home station units are not ready, due to a lack of training, manning, or equipment, it could mean a delayed response to resolve that contingency or to execute an operational plan. Both of which would consider and create unacceptable risks for our national defense strategy, as well as risks to the limits

of mission accomplishment or perhaps physical risk to the force itself.

The readiness challenges we already see today provide context for our messages this morning. Your United States Marine Corps can, indeed, meet the requirements of the Defense Strategic Guidance with the President's budget [PB]. But there is no margin.

As the Chairman stated, Chairman of the Joint Chiefs, several weeks ago, even under PB16 [2016], we are already at the ragged lower edge for overall readiness. I thank each of you for your faithfulness to our Nation, your support for the Department and our services. I request that the written statement be submitted for the record and I look forward to your questions. Thank you, sir.

[The prepared statement of General Paxton can be found in the Appendix on page 76.]

Mr. WITTMAN. Very good. Thank you, General Paxton.

General Spencer.

STATEMENT OF GEN LARRY O. SPENCER, USAF, VICE CHIEF OF STAFF, U.S. AIR FORCE

General SPENCER. Good morning, Chairman Wittman and Ranking Member Bordallo and distinguished members of the subcommittee, thank you for your continued support of America's airmen and their families and for the opportunity to share the Air Force's current readiness posture.

The United States Air Force is the most globally engaged air force on the planet, and our airmen are defending the Nation through a wide spectrum of activities, from dropping bombs and flying space assets, to delivering humanitarian relief and protecting the homeland. We remain the best air force in the world. But with recent budget cuts, coupled with 24 years of combat operations, it has taken its toll.

Our airmen have always been and will always be the cornerstone of the Air Force and the combatant commanders tell us that our airmen continue to perform exceptionally well across the entire globe. However, we are the smallest and oldest Air Force we have ever been, while the demand for airpower continues to climb. This is not a complaint. We are happy that what we bring to the table is recognized as indispensable, when it comes to meeting the Nation's objectives.

But, I am concerned. I am more concerned today than I was at my last testimony. We have to modernize to maintain our technological advantage and this is something we have set aside over the last few years. Our potential enemies or adversaries have been watching us and now know what it takes to create the best air force in the world.

They are investing in technologies and doing everything they can to reduce our current airpower advantage. Because we have the smallest and oldest Air Force in history, we need all of our airmen to be proficient in every aspect of their mission. Unfortunately our high operations tempo has caused our airmen to only be proficient in the jobs they do when they deploy. We simply do not have the time and resources to train airmen across the full spectrum of Air Force missions.

I am confident that, with your help, we can reverse this trend and regain our readiness. But, we will have to make some difficult choices to balance capacity, capability, and readiness, all of which have been already cut to the bone.

Our fiscal year 2016 President's budget submission aims to balance critical operational training and modernization commitments. But even at this level, it will take years to recover lost readiness. We have already delayed major modernization efforts, cut manpower, and reduced training dollars.

One final point, the capability gap that separates us from the other air forces is narrowing. That gap will close even faster under BCA levels of funding. When sequestration first hit in 2013, we saw the domino effect it had on our pilots, maintainers, weapons loaders, air traffic controllers, and our fighter and bomber squadrons. Readiness levels of those central combat operations plummeted. In short, we were not fully ready, and we cannot afford to let that happen again.

To quote a young C–17 instructor pilot, "I am committed to defending this Nation any time and any place. But I need the training and equipment to be ready to perform at my best." This is critical to answering the Nation's call to fly, fight, and win.

I would like to thank all of you for the opportunity to be here today and your continued support of your Air Force. I am now happy to take your questions.

[The prepared statement of General Spencer can be found in the Appendix on page 92.]

Mr. WITTMAN. General Spencer, thank you. And thank the members of the panel here. Before I go to Ms. Bordallo, I do want to make a comment. Obviously, yesterday's budget that passed does put money back into the Nation's military. Much of it in the overseas contingency operation funds. The good new is that it does allow the HASC [House Armed Services Committee] to authorize to $613 billion. And it allows the appropriators to appropriate to that number. It puts no restrictions on how the OCO dollars are then used to do that.

Now there are internal OMB [Office of Management and Budget] restrictions that we are going to have to address, I believe, in that particular effort. It is not the best way to run the military, to do funding that is base mission through contingency funding. The definition of contingency is something that is unusual or unexpected. Obviously, funding this Nation's military is not unusual or unexpected. So it does create, again, a gap next year.

I think, though, if used properly, it can be a forcing mechanism to make Congress come to grips with the tough decisions it has to make and it is not just there in the spending on the military side. It is the most immediate. The Congress has to address all the different parts of the budget. And if it doesn't address the biggest ticket items, the autopilot spending programs in an adult way, without thrashing each other here, and I am talking about Members of Congress thrashing each other about what it does or does not do to the individuals involved, instead, making sure that it is viable, then we can get this fixed.

But our immediate challenge is to make sure the dollars are there for the military today. The budget that passed yesterday,

while not the most desirable mechanism, does allow the appropriators and the authorizers to get to the $613 billion number. So it does allow at least some relief. But as with everything else, you want to be able to look in the window past this year, too, to determine the long-term needs. That is where our effort has to come in.

So with that, I will go to Ms. Bordallo.

Ms. BORDALLO. Thank you very much, Mr. Chairman. And I thank the witnesses for their very frank opening statements and the real challenges that you have to face in the future. I appreciate your being very forward in that.

I have two questions, Mr. Chairman. And I would like to ask of each. So if you could kind of put your answers together in a quick way, because we do have quite a few members that I know want to ask questions. I will start with General Allyn. How does OCO funding affect execution of your current baseline funding?

General ALLYN. Yes. Congresswoman Bordallo, the OCO funding, while it is better than not receiving the increased funding that is essential to achieve the outcomes that the President's budget set forth, the restrictions that are inherent in OCO funding, as the chairman highlighted, with regard to OMB's current rules, do not allow us to have the flexibility required to get at home station readiness for units that are not deploying in support of a contingency operation. It also does not allow multiyear funding, which means we cannot use it for critical modernization programs in acquisition and procurement.

And so, the restrictions truly create challenges and hard decisions under the current rule set. So as we discussed yesterday with the Senate committee, we would need significantly greater flexibility. What is built into the current President's budget is a $3 billion to $6 billion OCO-to-base transfer requirement per year. And so what we are doing is increasing that through funding base requirements through OCO funding. And this is a year-to-year drill and we need predictable, consistent funding to get at the readiness that we are talking about here today, ma'am.

Ms. BORDALLO. Thank you. Thank you, General.

Admiral.

Admiral HOWARD. Ma'am, very similar to the Army, it is the multiyear constraints that is toughest for the Navy, particularly when you look at shipbuilding and ship contracting. And then for—and then in the past there have been restraints on OCO where it could not be used to buy individual platforms such as aircraft.

And so when you look at procurement and you look at our ability to modernize, OCO, the way it is currently set up, is not available for us. And clearly for a capital ship intensive force, multiyear funding is essential for us to continue to grow the Navy. Thank you.

Ms. BORDALLO. Thank you.

General.

General PAXTON. Yes, thank you, Congresswoman Bordallo.

Same thing my two counterparts said. The other issue is—to remind is that all the services probably spend well over 50 percent of their TOA dollar on people. They are our most important resource, our most important weapon. But in order to recruit, retain,

PCS [permanent change of station] move, we spend most of the money on people.

The largest chunk for most of the rest of us is in operations and maintenance. So the things that we need and the reason our readiness is degraded is because of inability to put sufficient money into modernization, inability to put sufficient money into sustainment. Modernization in the Marine Corps is only 9 percent of our dollar right now.

And the OCO money addresses the O&M and the direct linkages to the current place we are in—it doesn't give us the help we need to continue to modernize and to buy those big platforms we need.

So thank you, ma'am.

Ms. BORDALLO. Thank you.

Next?

General SPENCER. Again, ma'am, similar story. A couple of things—the Air Force is very capital-intensive, so as General Allyn mentioned, the ability to plan to buy weapon systems, you know, F–35 bomber, tanker that we are trying to procure, C–130, multiyear contracts, that multiyear allows us to have a really good deal, funding-wise. Those type of things, it is hard to really plan for if you get one year's worth of money.

The other thing is there are some issues with OCO. For example, one of the OCO rules allows us to buy replacement munitions that we have expended in the war. So we can buy smart munitions that can get pretty expensive, that we expended last year. We can't budget for projected weapons that we are going to use. So it puts us behind by a year. So that is something that would concern me.

I haven't read the details, but I don't know what the timing of the OCO budget would be. Would it be simultaneous or would it come later? If it came later, like it does in a lot of cases, again, there are problems inherent with that. What is the total going to be, finally? How are we going to know how much we are going to get? What is in there between O&M and procurement?

There are rules, for example, you have to execute 80 percent of your O&M by July. If we get a late OCO, is that going to be a problem?

OCO to base has been touched on. That is something we are all worried about. If we wake up one day and OCO is gone, what do we do? And you know, in the Air Force's case, we have got several bases in the Middle East that were stood up and are paid for today with OCO funding that we are told will probably endure, will probably stay for the long term. That is fine. But then we will have to figure out where does that money come from that is now in OCO that we will have to put into the base.

As my colleagues already mentioned, that is now exacerbating this sort of OCO-to-base transfer, at some point. It just further mixes and blurs the lines between the base and emergency contingency, essentially.

Ms. BORDALLO. Thank you. Thank you.

Now I have one quick question here, also, if you could answer. Current defense planning guidance says the United States military should be prepared to do three things: one, win a big war; two, prevail in a smaller contingency; and three, protect the homeland, all

at the same time. Can your service do that now? And how will the fiscal year 2016 budget request change all of that?

General.

General ALLYN. Yes, Congresswoman. I think we have touched on this already and the fact of the matter is that we are on the lower ragged edge of our capacity to do that with the President's budget.

And the highlight that I made about our consuming readiness as rapidly as we are generating it means that our ability to respond to the unknown contingencies, to reinforce either the major fight or the deterrence fight is significantly strained. And we know what that—it is very easy to say constrain. That sounds clean. It is not clean.

It means we are late to the fight in one or both locations with sufficient capacity and we either fail in our mission or we increase the loss of life to those committed forward from the joint force, as well as innocent civilians that we are charged to protect in accordance with our national security interests.

Ms. BORDALLO. Thank you.

Admiral.

Admiral HOWARD. Ma'am, so within those major missions you talked about, the Navy has some very specific responsibilities. One is strategic deterrence. And no matter what happens, we will maintain zero risk in strategic deterrence.

But when you talk about projecting power despite anti-access/area-denial circumstances and then this deterring and defeating an aggressor, winning the war, with the PB16 budget, those are still at risk. But if you talk BCA, then we will not be able to project power and we would not be able to deter and defeat aggression.

Ms. BORDALLO. Thank you.

General.

General PAXTON. Thank you, Congresswoman.

Your Marine Corps, of course, is—we consider ourselves to be the 911 force, the crisis response force. And that is our focus. So as I said in the opening statement, we guarantee that we will have ready forces for the fight-tonight mission. But to your question, ma'am, the contingency mission or the deliberate operations plan, that is when we have to go to our home station units who are already at lower than 50 percent readiness and are degraded.

So the answer, then, would be yes, but. They are coming. Yes, they will be there, but they will be later, but they will not have the right leaders in the right positions, but they won't be fully trained. So we are going to accept risk in our ability to respond and to win in a contingency and in a war.

Ms. BORDALLO. Thank you.

General.

General SPENCER. Yes, ma'am. To answer your question directly, could we meet the Defense Strategic Guidance at the President's budget level? Yes. Just barely. Could we execute the Defense Strategic Guidance under sequestration? No.

One of the ways we describe the Air Force sometimes, and I think all my colleagues could probably describe their services similar, it is almost like a light switch. I mean, you cut on a light switch and if we go into a contingency, we expect air superiority

to just happen. We expect if someone launches a weapon, a GPS [Global Positioning System] will just guide it to where it needs to go. You know, we expect our nuclear deterrent to work so we don't get a nuclear attack.

We expect those things to happen. That is what the American people expect of us, and that is what we want to provide. I get concerned in sequestration that we are going to cut that light switch on and some things are not going to work.

Ms. BORDALLO. Thank you very much. Thank you, Mr. Chairman. I yield back.

Mr. WITTMAN. Thank you, Ms. Bordallo. We will now go to Mr. Scott.

Mr. SCOTT. Thank you, Mr. Chairman.

I guess most of my questions will be for you, General Spencer. I want to talk a little bit about the civilian workforce, but I would ask a favor of you, all of you, and that maybe you go back and review some of the testimony from a few years ago when the reductions in your force were being referred to as rightsizing by your own leadership and it was the Armed Services Committee that was trying to stop those reductions in force size. And quite honestly the leadership at the Pentagon was supporting the President's position in reducing them.

I would just ask that you go back and read the testimony of your leaders from just a few years ago when they felt like those cuts were acceptable and we were trying to stop some of them.

But I represent Robins Air Force Base, a tremendous civilian workforce, crucial role in generating readiness for our Air Force. And one of my concerns is that there continue to be proposals to cut the civilian defense workforce. They go well beyond any of the Department proposals. Existing law already mandates cuts in the civilian workforce similar to those of uniformed personnel.

And my concern is in two forms. It would have a direct impact on the ability to deliver weapon systems on time and on budget for our depots, or from our depots, I should say. And secondly, if you arbitrarily reduce the civilian workforce, would that not add stress to the uniformed personnel and soldiers and airmen, who would be forced to spend less time training for the missions and more time performing non-mission-related tasks?

So General Spencer, could you speak to the arbitrary cuts to the civilian workforce and what impact they have on Air Force readiness?

General SPENCER. Congressman, first of all, maybe—we are in violent agreement. I agree with everything you said. As you know, I was stationed at Robins, I have been stationed at all the Air Force depots. I love it. Robins is a great community, great workforce, great work ethic. If you could clarify for me the arbitrary reductions you are talking about. We have had some headquarters reductions, 20 percent headquarters reduction that was mandated by the SECDEF [Secretary of Defense].

I am sorry.

Mr. SCOTT. I am sorry, General. These are legislative proposals from other Members of Congress.

General SPENCER. Okay, okay, I am sorry. Yes, no, that would not work for us. It would not work. I am not sure if everyone has

the sort of right perspective on civilian employees. You know, first of all, 96 percent of our civilian employees don't work in the National Capital Region. They are out in the field, getting our mission done, turning wrenches, making—launching airplanes, launching satellites. These are critical to the mission of the Air Force, no doubt about it.

And so any—we cannot afford to impact our civilian workforce with an arbitrary cut. Period, dot.

Mr. SCOTT. They are extremely skilled and when we break faith with them we run the risk of losing some of the most talented people with regard to rebuilding our airplanes and the weapon systems that our warfighters need. And I am extremely concerned about the lack of knowledge with regard to their value to national security with some of our members. Not with you or with the people at the Department of Defense, but with some of my colleagues.

And just one other thing with regard to that, the trends and the costs of weapons and the system sustainment, the increases there. Can you give any assessment of what the drivers of that and what we can do to help reverse that trend?

General SPENCER. Yes, Congressman. One of the primary drivers of weapon systems sustainment cost increase is the aging of our systems. So as our systems get older or the parts break faster, a lot of the manufacturers go out of business, we have to manufacture the parts, it just becomes an expensive proposition to maintain old weapon systems.

So we could certainly use your help not only to sustain the weapon systems costs that we have now, but to help us with our modernization so we can get new systems into our inventory.

Mr. SCOTT. Thank you for that.

And one of the things that you mentioned that I caught on was when manufacturers go out of business. And that is where I think it is extremely important for national security for us to maintain organic capabilities. And while we can, through 50/50 and other things, share that workload with the private sector, from a national security standpoint, we have to have the ability as a country to deliver those weapons systems to the men and women in the fight.

Again, I want to thank all of you for being here, and, you know, just hope again that you will take time to go back and look at the testimony from just a couple of years ago, where members of the Armed Services Committee were trying to stop the reductions. And it is hard for us to keep you fully funded if the leadership of the DOD [Department of Defense] isn't standing with us.

General PAXTON. Congressman Scott, if I may, sir—and this is the third I have been—had the honor and the privilege to testify before this subcommittee. And we will certainly take your guidance there and go back and review testimony. But I would just like to be clear for the record that when the leadership comes over to testify, we talk about the POM [Program Objective Memorandum] as submitted. And we talk about the ability to execute the defense guidance with the POM as submitted. When we get the marks, and then particularly, when we are very clear for 3 or 4 years in a row about the devastating effects of the Budget Control Act, we are now 4 years into POMs that have been adjusted, and 2 years after a BCA.

I think we are all pretty clear that we are at the lower ragged edge. And we are in hopes that through the good offices of this committee and subcommittee back to the larger House, we can send the message that this is devastating to the ability of the Department of Defense to safeguard the Nation.

Mr. SCOTT. General, I didn't support those cuts. And I was concerned when I first heard about the reductions in personnel that it was taking this away from a primary goal of 1:3 in dwell time for Active Duty and 1:5 for Guard and Reserve.

So, with that, I am past my time. Thank you, Mr. Chairman.

Mr. WITTMAN. Thank you, Mr. Scott.

Mr. O'Rourke.

Mr. O'ROURKE. Thank you, Mr. Chairman.

For General Allyn, I would like to get your thoughts on a recent decision made to keep us at near 10,000 in Afghanistan through the rest of this year, first. And then along the same line, I would like you to discuss the Army's preparations for potentially having to use ground forces in Iraq and Syria.

I know nobody wants to do that, and it is not part of the President's request for this authorization for use of military force. But I think it is within reason to assume that if we want to achieve the President's stated goals, with the current forces that are on the ground, we have to seriously consider this.

I am assuming you have planned for that. And what I want to know is, within this budget, do we have the resources to meet our commitments in Afghanistan and Iraq, in addition to every other potential threat that has been outlined earlier.

General ALLYN. Thank you, Congressman O'Rourke. I appreciate both of your questions. And to Afghanistan first—I believe this is a very good outcome for accomplishing the mission that was established in what we were set forth to do with our Resolute Support mission.

I was fortunate to be in Afghanistan in early February. And I was able to get out and meet with all of our leaders, and particularly with our two divisions that are deployed over there providing both essential mission command and advise and assist support to our Afghan security forces, from the 1st Calvary Division in Texas and from the 3rd Infantry Division in Georgia.

And both of these missions were being accomplished with great leadership, with great focus, with great precision, but with significant risk, as we were drawing down the forces while still trying to maintain touch with the capabilities when the Afghan security forces that needed to be finished. So, I——

Mr. O'ROURKE. And I don't want to interrupt you, but I have got limited time.

General ALLYN. Okay.

Mr. O'ROURKE. The two scenarios I just described are new over the course of this year. We weren't necessarily anticipating them a year ago. How has that changed how we are prepared to fund those in this budget?

General ALLYN. Yes. Well, we do appreciate the increase in OCO because the increased numbers in Afghanistan are greater than what was programmed. We did, however, program to train the forces to backfill the forces that are there now, and to continue that

in case it was required. So, we will be trained and ready to continue this mission. And I believe the OCO funding increase will enable us to meet that to include the increase in ISR [intelligence, surveillance, and reconnaissance] that is above what was originally programmed for this year. And we will meet that.

In terms of our ability to meet the response that may be required in Iraq—just as we were capable of deploying the 3rd Brigade Combat Team of the 82nd Airborne Division in response to the initial advise and assist increase, we will have forces prepared when called.

Now, clearly——

Mr. O'ROURKE. And those forces are funded within this budget?

General ALLYN. Yes. The President's budget fully funds our combat training center rotations, where we prepare all of our units for full-spectrum mission readiness.

Sequestration will put that at risk because units will not arrive at the combat training centers as ready as they should be. And that will potentially put us at risk. So, the President's budget does enable us to do that.

Mr. O'ROURKE. If I am reading this correctly, the Army's total O&M, which funds our readiness, is down a little from last year. Is that reflecting the reduction in force size, and will that continue to track if we stay under current caps to 2020, when the total force size is down to 420,000?

General ALLYN. Well, first of all, all of our current end strength above 490,000 is funded in OCO. So, it is not a reflection for this year of a drawdown in our force. It is really a reflection of we got 5 billion less dollars this year, and we had to take some cuts. And, as General Spencer highlighted, we really only have two places to draw it from. We are going to pay for our people, because that is a sacred trust and we are going to meet that requirement. So it either comes out of O&M or modernization. And we have had to make very hard choices in both of those. We reduced our modernization 25 percent, even in the President's budget submission. And so, we are facing a very tough balancing act. And the reflection of the reduced O&M reflects that—those hard choices.

Mr. O'ROURKE. In conclusion, you know, couldn't agree more with General Paxton that our people are going to be our greatest resource and our greatest weapon. And with your conclusion that unless we do some difficult things, make some tough decisions like a BRAC [base realignment and closure], like rethinking compensation, pension, and health—you mentioned restructuring aviation—then we are going to have cut people. And for me, that is not acceptable.

So, I appreciate your testimony today.

I yield back.

Mr. WITTMAN. Thank you, Mr. O'Rourke.

Mr. Nugent.

Mr. NUGENT. Thank you, Mr. Chairman. And I appreciate, once again, other comments that were made in regards to your candor. You know, I am obviously concerned about how we move forward. You know, we have been struggling as a Congress to figure out what do we do about sequestration. And that is not your problem. That is our problem. But I do—or I am concerned, though, as we

move forward. I think that—I think we have learned some things about our withdrawal from Iraq that put us in the position that we are today, with trying to figure out, "Now, what do we do with the downfall, what is going on within Iraq?" And so, you know, I was happy to see the President didn't draw down more troops in Afghanistan. I worry about what he wants to do next year, obviously, at the end of 2016, to draw out all of our forces. I think that we put ourselves in the same predicament that we are today in Iraq, where we are not quite ready. And I think that President Ghani made that pretty clear.

While he wants to do as much as he can, that country, obviously, is in a tough spot. Because of their ability to raise money, to, you know, get employment within their own country. So, I worry that if we were to actually follow what the President wants to do, and withdraw our forces at the end of 2016, we would be in a comparable situation that we find ourselves in today in Iraq, figuring out, what do we do? And I agree with Mr. O'Rourke that, you know, I don't want my sons going back to Iraq and Afghanistan in the fight. But I also believe that without Americans leading from the front, that we will not get to the end state that we want to see ourselves in for those countries in question.

So, my question is on—is obviously on readiness. And, General Allyn, I worry that when we hear the Army is at 33 percent readiness, that should cause a lot of pause amongst all of our colleagues within the House of Representatives.

And, you know, our constitutional requirement is to defend this Nation, number one—is the number one constitutional requirement. We kind of forgot that in the myriad of all the other requests and wants, and nice to have things that, you know, are good to have. But we forgot that we need to actually worry about you all in regards to providing for the common defense.

I do worry when we start talking about balancing a budget on the backs of the men and women that are out there, that are—that have volunteered to serve this country. And I get really upset and worried that the Pentagon is—and I understand where you are coming from—but the Pentagon is willing to sacrifice some of that, you know, to meet the mission, while instead of saying, You know what? We need to start talking about keeping compensation. Now for future compensation, that is not an issue, I think, but you can talk about that. But I worry that, you know, we want to balance a budget on the backs of these men and women that have given everything, and are willing to give everything in the defense of this country.

So, General Allyn, how do we actually—how do we keep the people that we are talking about, that we don't want to lose; those great NCOs [noncommissioned officers] and officers that are at risk? How do we actually keep them in service of their country, if we start cutting compensation?

General ALLYN. Well, thank you, Congressman Nugent. I will say, first and foremost, our great soldiers and leaders are meeting the demands that are placed before them, and are volunteering to stay. Our retention rate remains very, very high—over 113 percent last year of the goal.

Mr. NUGENT. Great.

General ALLYN. So, our leaders want to serve on this great——

Mr. NUGENT. I know they do. I know they do, but——

General ALLYN [continuing]. Army—and I believe that the most important thing that we must do is sustain their trust. And their trust is sustained through predictable funding that is consistently delivered, and enables us to have them trained and ready for the missions that are required of them. That is the first and foremost responsibility that we have.

Because as you said, defending our Nation is job one. And they are committed to that and we must be committed to them. I will highlight that the cost of a soldier has doubled since 2001. Okay.

So it is important to keep that in mind and, you know, we believe that some of the compensation reform that we are proposing is reasonable, without putting the balancing the budget on the back of the soldier. We would never put forth something that puts the burden on the soldier who has volunteered to serve his country.

Mr. NUGENT. Well, I just know that, you know, from a family perspective, when—typically it is the wife who does the budget, who does the checks, makes sure everything gets paid. And when they see a reduction in their BAH [basic allowance for housing], that creates a stress.

And I know we haven't actually had to deal with that yet, but that will create a stress on the force that may not be apparent today, but, you know, when you have got the wife back home nipping at your heels because she is the one that is doing the budget and writing the checks, that is a big issue. And I think that is one of those things that compounds in the future and it is not in your face today.

And so I just—I worry from that standpoint. We need—and you talk about it, families are so important in keeping our soldiers and airmen and marines and sailors out there in the fight. So I appreciate all your comments.

Anything else that anybody would like to ask?

General PAXTON. Thanks, Congressman. We are keenly aware that your soldiers, sailors, airmen, and marines represent somewhere between one-half and one percent of the American population. I mean, one-half of one percent, right. So our goal is to make sure, as General Allyn said, when they go into a fight, (a) we never want them to go into a fair fight. They ought to have all the tools at their behest to win. And we want them to have confidence. We want to have confidence in their gear, confidence in their training, and confidence in their leadership.

So every time we submit the budget, every time we articulate the budget, every time we defend the budget, it is with that in mind—to take care of that one-half of one percent to accomplish the difficult missions our Nation gives us and to ensure that every soldier, sailor, airman, and marine has that confidence.

And as you said a minute ago, we may enlist a soldier, sailor, airman, and marine, but we are going to reenlist a family.

General SPENCER. And Congressman, I certainly appreciate your comments. I am actually—I am prior enlisted. I spent 7 years enlisted. Back then, I know what it was like to live from paycheck to paycheck. And my wife was nipping at my heels. Actually she still does. But that is a different——

Mr. NUGENT. I have been married 40 years. I understand.

General SPENCER. That is for a different hearing. But the—what we wrestle with, I think, is balance. And so clearly we need to provide, I think, General Allyn used the term reasonable amount of compensation. But we all owe our men and women in uniform the equipment and the training they need if we have to send them in harm's way.

And so as budgets draw down, particularly if you get into a sequestration environment, yes, you have to focus on compensation, but we have to send our folks forward in harm's way with the right equipment and the right training. And so, that is what we are wrestling with—finding out what the reasonable amount of compensation is in the context of balancing the other things that they need.

Admiral HOWARD. I would like to add, their compensation for what we ask them to do is extremely important. But there are immediate impacts to the quality of their service when we sequester. I was the Deputy for Fleet Forces Commander when we sequestered in 2013.

It is a bad day for a commander when you have to go down to the waterfront, go on a cruiser and tell those folks they are not deploying, they are not getting underway. The commanding officer, the chiefs, the sailors, that is how they qualify. That is their core profession. And they are going to be tied up next to a pier.

We will lose people because they will not have satisfaction because they will not be able to do their jobs, as well as if we have to impact compensation.

Mr. NUGENT. Mr. Chairman, I appreciate the indulgence.

Mr. WITTMAN. Sure. Thank you, Mr. Nugent.

We will go now to Mr. Gibson.

Mr. GIBSON. Thanks, Mr. Chairman. And I appreciate the panelists here today. Thank you for your service, achievements, and sacrifices, and for the sacrifices of your families.

Mr. Chairman, as you know, put significant emphasis on restoring deterrence principles of peace through strength by reasserting the ability of the Global Response Force. I acknowledge the comments here this morning with regard to sequester and the need for steady and consistent funding. And that is really a point for my colleagues here. We have to work together on that and have the temperament to solve these problems.

We had an opportunity in 2012 with the bipartisan budget that was inspired by Simpson-Bowles; it only got 38 votes. Whatever it is, if we are going to do something big like that or if we are going to do something like Ryan-Murray, now is the time. We have got to start assembling the coalition to get that done.

That being said, Mr. Chairman, what I think our committee should do is document the risk as it relates to the Global Response Force. So I have a specific question here today, recognizing we are in an unclassified setting, so you may not be able to specifically respond to it. You can maybe generally respond to it, but for the record, if you could specifically to respond to it, and the staff will assemble.

And it has to do with the war plans now with regard to the Global Response Force, your specific requirements and where you stand

today in terms of readiness to meet those requirements. And you use two categories, please, the President's budget and sequester. So we can document that here in the committee and that will allow us, as myself, I will own this, and then perhaps the committee, that we communicate with our colleagues that we can address this.

So I would like to begin actually with the Air Force and then work our way on the panel.

General SPENCER. Yes, Congressman. Again, to answer your question directly, with the President's budget we could respond just barely. On sequestration, we could not. Probably any deeper than that getting into war plans I would like to come back and brief you in a classified session, if we could.

[On 15 April, General Welsh gave a classified readiness briefing to the House Armed Services Committee in which Congressman Gibson was in attendance.]

General PAXTON. Yes, thank you, Congressman. And I can in the unclassified setting give you two fairly good illustrative examples. And the subject for us is amphibious ships. And we work very closely with my counterpart, VCNO [Vice Chief of Naval Operations], and with the Navy. We have probably one of the best working relationships we have had in years.

But we have a problem with amphibious ships. And we have a problem with inventory. And we have a problem with availability. And there are two different metrics for doing this. One is the steady state, when all the combatant commands would like to have sailors and marines forward-deployed around the world to be there when it most matters and to respond at a crisis tonight.

The CNO [Chief of Naval Operations] and the Commandant are on record as saying we need somewhere north of 50 ships to be able to answer all the current crisis and contingency combat and command requirements.

To your specific question about war plans and contingency response, we know that under the two most stressing war plans, we would need 38 amphibious ships. That is a matter of record. That is a matter before Congress.

We have agreed under our budget-constrained environment the better part of two decades ago that we would do it with 33. But that 33 was predicated on having 33 available, having the money for the 33, or being willing to put them in the yard for a required maintenance with the expectation that 90 percent of them will be operationally available and be able to get underway within the timelines to meet the war plans.

Right now we don't have 33 ships. We don't even have 30 on the waterfront. We are not going to get to 33 for another year, and we are not going to get the right 33 until 2024, until the end of the decade. So we have an inventory problem.

And then because of furlough and sequestration in the shipyards, we have an availability problem where we can't get them out and get them on their way.

So the Navy-Marine team, in general, and the Marine Corps in specific, we think amphibious ships are very, very challenged under the current budget, let alone sequestration.

Thank you, sir.

Admiral HOWARD. Thank you, Congressman.

As we consumed readiness and as I have mentioned earlier, we are in the process of resetting—doing the maintenance on a lot of these ships. Today we can—we keep deployed two carrier striker groups. So that is a carrier with a cruiser and associated destroyers. And we have enough readiness to have one that we can surge.

And then for an Amphibious Readiness Group [ARG], which is normally a large amphib with two smallers, an LSD [Dock Landing Ship] and LPD [Landing Platform Dock], we are keeping two deployed with a third that we can surge. This is the lowest we have been probably since I have been in the Navy. And we, as General Paxton pointed out, we are on a path, with this budget, to reset and get us back to having two carriers deployed and three in surge capacity, and having two ARGs deployed with three in a standby capacity.

For the carrier strike groups, that is about fiscal year 2018, and then for the Amphibious Ready Groups that is about fiscal year 2020. But that presumes we have a budget, we have multiyear, we can continue to buy the ships we are buying and that we can continue to do the money to do the maintenance, and then the money to do the training for our people. Thank you.

General ALLYN. Thank you, Congressman Gibson. And it is appropriate for you to ask this question from a joint force perspective because, as you know, and thank God I have never deployed to war with anything less than a joint force, in our Army contingent of the Global Response Force is a relatively small component that is capable of forced entry, early entry operations, but absolutely dependent upon the readiness of follow-on forces to accomplish the missions that are likely to be required of it.

And that depends upon all of us having the forces ready. As you know from your time in the 82nd Airborne Division, we don't get anywhere without the Air Force, all right. They put the air in airborne and the capacity to get the global reach. And we depend upon the forces of the Marine Corps and the Navy to enable us to have the joint capabilities that are required.

So we require that. It is at risk, for sure, with sequestration. And we have prioritized the Army contingent, but we have done so by going to tier readiness and sequestration. So we will have a Global Response Force capability, but the follow-on forces will have insufficient training and insufficient readiness to reinforce, if required.

Mr. GIBSON. Thank you. I thank the panelists for their responses.

And Mr. Chairman, as I yield back, I reiterate, I think we should take this on. We have—we generally have one slide that shows top line numbers and I think that has been effective in talking to our colleagues. But I think if we had a finer point, if we had fidelity, as it would, relates to this, and even if it has to go at the classified level, I think it would be something that very resonates among our colleagues.

Pat, I would ask you to take this on, Pat McGuigan, with the staff that we can pull this together, because we are going to get this for the record.

And thank you, Mr. Chairman.

Mr. WITTMAN. Thank you, Mr. Gibson. I couldn't agree with you more. What we have tried to do is to make sure that these types

of bundles of information are available to everyone, but specifically non-HASC members to be able to sit down in a secure setting, because you have to be able to talk about these things at the top-secret level. So we will work with the staff to make sure that those are available. We have done those in the past.

And Mr. Gibson, we will work with you and the vice chiefs and the chiefs and make sure we have that information available. And we will schedule another round of briefings for members to come in, so they can get the details on this.

At this point, I ask unanimous consent that non-subcommittee members be allowed to participate in today's hearing, after all subcommittee members have had an opportunity to ask questions. Is there objections? Without objection, non-subcommittee members will be recognized at the appropriate time for 5 minutes.

With that, Mr. Russell.

Mr. RUSSELL. Thank you, Mr. Chairman, for letting me join the committee this morning. I guess, the big concern that I see, and General Allyn, you pointed it out in your testimony, about in terms of brigades, 36 brigades will be reduced to individual and crew-level training. The last time that we saw any combination of effort among our services in—you know, with formations of vehicles, paratroopers, air strikes, in combination with all of the service forces and the harder things that we do, was in 2003.

The company commanders at that time with 4 to 6 years service would now be battalion commanders. The battalion commanders at the time if they are still around, would be major generals. And so, we have seen a migration of leadership at both the NCO level and the officer level where, even knowing how to do these things is being lost, our core capabilities. And then we see a foreign policy shift with statements from the White House, talking about a shift to the Pacific with all of the difficulties that jungle warfare and long logistic lines would create for our armed services.

I have to say, I can't think of a time in our history, except maybe 1940, where we stand a greater risk. And at that time, we saw 160,000 Americans surrender because we couldn't get to them in the Philippines. It wasn't for lack of fighting spirit. It wasn't for lack of training. It was just for lack of resources to be able to get to them. And so, with that, we all know that we can fight with whatever insufficient implements we have, if we have good, strong leaders.

As I look at the training base and see some of that, the focus now is being reduced as you had mentioned, General Allyn, it reduced to individual and crew level with our combat brigades. I am sure this can be extended to fleets, airframes, all kinds of things. How do we survive that?

General ALLYN. Thanks, Congressman Russell. And as you know, the Chief of Staff of the Army's top priority for our Army for the last 2 years has been developing the leaders that will thrive in the uncertain and ambiguous world that we live in today. That commitment has remained and concurrent with our demand to restore our full-spectrum capability, the kind of force you talked about that fought and marched to Baghdad, that fought so effectively in Iraq and Afghanistan, is under way at our combat training centers.

So our combat training centers deliver both the leaders required for the future, with the skills required to dominate in this uncertain world that we live in, and the agility to respond to the unexpected and to thrive under adversity. That is happening each and every day, each and every rotation at our combat training centers.

We will do 14 decisive action rotations at the National Training Center. Fourteen brigade combat teams will receive that training this year, building to 17 over the course of the next 3 years. And so, we are getting after that, but it depends upon predictable funding. And it really depends upon enabling us to increase the funding for our home station training so we arrive at those training centers ready to fully take advantage of the complexity of the training environment we deliver and the challenges that occur there. And frankly, as some of our members have seen, our leaders respond with amazing, amazing results. And you can be very, very proud of how committed they are to being ready for the next conflict.

Mr. RUSSELL. Thank you.

Admiral HOWARD. Thank you, Congressman. In terms of the rebalance to the Pacific, there may be a different perspective for those of us in the maritime domain. When you look at the countries that live in the Pacific or the Pacific Rim, they are investing in their militaries and they are investing in their navies. This is a different perspective than the countries of the Western nations which, some of them are struggling to meet 2 percent of their GDP [gross domestic product] despite commitments.

And in addition, I think sometimes we forget the Pacific not only holds countries with significant capability, like China, but Russia is in the Pacific. And our relationship with Russia, clearly, is changing. In addition, there are many countries that either have nuclear weapons or are attempting to get nuclear weapons and they, too, are in the Pacific.

So from our perspective, when you look at who is investing in their navies, where there are potential fault lines of conflict, there is a potential it could be in the maritime domain. And it is our responsibility to be ready for that.

That said, with this budget, even with the President's budget, we have had to slow down a modernization for both ballistic missile defense and then to be able to fight in an anti-access/area denial. And so, then under sequestration, we would probably lose all of our modernization. And it has generally been our technological edge as a Navy that has allowed us to maintain maritime superiority. Thank you.

General PAXTON. Thank you, Congressman Russell, nice to see you again. Appreciate your time.

Mr. RUSSELL. Good to see you, General.

General PAXTON. A little bit from both what General Allyn just offered and what Admiral Howard just offered. We, as a ground-centric force, if you will, in the Marine Corps, and as a Marine Air-Ground Task Force, we have aviation assets, so not to be confused.

But when we look at a protracted ground campaign, we need to have leaders who are ready at home station, so we suffer from the same sacrifices we have had to make through budgetary constraints at home station ranges and training areas. So we have qualified leaders, we have qualified training. And we are going to

guarantee—and this testimony was before you came today. Well, we will guarantee that the crisis response force, the fight-tonight force is ready to go. The issue is who is back at home station and have we crimped our modernization and our sustainment costs where we are unable to train them at home station.

The second piece—back to both what Admiral Howard said about the Asia-Pacific region and to an earlier comment from General Allyn—it is a joint force. We depend on the capabilities of other services. If we can't train with ISR and get the feeds that we need, the intel [intelligence] feeds, which come from—a lot of them from other services, then our training is reduced.

For our aviation arm and we can have all the best pilots in the world and we can work hard to get our aircraft through the maintenance pipeline, but if the ships aren't out there, then we don't get deck bounces, and we don't get night-vision qualifications. And then consequently, the unit that goes will get them and the unit at home station will go into the fight having untrained pilots. So we are at risk for that, certainly.

General SPENCER. And thank you also for your question, Congressman. I think the example you used in—with the Philippines was a good one because not much keeps me up at night. But the fact—I mean, the Air Force was born and it has its foundation in innovation and technology. And I am really concerned that the gap—and we have enjoyed a technological edge—I am really concerned that that is closing and it is closing pretty fast.

And you know, we have always been in a position where our potential adversaries would wake up and say, where in the world did they get that technology from, how did they do that? I am afraid we are going to wake up and say, where in the world did they get that from and now what are we going to do about it? That bothers me. And I just see that walking away from us, and I don't—I am concerned I don't see a hue and cry as to what do—we need to stop this.

And so, I couldn't agree with you more. I mean, we need the resources. This is not about just getting more money. I mean, we want to—I think the American people—I mean, this is not, you know, a Super Bowl game where if you lose, you come back and play next year. The expectation of us is we go in and we win and we win every time and we win decisively. And I get worried about that, as we continue to draw down the DOD budget, are we going to be to deliver that?

Mr. RUSSELL. Thank you, Mr. Chairman.

Mr. WITTMAN. Thank you, Mr. Russell. We will now go to Ms. Bordallo.

Ms. BORDALLO. Thank you very much, Mr. Chairman. I have just a simple question and maybe a statement. General Allyn, I was well-pleased to hear that recruitment is up to par. And you were the one that commented on that, were you not, the recruitment?

General ALLYN. Ma'am, I actually commented on retention.

Ms. BORDALLO. Retention, yes.

General ALLYN. But the recruitment this year is okay, as well.

Ms. BORDALLO. Good.

General ALLYN. In the future year, it is at risk.

Ms. BORDALLO. Let me—yes, let me say I am looking to the future. And if we continue to draw down on funding, certainly, we are putting our young men and women at risk. How anxious will they be to join the military and how will their families feel about this? So I think this is another situation that we have got to look at.

I mean, certainly if—you know, and this is widely known, if sequestration continues, we have to continue to draw down on funding. They know that our military may weaken them, that you are putting their young men and women in harm's way when they are out there, you know, trying to win a war. So I think that the recruitment numbers will be probably going down as well. That is just a statement, and I was just thinking about it.

But I do have a question for you, General Allyn. What is the status of the Army Sustainable Readiness Model? What assumptions are being made in the development of the model and how is the National Guard being incorporated into the model?

General ALLYN. Well, thank you, ma'am.

First of all, let me hit the recruiting, because it is important to highlight the fact that, of our 17- to 24-year-old young Americans, about 360,000 of them across all of America meet the prerequisites to become a member of the Armed Forces. Okay. That is the starting point. But they are also the same population that the colleges are attracting and that businesses are attracting. And so, we are all competing for that—what I—we like to refer to as the top 1 percent or less of America.

The Army requires 120,000 of that 360,000 just to sustain our current force level, okay. So we are absolutely laser-focused on the challenges of recruiting going forward. We are putting additional resources at it in terms of people and money. But at the end of the day, we believe that our young Americans still want to serve on this championship Armed Forces team that we field.

And sustaining trust with our people is absolutely essential in accomplishing that.

To the Sustainable Readiness Model question, it is a total force model. Everything that we do is about the total force. We fight as a total force. We train as a total force. We recruit as a total force. We retain as a total force. And so it is absolutely a component of our effort.

And specifically what we are working with the National Guard Bureau on is how can we better sustain the readiness that we generate when we send our two National Guard brigades to our annual combat training center rotations? Because what the Active Force is able to do is within weeks of returning from a combat training center rotation, they are back in the field fixing the shortfalls that were identified to get at that peak level of readiness.

For the Guard, as you know, they don't have that ability to do so. So we are working with them on how do we sustain that readiness longer, which ultimately is what we owe the American people? Once we train and develop readiness, we want to sustain it as long as we can so that we have increased surge capacity.

Ms. BORDALLO. Thank you. Thank you very much.

And just one quick question, Mr. Chairman, to General Spencer. The Air Force today is responding to greater operational demands

from—with the 35 percent fewer forces and aging aircraft. If smaller and more ready are mutually exclusive, what are the consequences—if smaller and more ready are mutually exclusive, what are the consequences of this?

And in particular, how does the shortage of maintenance affect the Air Force's ability to generate requested forces?

General SPENCER. Yes, ma'am. Well, first, you have to—I would ask myself ready for what? So if we—to be—we are right now as small as we can get to support what the country has asked us to do. We really—in terms of our overall ceiling for manpower and our equipment, we are at the bottom right now. We can't go any lower, or we will have to rewrite the strategy and do something different.

So getting smaller than we are now and, "more ready," again is going to—capacity has the capability in all of it—in and of itself. So you have to have enough stuff to move around, you can't get so small and say, well, I am smaller but I am more ready. Ready to go do what? If you have a wide variety of demands and you don't have enough to go around, that formula won't work.

In terms of maintenance, we are short. One of the reasons we drew a red line this year on drawing down the force was a lot of our maintenance folks, we have drawn them down too far. So we have got—we aren't able to generate the sorties that we need at our bases to make sure our pilots are trained, to make sure our airplanes are ready to go.

So we have not only drawn down but we are starting to reallocate, if you will, folks that we have more out into our flight line maintenance areas.

Ms. BORDALLO. Thank you very much, General.

And Mr. Chairman, I yield back but I do have a few more questions that I would like to enter into the record.

Mr. WITTMAN. Sure, yes. Yes, we will make sure those questions get entered into the record and get the service branches to provide answers for you.

I would like to thank the members of the panel for joining us today. I do have a couple of questions as we end, and want to get your direction. As you know, readiness includes not just training and equipping, but also the modernization element. And you all talked in brief about that.

But I think it is one of the more important things that we have to speak about. And you all alluded to the fact that our adversaries are pursuing technology upgrades at light speed. And when we mark time and they are traveling at light speed, even though we have an advantage, when we are static and they are traveling at light speed, it doesn't take long for them to catch up.

And I think by any measure, we are looking at in a fairly short window to be looking at their tailpipe when it comes to technology and maintaining that overwhelming superiority that General Paxton spoke about. And I think that is an obligation this Nation has to every man and woman that serves in the military.

And that is to make sure that when they sign up, when we attract the best and brightest, that we also tell them we are going to be committed to making sure that you are properly compensated, but also that you have the tools necessary to be successful in the job that you do. And that is, we are going to give you overwhelming

superiority so when we ask you to go into harm's way, you are going to have the highest probability of fighting to victory and coming home safe.

We all know it is a dangerous business, but we owe it to our men and women to do that. If we don't commit to modernizing our forces, or we are stagnant in keeping up, then we do our men and women in the military a disservice. And we can do great things on the compensation side and make sure that compensation and benefits stay where it is.

But as you said, the young men and women that come to the military come there for a variety of different purposes. Obviously we need to properly compensate them and to provide them benefits, but they come there for the challenge and they come there knowing that they are there to serve their country and they want to defend this Nation when we ask them to go into harm's way.

But they also want to go there knowing that they have the best of what is available to do that. And doing anything less than that, I think is an abdication of our responsibility as Members of Congress under Article I, Section A of the Constitution, and we have to make sure that that happens.

With that being said, we also have an obligation under this new budget scenario of—with a lot of what is happening being pursued under OCO, to make sure that we are directive in the budget languages. We know the way things have existed up to this point is OCO has been used, again, for a fairly specific and limited sets of operational aspects of the military.

This budget opens it up and says we are going to allow the authorizers and the appropriators to appropriate and authorize to $613 billion. But there are still the internal OMB controls on what OCO is. And if the House Armed Services Committee and the House Appropriations Committee Subcommittee on Defense are not directive in the language to say this is what you will do with those OCO dollars, then the default position is for OMB to say, here are the limits and this is what you can and cannot spend it on.

So I think it is incumbent upon us and I say us, both appropriators and authorizers, to get that right. The branches have told us where the needs are from the standpoint of training and equipping. But one of those areas that I think has to be emphasized in this and becomes a forcing mechanism for Congress next year to make sure we continue with this effort to modernize is to get your direction on the most pressing needs on modernization. And I would like for all of you to just give us your overview about where you believe your most pressing needs are in modernization, so that we have some perspective as authorization and appropriations take place, to understand what do we need to do not just on the training side and the equipping side—you all have given us a good perspective on that about where we need to go with our national training centers, where we need to go with getting our pilots sea time, to make sure that our sailors are at sea, to make sure our marines are also there, with the ARG to use, understanding how they are trained up, ready to go.

But the place I think we haven't given the attention that needs to be given is on the side of modernization.

So General Allyn, I give you the opportunity to start and we will move to each of the other members from there.

General ALLYN. Thanks, Chairman Wittman.

First of all, I appreciate the highlight of the tough balancing act and the hard choices that we have had to make even with the President's budget submission. And that President's budget submission reflects a 25 percent cut to our modernization program because of the hard choices that we have had to make to sustain readiness, even to deliver 33 percent of our brigade combat teams ready to deploy globally as they are today.

There are—basically a snowplow effect has gone into our modernization program across every program. Now we are underway with a critical effort in divestiture to ensure that every resource dollar that we put into our modernization program delivers the best effect to offer the best possible equipment to our deploying soldiers, which as you highlight, is what we owe to our soldiers.

No adversary deserves a fair fight. And if we fail to increase our modernization efforts, as has been highlighted by each of my teammates, that gap is closing and we cannot allow that to happen.

So for the Army, there are at least a dozen priority programs that require more funding, but I will highlight just a couple. I highlighted in my opening statement that our aviation restructure initiative was a budget-driven effort to increase readiness, increase modernization, and increase the capacity and capability of our aviation across the total force.

It accelerates the UH–60M modernization for our National Guard by 3 to 5 years, which is really, really important for defense of the homeland. It is the most critical capability that our governors need in response to crises in the homeland.

We have to modernize for cyber. As we have talked about previously, we are vulnerable to cyber attack and right now we are on a path for a multiyear plan to address those vulnerabilities. We ought not be forced to take a multiyear approach. We ought to be modernizing our network as rapidly as we possibly can, recognizing that there are always going to be budget constraints.

Under sequestration, our network modernization would take a $400 million cut. And so, a multiyear plan would become, you know, exceeding beyond the POM. And that is absolutely unacceptable.

The other area that we require—really a more accelerated approach is ensuring the installation readiness, which is a critical component of our training and readiness as we have previously talked, and specifically protecting against insider threat attacks.

Right now, because of budget constraints, we have put soldiers at many missions, which means they are not training and preparing for their core combat mission. We need increased funding to enable us to address the insider threat to ensure that our installations are ready and ensure our soldiers are in the units training to deploy to war.

Mr. WITTMAN. Thank you, General Allyn.

Admiral Howard.

Admiral HOWARD. So when we talk about modernization, you can see from our fiscal year 2015 budget submission to fiscal year 2016 where we took risk. And we took some risks by slowing down or

deferring modernization specifically at that future fight in anti-access/area denial. Specifically, we took risk in munitions, we took risk in electronic warfare, particularly associated with our surface ships, and we took risk in ballistic missile defense.

And then in another area where we could actually use some assistance, we appreciate the work we have done with Congress on the cruiser modification. And if we could re-look at that SMOSF [Ship Modernization, Operations and Sustainment Fund] fund and then lift restrictions, that would also help us get to a better modernization package. Thank you.

Mr. WITTMAN. Thanks, Admiral Howard.

General Paxton.

General PAXTON. Thank you, Chairman. Sir, we had discussed several times before, all of the services, when we talk about fiscal predictability in that top line, all of the services make very deliberate, very conscious, very thoughtful decisions about the way we are going to modernize. And when the budget gets sequestered, those decisions are imperiled.

So for the Marine Corps right now, we are in the midst of an aviation bathtub. We made a decision several years ago that at least three of our fixed-wing platforms were at age limits, had high maintenance costs and, indeed, were not comparable to the cutting-edge technology and the unfair fight that we want to have. So we bought into the B–22 on the rotary wing and, more importantly today, the F–35 JSF [Joint Strike Fighter] on the fixed wing.

We are in the bathtub, where we are having to retire old aircraft or because of other issues on sequestration, they are not ready basic aircraft. It takes too much to maintain them and get them off the line. An example with our V–22 was almost as soon as that rotary-wing aircraft went IOC [initial operational capability], it had to go FOC [full operational capability] and we put it in the fight in Iraq. And we are delighted we did it because it proved the technology, twice the lift, twice the payload, twice the range.

We are convinced that the F–35 at IOC will be better than the AV–8 or the F–18 team at FOC or as it is today. But we are in the middle of that bathtub. Sequestration puts constraints on us with the number of aircraft we can buy. It is a joint service program. It is an international program. It imperils the issues of cost benefits and the value of quantity. So that is point number one, sir, on modernization.

Point number two is you can become a hollow force, as you well know, sir. You can become a hollow force in many ways. You can become a hollow force because of insufficient people. You can be a hollow force because of aged equipment. So we need to strike a balance, all of the services, between our people, our equipment, and our modernization.

The one thing we don't want to have is—in the Marine Corps, for example, is we don't want to have now with the V–22 and the F–35, we don't have to have a 21st century aviation capability and then we don't have our ACVs [Armored Command Vehicles] in our ship-to-shore. We can't work with the Army on the JLTV [Joint Light Tactical Vehicle] and we have a 20th century ground capability. And then because we have done all of those, the maintainers are not there and we have a 19th century logistics capability. We

have to modernize all of them together. And the predictability of the budget is essential for that, sir.

Thank you.

Mr. WITTMAN. Thanks, General Paxton.

General Spencer.

General SPENCER. Mr. Chairman, I will start off answering your question with a statement. We have 12 fleets of aircraft in the Air Force that qualify for an antique license plate in the State of Virginia.

[Laughter.]

General SPENCER. That is a fact.

Mr. WITTMAN. Yes.

General SPENCER. So for us, specifically, we are—as you know, we are trying to field the F–35. That is crucial to both—many of here at the table. And some folks will say, well, why. Well, the majority of our fleet are fourth generation. And our adversaries are rolling what they could call or some would call a 4.5 generation.

Now training, you know, we have the best trained pilots in the world. But if you put them in an airplane that has less capabilities than another, I mean, that is a real issue. So we have got to get to that fifth-generation fighter.

We then need a long-range strike bomber, which is—will help us penetrate into anti-access/anti-denial areas around the globe. And then third—our third priority is a tanker. You know, I was going to say our tanker is as old as General Paxton, but it is not quite that old.

[Laughter.]

General SPENCER. But it is, but they are, on average, about 52 years old. And we have got to get those tankers in and rolling. As you know, we don't go very far without tankers to get folks across the globe. So those are our top three not to mention, I mean, JSTARS [Joint Surveillance Target Attack Radar System], AWACs [airborne warning and control system], our ICBM [intercontinental ballistic missile] fleet is going to have to be upgraded. I mean, I could go on and on—space. I could go on and on, but those are our top three.

Mr. WITTMAN. Very good. Thanks, General Spencer.

Mrs. Davis.

Mrs. DAVIS. Thank you, Mr. Chairman. Thank you for your indulgence. I regret that I wasn't able to be here earlier, but you all know how sometimes many commitments at the same time. I just wanted to follow up quickly, because I think we all know that we have to translate all of this for not just our colleagues, but certainly for our constituents. And you have just talked about modernization and cited a few examples. And we know that these are funding requirements that are not part of OCO. They need to be sustaining over some time.

And people sometimes think that, well, you are putting all this money in OCO, well, surely, you will be able to do everything that you need to do. And I think you have made the case very well this morning, I am sure. And I appreciate the question, particularly, that the chairman just asked.

But could you—and you may have already done this. I am thinking about skill sets, I am thinking about the risks that we have to the men and women who serve our country.

What is it about those skill sets, about the needs that we have—whether, you know, mental health to cyber, what have you—that puts our men and women at such risk that we need to really sound the alarm on this and exclaim that that is not something covered by OCO? How would you do that? And it is an elevator speech, obviously. You got about, you know, two sentences' worth.

General PAXTON. Congresswoman Davis, great to see you again, ma'am. Thanks.

Mrs. DAVIS. Thank you, General. Good to see all of you.

General PAXTON. One of the things we did not discuss earlier, so this is really a topical question is we talk about the cohesion of a unit and the leader-to-led ratio. And both of those are critically important. The world is a much faster place than it has been, and it is a much more complex place than it has been. And I think all of us have in other testimonies talked about the skill sets that our small unit leaders indeed.

And consequently, not only the skill sets that those leaders need, but the stability that the unit and the other soldier, sailor, airmen, marine deserves from having a skilled, trained leader at the helm. So with the OCO dollars, when we are paying for the current fight, the current reset, as opposed to reconstituting new gear, we mortgage the modernization and we also mortgage—when we talk about home station, training and we talk about modernized equipment, we reduce the capability to take that skilled leader and to train him or her on the equipment that we need in the conditions that we need with a number of what we call sets and reps we need, so that that leader is confident in his or her capabilities. And so that unit is confident in that leader.

So I think in the future what we may see is services that are already kind of high-demand, low-density. But you may see a continued need to better train our leaders and perhaps age our force a little bit because you have to get those skills sets.

Thank you, ma'am.

Mrs. DAVIS. Thank you.

General ALLYN. Yes, ma'am. I will highlight another approach to this that we are working and that is, in order for us to ensure that the modernization programs that we have underway are better delivering the capability that our soldiers need, we are better linking our users with our developers and with our requirement's writers, so that we get the reps with that equipment and, more importantly, we get the feedback on what that equipment can do and cannot do. And what it shows us is that some of our new equipment is very complex. And it does require increased training for our incredibly bright and energetic young soldiers.

And we require a—I would say a—just enough technological edge. We don't have to make it so hard to train that the limited training time that we get creates challenges for our ability to integrate new capabilities. So we are trying to tighten that linkage. Because at the end of the day, a soldier that is confident and competent with the equipment that they would provide them, because of the decisive edge of our leadership, they will dominate on the fu-

ture battlefield. But we have got to give them the right equipment and the time to train on it to master.

Admiral HOWARD. With the budget with OCO, you still have not removed the threat of sequestration. We have people who have lived through sequestration and it is a dissatisfying experience. And there are a couple of cohorts that are very important to readiness.

One, we don't often talk about them, but we have got these wonderful public servants who are repair workers, shipyard workers, aviation depot artisans, engineers, IT [information technology] people. They are intrinsic to us maintaining readiness. And when we sequestered before, we furloughed those great public workers. And then when you—and so some of them retire early. You lose those skill sets. It could take years to go to for someone to go from apprentice to journeyman in order to be able to fix our ships or our aircraft.

And then when we want to hire them back, they are deeply suspicious. These folks have to be able to earn a living and know that they can take care of their families and pay their mortgages, just like anybody else. And for some of our engineers, it is their patriotism that lets them serve. They could have much greater rewards in the outside world. So there is that cohort. So if you don't take away the suspicion that we might sequester again, we create angst in that workforce, that civilian workforce.

Then the impact of that sequester, we are still dealing with an aviation depot backlog. That impacts the aircraft that we need to operate, but also for our officers to—our pilots to be able to train in.

So our folks have knowledge of what it is like to sequester. So OCO will help us in the immediate, but it won't take away the threat and the angst that comes with that law looming over our head.

Thank you.

Mrs. DAVIS. Yes, thank you.

General SPENCER. And Congresswoman, I guess, if I was in an elevator and I only had a few seconds, I would probably make it personal. And so, I would describe it this way. I mean, I used to coach Little League football. And so, our job is to organize, train and equip, to provide forces to combatant commanders.

So, as a football coach, I trained the kids how to play. I would not send anyone into the game without a helmet or shoulder pads or knowing how to tackle or how to protect themselves. That is what we do. But if you look at that sort of in the military, that is not—OCO doesn't fund any of that. It is—that is part of our base budget. If we have to get into the game, or we have to go to war, that is when OCO kicks in, because we have extra over-and-above expenses to our base.

I think it is important to keep that difference—the differentiation, so we understand what the differences are, and make sure we don't mix what goes into base and what OCO is for. I just get worried when we do that.

Mrs. DAVIS. Yes.

General SPENCER. How do we—and then what happens when OCO goes away? And what happens to predictability and all the other things you have heard about here? I really worry about that.

Mrs. DAVIS. Yes. Thank you.

Thank you, Mr. Chairman, for that time.

Mr. WITTMAN. Thank you, Mrs. Davis.

We will go to Mr. O'Rourke. And knowing that we have votes have been called at 9:48. So, you go ahead and ask your questions. We will try to do it as quickly as we can so we can wrap up.

Mr. O'ROURKE. Sure. Let me just start by thanking each of you for your testimony today. I think you made an excellent case for the folly of our current budget trajectory and how that is going to impact readiness. And I think you have given us some facts that we need to help our colleagues make the right decision to ensure that we don't cut any further, and that we support our greatest asset. And our greatest weapon, again, as General Paxton said, are the men and women who serve this country in uniform.

General Allyn, you mentioned a 25 percent cut—I think that you said that—to modernization in the fiscal year 2016 budget. Tell me what kind of impact that is going to have to, say, the Brigade Modernization Command at Fort Bliss under General Charlton, the NIE—the Network Integration Evaluation exercises and the upcoming Army Warfighting Assessment that will take place there. Will we be able to continue to do those things? Or will we have to change those schedules and push those further out?

General ALLYN. Thanks, Congressman O'Rourke. We will—we have fully funded our Army Warfighting Assessment and our Network Integration exercise program. They are vital to us testing new capabilities. And, more importantly, getting it into the hands of our brigade combat team that trains out there.

And, as you know, those are joint exercises and those are multinational exercises. We have had a battalion of the Marines participate in the last two exercises. We have had our teammates from Canada, from Australia, from the United Kingdom train with us there, and they will train with us there in the future.

So, not only do we work on developing the modern capabilities we need, but we work on the concepts that will enable us to fight as a "Force 2025 and Beyond" force that the future will require of us. And we are able to get a lot of interoperability work with our most critical allies.

So, it is fully funded. And General Charlton's leadership will remain critical to us achieving the objectives of that program.

Mr. O'ROURKE. So, just a quick follow-up question; 25 percent cut—what does that affect?

General ALLYN. It primarily delays the procurement and acquisition of virtually every program that we have. So, you know, we won't achieve balance under the President's budget until fiscal year 2023. If sequestration comes back, it will be 3 to 5 years longer than that. And that balance is people, modernization, and readiness.

Mr. O'ROURKE. Thank you very much.

Thank you, Mr. Chairman.

Mr. WITTMAN. Thank you, Mr. O'Rourke.

I just want to close by thanking all of our witnesses today. Thank you so much.

I do want to end with a question. Just a simple yes or no answer.

Obviously, where we are today with the budget that passed—we have 96 billion additional dollars in OCO. In your perspective, understanding the long-term perspectives and the challenges that that creates in funding that way—none us like to do it that way. But if you put that in perspective of having that number now at $613 billion to authorize to and appropriate to, versus the BCA levels, which of those is more preferable to each of you?

General Allyn.

General ALLYN. Well, clearly, Congressman Wittman, increased money delivers increased capability and provides better training, readiness, and modernization. So, you know, give us a choice of increased OCO or BCA, it is a simple answer.

Mr. WITTMAN. Gotcha.

Admiral Howard.

Admiral HOWARD. A bird in the hand is always worth more than the bush, Congressman.

Mr. WITTMAN. Yes, that is right.

Admiral HOWARD. But it is—for the long term, it is not a good solution.

Mr. WITTMAN. Correct. Yes.

General Paxton.

General PAXTON. Yes, absolutely. So, the OCO dollars help in the short term. I continue to worry about the long term, our modernization, our training, and our exercises. We want to fight and win tonight and tomorrow, but we also want to make sure we don't do that at the expense of not being able to do it the day after tomorrow.

Mr. WITTMAN. Exactly.

General PAXTON. Thank you, sir.

Mr. WITTMAN. General Spencer.

General SPENCER. Same answer, Mr. Chairman. It is a patchwork.

Mr. WITTMAN. Yes.

General SPENCER. And would hope going forward, we could come up with a better solution, but the same.

Mr. WITTMAN. Absolutely.

Well, thank you all so much. Thanks for your service. Thanks for coming in today. Thanks for your candidness. We have our work cut out for us to not only look at what we are doing with the short-term budget perspective, but I agree with you all. We have to create some long-term certainty here. And that is up to all of us here to make sure that we are working together to get that done.

Thank you for what you do. Please thank your soldiers, sailors, marines, and airmen for the spectacular job they do for our Nation. And thank their families, too, for the sacrifice that they have made.

Thank you so much.

With that, the subcommittee is adjourned.

[Whereupon, at 9:53 a.m., the subcommittee was adjourned.]

A P P E N D I X

MARCH 26, 2015

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

MARCH 26, 2015

Statement of the Honorable Robert Wittman
Chairman, Readiness Subcommittee

Hearing

"The Department of Defense's Readiness Posture"

March 26, 2015

I want to welcome our members and witnesses to today's hearing on the "The Department of Defense's Readiness Posture." This morning we have with us:

- GEN Daniel Allyn, Vice Chief of Staff, U.S. Army
- ADM Michelle Howard, Vice Chief of Naval Operations
- Gen Larry Spencer, Vice Chief of Staff, U.S. Air Force
- Gen John Paxton, Assistant Commandant, U.S. Marine Corps

Thank you all for being here with us this morning.

For the past three years, the Readiness Subcommittee has held a number of briefings and hearings on the state of readiness of our Armed Forces.

Without exception, we have heard time and time again from our witnesses here with us this morning, the service chiefs, OSD, and the Joint Staff about how challenged we are in our ability to meet combatant commander demands and restore readiness. We have heard about how we have self-inflicted damage beyond any potential adversaries' capacity with sequestration.

Chairman Dempsey characterized our situation at our Armed Services Committee retreat as being "on the ragged edge."

We have been warned that we are moving toward a military that is challenged to execute the most basic strategic requirement of the U.S. military: defeating an enemy in a single major theater operation are startling.

I believe we are critically challenged in our ability to perform steady-state missions and simultaneously respond to an unforeseen contingency.

I also remain concerned that even at the President's budget levels of funding we accept too much risk. I believe there is a lack of understanding of what risk entails – being able to bring to bear too little, too late, and with increased casualties – and possibly even the inability to accomplish the mission.

I look forward to this morning's briefing and learning where we are today in terms of overall readiness, and I hope that our witnesses can touch on the risk inherent in the Fiscal Year 2016 budget and provide some specific examples of challenges in matching ready and available forces to what the Department referred to in budget materials as "severe deployment demands."

I would now like to turn to the Readiness Subcommittee Ranking Member, Madeleine Bordallo, for any opening remarks she may have.

RECORD VERSION

STATEMENT BY

GENERAL DANIEL ALLYN
VICE CHIEF OF STAFF UNITED STATES ARMY

BEFORE THE

HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON READINESS

FIRST SESSION, 114TH CONGRESS

THE DEPARTMENT OF DEFENSE'S READINESS POSTURE

MARCH 26, 2015

NOT FOR PUBLICATION UNTIL RELEASED BY THE
COMMITTEE ON ARMED SERVICES

INTRODUCTION

Chairman Wittman, Ranking Member Bordallo, distinguished Members of the Subcommittee, thank you for the opportunity to testify on the readiness of your United States Army. On behalf of our Secretary, the Honorable John McHugh, and our Chief of Staff, General Raymond Odierno, I would also like to thank you for your support and demonstrated commitment to our Soldiers, Army Civilians, Families, and Veterans.

We live in a dangerous world and the Leadership of the United States Army is committed to ensuring our Army is ready. The accelerating insecurity and instability across Europe, the Middle East, Africa and the Pacific, coupled with the continued threat to the homeland and our ongoing operations in Afghanistan, remain a significant focus for our Army. The Islamic State in Iraq and the Levant's (ISIL) unforeseen expansion and the rapid disintegration of order in Iraq and Syria have dramatically escalated conflict in the region. In Europe, Russia's intervention in Ukraine violates international law and threatens to undermine the post-World War II security architecture. Across the Asia-Pacific, China's lack of transparency regarding its military modernization efforts raises concerns with the United States and our allies, and the continuing development of North Korea's nuclear and missile programs contributes to instability. The rate of complex-humanitarian requirements and the unpredictable nature of disaster relief missions heighten the level of uncertainty we face around the world, along with constantly evolving threats to the homeland. With the velocity of instability increasing around the world and the threat of terrorism growing rather than receding, now is not the time to drastically reduce capability and capacity that would occur under prolonged sequestration level-funding.

As the Chief of Staff of the Army stated in his testimony, there is a growing divide between the emerging geopolitical realities and the Budget Control Act's (BCA) arbitrary funding mechanism. The Army budget has decreased in nominal terms every year since 2011. Yet today, the Army is as globally engaged as ever, with more than 140,000 Soldiers deployed, forward stationed, and committed worldwide. We are training alongside our allies and partners to help them develop professional and capable armies. At home, we are supporting civil authorities while defending our critical networks against cyber attacks. Yet prolonged funding at BCA levels prevents us from

appropriately balancing readiness, modernization and end strength, and threatens to make the Army a hollow force. Under sequestration-level funding, the Army will be unable to meet its current target for regaining full-spectrum readiness by FY23.

Our Nation requires a trained and ready Army prepared to rapidly deploy, fight, sustain itself and win decisively against complex state and non-state threats in diverse, austere environments, rugged terrain and urban megacities. Readiness is measured at both the service and unit level. Service readiness incorporates installations and the critical ability of the Army to provide requisite capabilities in support of the Joint Force in sufficient capacity to execute the missions required by combatant commands. Unit readiness is the combination of personnel, materiel and supplies, equipment and training, that, when properly balanced, enables immediate and effective application of military power.

To ensure readiness now and in the future, the Army needs Congress to provide adequate, consistent and predictable funding. The Army supports the President's Budget as meeting the required funding and needed reforms to fulfill our responsibilities defined in the Defense Strategic Guidance. One critical assumption in the President's Budget request is that Congress will enact critical cost saving measures we have proposed. These include compensation reform, sustainable energy and resource initiatives, a new round of Base Realignments and Closure (BRAC), and the Aviation Restructure Initiative (ARI). We ask Congress to support these initiatives because without the flexibility to manage our budgets to achieve the greatest capability possible, we will be forced to make even steeper reductions to manpower, modernization, and training across the Total Army.

Current State of Readiness

Thirteen years of sustained counterinsurgency-focused operations have degraded the Army's ability to conduct operations across the entire spectrum of war. In FY11, the Army began a multi-year transition to rebuild core readiness and build capability to conduct Decisive Action for Unified Land Operations. The speed and scale of the funding reductions mandated under sequestration in FY13 curtailed this transition plan by forcing the Army to absorb the majority of the cuts within the operations and

training accounts. This resulted in tiered readiness of units as opposed to broad gains across the force.

Last year the Chief of Staff of the Army testified that only two of our Brigade Combat Teams, the Army's basic warfighting unit, were fully ready for decisive action operations. Since then, we have trained 13 BCTs to that standard (other CTC rotations were mission-specific for deploying units) thanks to funding provided in the 2013 Bipartisan Budget Agreement (BBA). However, of those 13 BCTs, we have consumed the readiness of nine to support on-going operations. At prolonged sequestration-level funding, the Army will be unable to train units quickly enough to outpace, or even meet demand.

With the support of Congress, the Army executed $126.2 billion for base budget purposes in FY14 to begin rebuilding readiness lost during sequestration in FY13. Though known and predictable, the FY15-enacted level of $121 billion is $5.1 billion less than FY14, and is challenging Commanders across the Army to sustain our hard-earned readiness. To operate under this budget, we are significantly reducing key installation services, individual training events, and modernization to such an extent as to jeopardize future readiness and quality of life. For example, Logistics Readiness Centers were underfunded by $350 million in FY15, which covers funding for dining facilities, contract operations at ammo supply points, central issue facilities, maintenance, laundry and dry cleaning operations. In addition to the effect on Soldier quality of life, these cuts force Commanders to divert Soldiers from training to perform logistics tasks.

The President's Budget request for FY16 increases readiness funding above FY15 levels, which is critical to sustain and improve the readiness of the force. While the reduced FY15 budget will reduce overall training, we remain committed to CTC rotations to develop leaders and build unit readiness. FY15 plans fund 19 CTC rotations: two for deploying BCTs and 17 decisive action rotations (15 Active Army and two Army National Guard). FY16 will continue this level of CTC exercises.

We are improving Training Support Systems to enable more realistic home station training, increase collective training proficiency and enhance operational readiness for contingencies across the globe; however, funding constraints in FY15

impede our ability to maximize home station training goals. We accepted risk in home station training to conserve resources for units to continue to conduct training at the CTCs. This resulted in units arriving at the CTCs not yet "fully ready" for these complex training scenarios, and therefore unable to derive the full benefit of the training. Although the Army attempts to mitigate the impacts on training readiness, we must continue to implement the Contingency Force model of FY15 in order to maintain readiness for the 24 of 60 BCTs that will receive sufficient funding to conduct training at CTCs and home station. The remaining 36 BCTs will train only to Individual/Crew/Squad resourcing levels. The President's Budget request for FY16 allows the Army to increase training readiness to battalion-level across the Active Component force and to platoon-level in the Reserves. Lower funding levels will not allow us to achieve this balanced readiness.

Our aim is to provide tough, realistic multi-echelon home-station training using a mix of live, virtual and constructive methods that efficiently and effectively build Soldier, leader and unit competence over time. Training will integrate the unique capabilities of the Light, Medium and Heavy forces, as well as the capabilities of Conventional and Special Operations Forces. Training centers including the Joint Multinational Readiness Center in Germany will increase our interoperability with Allies. Our goal is to achieve a high level of readiness for 70% of our Active Component BCTs compared to the current 33%, allowing the Army to balance Combatant Command force requirements while maintaining surge capability – but we need consistent resources to get there.

We are also increasing funding for our individual and institutional training. Funding increases focus on leader development, entry-level training and flight training. The unpredictable nature of human conflict requires leaders ready to lead in close combat and to understand the operational and strategic environment, including its socio-economic, cultural and religious underpinnings. Junior leaders will frequently confront ethical dilemmas, with resultant decisions that have strategic impacts. Our leaders must demonstrate the competence and professional values necessary to achieve operational and strategic mission success.

However, sequestration in FY16 would mortgage the functional skills and training of individual Soldiers. Sequestration will force the Army to further reduce Specialized

Skill Training by over 85,000 seats (65% drop) and fund only the most critical courses. This will reduce readiness as Soldiers will lose proficiency on their individual tasks. These reductions include 900 fewer graduate flight school seats, resulting in unfilled and unqualified pilot positions throughout the force. We would continue to emphasize leader development by protecting Professional Military Education, minimizing cuts to about 10 percent.

The Army continues to make progress at integrating the unique capabilities of each of its components to support the needs of the Combatant Commanders. As part of the Army's Total Force Policy, the U.S. Army Forces Command is leading the way by partnering Guard and Reserve divisions and brigades with Active Army peer units. The Army is also piloting a program to assign Guard and Reserve personnel directly to Active Army corps and division headquarters. For example, the Reserve Component rapidly provided support capabilities to Operation United Assistance in Liberia to augment and replace elements of the initial Active Component response. We fight as a Total Army, and each component has a unique role. We must also draw down as a Total Army—Active, Guard, and Reserve—in order to maintain the correct balance between capacity and readiness.

As we transition from combat operations in Afghanistan, our Army is focused on the ability to rapidly deploy forces around the world in order to meet the needs of our Combatant Commanders. To do this, we enhanced prepositioned equipment sets and created activity sets to support operations in Europe, the Pacific and around the world. Activity sets are prepositioned arrays of equipment that enable U.S. regionally-aligned forces and multinational partners in Europe to train and operate. We have also reinvigorated our Emergency Deployment Readiness Exercise program and enhanced the en route mission command capability of our Global Response Force. The President's Budget request provides sufficient capability to respond in each Geographical Combatant Command's area of responsibility.

The Army continues to be a good steward of the resources returning from operations in Afghanistan. In 2014, the Army efficiently synchronized equipment retrograde out of theater. Redeployment and retrograde operations remain on schedule; however, the Army continues to forecast a need for reset funding for three

years after redeployment of the last piece of equipment from theater. In addition, we identified almost $2 billion of potential requirement reductions in Contractor Logistics and Training Support. These and other changes allowed the Army to increase the capability of its prepositioned stocks program without an increase in associated costs.

Finally, during this period of drawdown, the Army is reorganizing, realigning and restructuring forces. The Brigade Combat Team reorganization enhances brigade combat power by adding a third maneuver battalion to 38 BCTs by the end of FY15 and reducing the total number of BCTs to 60 (32 Active Army and 28 Army National Guard) in the Total Force. This effort decreases the number of headquarters units and personnel without negatively affecting the number of operational battalions.

Since May 2014, we have been developing a sustainable force generation and readiness model to account for the new, volatile, strategic operating environment and the need to remain regionally-engaged under budgetary and force-sizing realities. The Sustainable Readiness Model (SRM) will provide force generation policies and processes that optimize the readiness of the force and balance the Army's steady state missions, contingency response capability, and available resources. We cannot predict the specific events that will cause the next surge in demand for Army forces, but history suggests it will come sooner than we expect. The SRM will better enable the future smaller force to sustain readiness at optimal levels over time.

One critical assumption in the President's Budget request is that Congress will enact necessary compensation reform and force structure initiatives. We fully support the modest reforms to pay raises, health care and other benefits that have been proposed. Without these reforms, savings assumptions we have included in our planning will not be realized, placing increasing pressure on further end strength reductions and reducing funding needed to sustain readiness.

Future Readiness: The Army Operating Concept

While we are most concerned about the BCT's short-term effects on readiness, we are keenly focused on the long-term readiness of the Total Force to meet future demands. As such, we developed a new Army Operating Concept (AOC), "Win in a Complex World." The AOC provides an intellectual framework for learning and for

applying what we learn to future force development under Force 2025 and Beyond. The foundation of the Army Operating Concept is our ability to conduct joint combined arms maneuver. The Army Operating Concept endeavors to build a force capable of operating alongside *multiple* partners, able to create *multiple* dilemmas for our adversaries, while giving our Senior Leaders *multiple* options and synchronizing and integrating effects from *multiple* domains onto and from land. Recognizing the changing world around us, the Army Operating Concept envisions an Army that is expeditionary, tailorable, scalable and prepared to meet the challenges of the global environment. The Army Operating Concept sets the foundation upon which our leaders can focus our efforts and resources to maintain strategic and operational flexibility to deter and operate in multiple regions simultaneously – in all phases of military operations – to prevent conflict, shape the security environment, and win wars now and in the future.

It is imperative that our Army adapts to the future joint operating environment, one that consists of diverse enemies that employ traditional, irregular and hybrid strategies which threaten U.S. security and vital interests. Through a dedicated "Campaign of Learning" under Force 2025 Maneuvers, we will assess new capabilities, force designs, and doctrine to ensure the readiness of our future force. We are focusing our innovation efforts in this Campaign of Learning to address the 20 Army Warfighting Challenges identified in the Army Operating Concept. The Army Warfighting Challenges are enduring first-order problems, and solving them will improve combat effectiveness. They range from shaping the Security Environment, to countering Weapons of Mass Destruction, to conducting Space and Cyber Operations, to Integrating and Delivering Fires, to Exercising Mission Command. The Army Operating Concept represents a long-term, cost-effective way to enhance readiness, improve interoperability and modernize the force.

Installation Readiness

In order to partially mitigate the severe impacts of sequestration-level funding on training readiness, the Army will be forced to take significant risk with installation readiness. Installation maintenance has been underfunded since 2011 which impacts efficiency and readiness. Sequestration in FY 16 would cut essential funds for military construction, sustainment, restoration and modernization on our posts, camps and

stations. The President's FY16 budget funds 79% of the OSD Facility Sustainment Model requirement. Under sequestration the Army would only be able to fund 62% of needed repairs, limiting repairs to those needed for life, health, and safety. Restoration and modernization accounts would be underfunded as well. Without relief from sequestration 20% of the Army's infrastructure will remain in substandard condition and approximately 100,000 maintenance orders will be deferred each month. Recovery from unfilled maintenance requests will take at least 2-3 years if fully funded and ultimately will affect morale, retention, and readiness.

A return to sequestration-level funding will result in a $1 billion decrease to base operations support, requiring installations to eliminate jobs and scale back or cancel service contracts that employ people in local communities. We will have to increase further our reliance on Soldiers to support basic installation functions in order to provide a safe training environment and adequate quality of life. These include access control point manning by MTOE units, manning ammo and fuel handling points, and conducting essential range maintenance. These requirements pull Soldiers away from important training and ultimately detract from readiness. We will also reduce contract funding for a number of quality-of-life services such as custodial services, waste collection, and grounds maintenance.

It is important to highlight the need for another round of Base Realignment and Closure (BRAC). We simply have too much surplus infrastructure and will have even more as we continue to downsize. We are already in the process of separating nearly 152,000 Soldiers from the Total Army by FY18, and sequestration would force us to separate another 60,000 by FY20– for a total reduction of 212,000. In addition, we have reduced over 50,000 Civilians from these same installations. Without a BRAC and the realized cost savings, the only alternative is to make additional cuts in training, manpower and modernization to make up for shortages in installation funding. We have reduced all that we can from our overseas bases, and are now reducing personnel at U.S. installations. We expect excess facility capacity will be about 18% Army-wide by late FY15.

Industrial Base

The Industrial Base consists of Government-owned (organic) and commercial industry and is designed to be readily available to manufacture and repair items during both peacetime and national emergencies. The current financial uncertainty of sequestration, combined with the cuts in Army force structure, is driving workload down. Over 4,500 employees within the organic industrial base (OIB) have already lost their jobs due to budget uncertainty and declining workloads since FY13, and the Army has deferred $323 million of depot maintenance from FY13 into FY15. The highly skilled industrial base workforce serves an enduring mission, and provides critical capabilities in support of our national defense today, while also preparing for the threats of tomorrow. Sequestration will result in insufficient resources to complete critical depot maintenance and will continue to degrade the industrial base's ability to sustain the life-cycle readiness of war-fighting equipment while also maintaining the capability to surge to meet the demands of future contingency operations.

Should sequestration-level funding return in FY16, furloughs, overtime restrictions and hiring freezes will again negatively impact the OIB productivity, workforce availability and capability. In order to mitigate the loss of critical skill sets and ensure the OIB is ready for the next contingency, the Army requires consistent and predictable funding. We also need to carryover workload to keep production lines functioning between fiscal years.

The Army is taking several actions to reshape the OIB to support the Army of 2025 and beyond, to include assessing OIB capabilities and capacities and effectively aligning them to planned workloads. We are not sustaining aging systems that are planned for divesture within the next five years, and we are continuing reset and sustainment of our modernized platforms. This strategy will enable the Army to sustain and modernize our most capable fleets, while accomplishing our Title 10 requirements to sustain the core depot and critical manufacturing capabilities necessary to fight and win the Nation's wars.

Aviation Restructure Initiative

One of our most important reforms is the Aviation Restructuring Initiative (ARI), which we continued in FY15. Our current aviation structure is unaffordable, so the Army's plan will avoid $12 billion in costs and saves an additional $1 billion annually if we fully implement ARI. We simply cannot afford to maintain our current aviation structure and sustain modernization while providing trained and ready aviation units across all three components. Our comprehensive approach through ARI will ultimately allow us to eliminate obsolete airframes, sustain a modernized fleet, and reduce sustainment costs.

Through ARI, we will eliminate nearly 700 aircraft from the Active Component, while removing only 111 airframes in the Reserve Component. A byproduct of ARI is the reduction in the number of Active Duty Combat Aviation Brigades from 13 to 10. ARI eliminates and reorganizes structure, while increasing capabilities in order to minimize risk to meeting operational requirements within the capacity of remaining aviation units across all components. If the Army does not execute ARI, we will incur additional costs associated with buying aircraft and structure at the expense of modernizing current and future aviation systems in the Total Force.

The Army notes the establishment by Congress of a National Commission on the Future of the Army and ARI specifically, and is fully committed to working with the Commission as it fulfills its charter.

Army Cyber

Network dominance and defense is an integral part of our national security, and the Army is focused on providing increased capability to the Joint Force. Investment in cyber capability and readiness is a top priority, and we are working to improve requirements and resourcing processes to ensure that they are agile enough to rapidly translate innovative concepts into realized capabilities. Army readiness includes cyber readiness.

We are aggressively manning, training and equipping cyber mission teams and established a new cyber branch to help recruit, train and retain cyber Soldiers. The Army has grown from zero Cyber teams in FY13 to 24 Army Cyber Mission Teams

today at Initial Operating Capability (IOC). By the end of FY16, we will have 41 Cyber Mission Teams. The Army has established the Cyber Center of Excellence at Fort Gordon, GA, to serve as our focal point to drive change across the Army. This is a Total Force effort—Active, National Guard, and Reserve—and through our Reserve Components we will leverage the professional expertise within the civilian population to build greater capacity, expertise, and flexibility across DOD, federal, state, and private sector activities. We recently established a full-time Army National Guard Cyber Protection Team (CPT) that is training to conduct network defense. We will create three more Army National Guard CPTs in FY16.

We must make prudent investments in our cyber infrastructure, including facilities, networks and equipment to ensure a capable force. Network modernization is critical to the success of Army operations across all domains, and the Army is fully integrated into the build-out of the Joint Information Environment (JIE). JIE efforts will enhance the defensibility of our networks while providing global access for the joint force. However, sequestration-level funding in FY16 will reduce network funding by almost $400 million and defer critical scheduled IT infrastructure upgrades at three major installations, reducing the Army's warfighting capability and its ability to protect itself against cyber attacks.

Essential Investments: People and Equipment

Soldiers, Families and Army Civilians

Army Professionalism and the resilience of those who serve – Soldiers, their Families and Army Civilians – are directly linked to the Readiness of our Force. That is why we must develop and sustain a system of capabilities and services that are designed to mitigate the unique challenges of military life, foster life skills, strengthen resilience, and promote a strong and ready Army. As Army leaders, we continue to express our enduring commitment to those who serve, recognizing that attracting and retaining highly-qualified individuals in all three components is critical to readiness. Two of our key efforts, the Army's Ready and Resilient Campaign (R2C) and Soldier for Life, exist to ensure we are taking care of our most precious resource: our people, throughout Army life and beyond.

Ready and Resilient Campaign

We will make every effort to protect our most important Soldier and Family programs, but budget cuts are ultimately affecting every facet of the Army. To ensure we maintain our focus on our most invaluable resource: our people, we continue to develop a Ready and Resilient Army. A Ready and Resilient Army is composed of resilient individuals, adaptive leaders and cohesive teams that are committed to the Army professional ethic and capable of accomplishing a range of operations in environments of uncertainty and persistent danger. We are developing a comprehensive system that empowers Army Commanders and Leaders to improve Leader engagement and early Leader intervention. We are taking a more holistic look at negative behaviors and their correlation in order to better target training, tools and resources with more emphasis placed on resilience and prevention skills to reduce incidents of escalated negative behavioral outcomes.

We continue to provide resilience and performance enhancement training to Soldiers, Families and Army Civilians through Comprehensive Soldier and Family Fitness. To date, we have trained more than 26,000 Master Resilience Trainers Army-wide who are taking these skills back to their formations. We have established an online assessment and self-development platform where Soldiers, their Families and Army Civilians can, in their own time, confidentially take action to improve their overall health and resilience.

We are also emphasizing the importance of sleep, physical activity, and nutrition. The Performance Triad is a comprehensive plan to improve readiness and increase resilience through health initiatives and leadership engagement. Sleep, activity and nutrition are key actions that influence overall health.

Personal Readiness is critical to mission readiness. Those who serve must have the physical, psychological, social, emotional and spiritual preparedness to achieve and sustain optimal performance in supporting the Army mission.

Soldier for Life

Soldier for Life (SFL) is a program that drives a change in mindset. We encourage the SFL mindset through senior leader and installation engagements, and focused training curriculum. We want individuals to understand from their entry day in

the Army that they will receive the tools to succeed throughout their service lifecycle – "Once a Soldier, always a Soldier…a Soldier for Life!" As they return to civilian life, Soldiers will continue to influence young people to join the Army and, along with retired Soldiers, will connect communities across the Nation with its Army.

As we reduce the Army's end strength, we owe it to our Soldiers and their Families to facilitate their transition to civilian life. The Army supports continuum of service initiatives to help in this effort by communicating the benefits of continued service in the Reserve Components. Additionally, the "Soldier for Life" Program connects Army, governmental and community efforts to facilitate the successful reintegration of our Soldiers and Families back into communities across the Nation through networks in employment, education and health. Our pre- and post-retirement services ensure those who served become and remain leaders in their community. For example, we have developed strong relationships with government, non-government and private sector entities to include direct collaboration with the Departments of Veterans Affairs, Labor, and the Chamber of Commerce to bring employment summits to installations worldwide.

Sexual Harassment / Assault Response and Prevention (SHARP) Program

Trust between Soldiers, between Soldiers and Leaders, between Soldiers, their Families and the Army, and between the Army and the American people is fundamental to readiness. Sexual assault and sexual harassment undermine that trust.

Across the Army, we are committed to maintaining momentum in Army SHARP and making further advances along our five lines of efforts: Prevention, Investigation, Accountability, Advocacy and Assessment. In the last year, our efforts along the Prevention Line of Effort resulted in actions such as consolidating SHARP training under TRADOC and Initial Entry Training and Professional Military Education to increase the quality and accessibility of our prevention tools. Our Investigation Line of Effort showed advances in Special Victim capabilities and Trial Counsel Assistance Programs. The Accountability Line of Effort had successes through our Special Victim Investigation and Prosecution capability and through tools such as Command Climate Surveys and Commander 360 degree assessments. Our Advocacy Line of Effort resulted in initial indicators of progress in establishing SHARP resource centers for over

12 installations. We continue to see interim progress along our Assessment Line of Effort as noted in the 2014 "Department of Defense Report to the President of the United States on Sexual Assault Prevention and Response."

Recent statistics outlined in the 2014 "DoD Report to the President" indicate a decrease in unwanted sexual contact in FY14 compared to FY12. Within the Army, survey-estimated rates of unwanted sexual contact for the past year decreased significantly for active duty women (4.6%), compared to FY12 (7.1%). In addition, reporting data demonstrates more victims are coming forward to report sexual harassment and sexual assault. In FY14, sexual assault reporting in the Army increased by 12% over the previous year. We view this as a vote of confidence and a sign of increased trust. Nevertheless, we must continue striving to foster a climate where individuals are not afraid of retaliation or stigma for reporting a crime by ensuring individuals, units, organizations and specifically commanders and leaders understand their responsibilities. Retaliation takes many forms and originates from many sources – leaders, family, friends and, most pervasively, peer to peer. Retaliation in its simplest form is bullying. It enables offenders, threatens survivors, pushes bystanders to shy from action, and breeds a culture of complacency. Retaliation has no place in the Army and we must stamp it out.

The chain of command must be at the center of any effort to combat sexual assault and harassment, and we must ensure leaders remain fully engaged, involved and vigilant. With commanders at the center of our efforts, we will continue to decrease the prevalence of sexual assault through prevention and encourage greater reporting of the crime.

Sexual assault and sexual harassment will be eliminated when every Soldier, Civilian and Family Member stands up and unequivocally acts to stamp it out. Together, we have an obligation to do all we can to safeguard America's sons and daughters, and maintain trust between Soldiers, Civilians, Families and the Nation. Army leaders, at every level of the chain of command, are doing this through prevention, investigation, accountability, advocacy and assessments.

Modernization

It is impossible to discuss readiness without highlighting modernization, as systems and equipment play a key role in future force readiness. Equipment modernization must address emerging threats in an increasingly sophisticated technological environment. The Army must maintain its ability to contend with such diverse threats as cyber attacks, electronic warfare, unmanned systems, chemical and biological agents, and air and missile threats. Decreases to the Army budget over the past several years significantly impacted Army modernization. Since 2011, the Army has ended 20 programs, delayed 125 and restructured 124. Between 2011 and 2015, Research and Development and Acquisition accounts plunged 35% from $31 billion to $20 billion. Procurement alone dropped from $21.3 billion to $13.9 billion. We estimate that sequestration-level funding will affect over 80 Army programs. Major impacts include delays in equipping to support expeditionary forces, delays in combat vehicle and aviation modernization, unaffordable increases in sustainment costs to repair older equipment and increases in capability gaps.

The centerpiece of the Army's Modernization Strategy continues to be the Soldier and the squad. The Army will also develop and field a robust, integrated tactical mission command network linking command posts, and extending out to the tactical edge and across platforms. The Army's objective is to rapidly integrate technologies and applications that empower, protect and unburden the Soldier and our formations, thus providing the Soldier with the right equipment, at the right time, to accomplish the assigned mission.

The President's Budget request would provide over $2 billion to begin to address the growing gaps in our modernization accounts. Even with this additional funding, modernization will require several years to recover from the effects of recent budget reductions and regain balance in the Force. As such, the Army emphasizes early affordability reviews, establishing cost caps (funding and procurement objectives), synchronizing multiple processes and divesting older equipment.

End Strength

Readiness includes possessing the capacity to execute the missions required by the Defense Strategic Guidance and the Combatant Commanders. The minimum end strength the Army requires to fully execute the 2012 Defense Strategic Guidance is 980,000 Soldiers – 450,000 in the Active Army, 335,000 in the Army National Guard and 195,000 in the Army Reserve. All three components will be smaller than pre-2001 force. If prolonged sequestration-level funding occurs, we will need to reduce end strength even further—to 420,000 in the AC by FY20, and 315,000 in the National Guard and 185,000 in the Army Reserve, both by FY19. At these levels we assess the Army would be unable to fulfill all the elements of the Defense Strategic Guidance.

Although the Army expects to lose combat-seasoned Soldiers and leaders, our focus through these processes will be on retaining those individuals with the greatest potential for future service in the right grades and with the right skills.

Recap: Effects of Sequestration

At force levels driven by affordability under full sequestration, the Army cannot fully implement its role in the defense strategy. Sequestration would require the Army to further reduce our Total Army end strength to at least 920,000 or 60,000 below the 980,000 currently reflected in the President's Budget request and would severely limit the Army's investment to equip Soldiers to meet the warfighting requirements of tomorrow. Under sequestration-level funding readiness will be reduced to a level the Army will be unable to recover from until well past the current target of FY23. Only 24 of 60 Brigade Combat Teams will receive sufficient funding to conduct required readiness training. An estimated 85,000 seats will be lost in specialized skills training, and there will be a $1 billion decrease to base operations support, eliminating jobs, contracts, causing barracks and furnishings to further deteriorate. While we will protect funding for the Combat Training Centers (CTCs), funding for home station training will be severely reduced which will undermine many units' readiness and inhibit those scheduled for a CTC from adequate preparation.

We are expecting a decline in the overall readiness of our forces because of reduced funding in FY15, and sequestration in FY16 will dissipate the gains we

achieved from the Bipartisan Budget Agreement in FY14 and leave the Army in a precarious state. Because we cannot draw down end strength in a rapid manner, operations and training funding would absorb the majority of the budget cuts resulting from sequestration, leaving the Army hollow—lacking training and modern equipment and vulnerable if needed in a crisis. Ultimately, sequestration will put Soldiers' lives at risk.

Closing

As the velocity of instability increases so does the demand for a ready and modern Army, adequately sized and trained to prevent, shape, and win. We ask Congress to repeal the harmful cuts arbitrarily imposed under sequestration-level funding and provide Soldiers with greater predictability in these uncertain times.

We are committed to working closely with Congress to ensure that we are good stewards of our Nation's resources. There are critical cost-saving measures that allow the Army to further reallocate scarce resources to ensure we remain ready and resilient. These include compensation reform, sustainable energy and resource initiatives, a new round of Base Realignment and Closure (BRAC), and the Aviation Restructure Initiative (ARI). We also ask Congress to support a Total Army solution to end strength reductions. Cuts must come from the Total Force – Active, National Guard, and Reserve—to maintain the balance among all components to best execute the Army's strategic mission. We ask Congress to support these initiatives because without the flexibility to manage our budgets to achieve the greatest capability possible, we will be forced to make even larger reductions to manpower, modernization, and training.

The United States Army plays a foundational role in the Joint Force and is indispensible as we work to reassure our allies, deter our enemies, and when necessary, win our Nation's wars. The strength of the All Volunteer Force is our Soldiers, Civilians and their Families, and we must ensure they always stand Ready. History has taught us that the price of improperly managing the readiness of our force will ultimately fall on the backs of our fighting Soldiers. With your assistance, we will continue to resource the best-trained, best-equipped and best-led fighting force in the

world. We thank Congress for their steadfast and generous support of the outstanding men and women of the United States Army, our Army Civilians, Families, and Veterans.

GENERAL DANIEL B. ALLYN
35th Vice Chief of Staff of the Army
UNITED STATES ARMY



General Daniel B. Allyn assumed duties as the 35th Vice Chief of Staff of the Army, August 15, 2014.

General Allyn is a native of Berwick, Maine, and a graduate of the United States Military Academy at West Point, New York. He previously served as the Commander of the United States Army Forces Command, Fort Bragg, NC.

He also served as the Commanding General, XVIII Airborne Corps and Commanding General, 1st Cavalry Division, "America's First Team," including duty as Commanding General, Combined Joint Task Force-1 and Regional Command East in Afghanistan. General Allyn has also served as the Chief of Staff, and later, Deputy Commanding General of XVIII Airborne Corps, including duty as Chief of Staff, Multi-National Corps Iraq. His joint assignments include the Joint Improvised Explosive Device Defeat Organization and the Joint Operations Directorate, J-3. Prior to his Joint assignments, he served as Commander, 3rd Brigade Combat Team, 3rd Infantry Division (Mechanized), culminating with service during Operation Iraqi Freedom. Prior to serving in the "Marne Division," General Allyn served two tours of duty with the 82nd Airborne Division, two years with the 2nd Infantry Division, and three tours of duty with the 75th Ranger Regiment.

General Allyn's previous duties include command at the platoon through division level and staff assignments at the battalion through Joint Staff level. He served an overseas assignment in Korea and operational deployments for Operation Urgent Fury in Grenada, two peacekeeping deployments to the Sinai Peninsula in Egypt, Operation Just Cause in Panama, Operation Desert Storm in Saudi Arabia, and Operations Desert Spring and Enduring Freedom in Kuwait, two tours in support of Operation Iraqi Freedom, and most recently was deployed to Afghanistan in support of Operation Enduring Freedom XII.

He is a graduate of the Naval War College at Newport, Rhode Island, where he earned a Master of Arts degree in Strategic and National Security Studies.

General Allyn's awards and decorations include the Distinguished Service Medal, the Silver Star, three Defense Superior Service Medals, three Legions of Merit, the Bronze Star Medal, two Defense Meritorious Service Medals, six Meritorious Service Medals, the Joint Service Commendation Medal, four Army Commendation Medals, three Army Achievement Medals, the Combat Infantryman Badge (with Star), the Expert Infantryman Badge, Master Parachutist Badge (with Bronze Star), the Ranger Tab, the Pathfinder Badge, the Joint Chiefs of Staff Identification Badge.

NOT FOR PUBLICATION UNTIL
RELEASED BY THE HOUSE
COMMITTEE ON ARMED SERVICES

STATEMENT OF

ADMIRAL MICHELLE HOWARD
VICE CHIEF OF NAVAL OPERATIONS

ON NAVY READINESS

BEFORE THE

HOUSE ARMED SERVICES COMMITTEE

READINESS SUBCOMMITTEE

MARCH 26, 2015

NOT FOR PUBLICATION UNTIL
RELEASED BY THE HOUSE
COMMITTEE ON ARMED SERVICES

Chairman Wittman, Ranking Member Bordallo, and distinguished members of the House Armed Services Readiness Subcommittee, I appreciate the opportunity to testify on the current state of Navy readiness and the resources necessary to provide a ready Navy in the future as described in our Fiscal Year 2016 budget request. As we meet, the Navy and our sister Services have entered a third year of fiscal uncertainty. In addition, new threats to our nation's interests are emerging and old tensions are surfacing. Today, it is my honor to represent all our active and reserve Sailors, particularly the 41,000 Sailors who are underway on ships and submarines or deployed in expeditionary roles overseas today. They are standing the watch and are ready to meet today's security challenges. American citizens can take great pride in the daily contributions of their sons and daughters who serve in Navy units around the world. We are where it matters, when it matters, ensuring the security that underpins the global economy and responding to crises.

Last August, the GEORGE H.W. BUSH carrier strike group, already forward present in the North Arabian Sea quickly relocated to the North Arabian Gulf. Flying 20-30 combat sorties per day, this Navy-Marine Corps strike fighter team was the only coalition strike option to project power against the Islamic State of Iraq and the Levant (ISIL) from the skies over Iraq and Syria for 54 days. Similarly, USS TRUXTON (DDG-103) arrived in the Black Sea to establish U.S. presence and to reassure allies a week after Russia invaded Crimea. In the Java Sea, USS FORT WORTH (LCS-3), a littoral combat ship, and USS SAMPSON (DDG-102), a destroyer, were among the first to support the Indonesian-led search effort for Air Asia Flight 8501. This forward presence is possible because Navy planning and budget decisions continue to be guided by the three tenets the Chief of Naval Operations (CNO) established when he first took office: *Warfighting First, Operate Forward, and Be Ready.* Each of these tenets helps drive a strong focus on readiness – both now and in the future.

Actions of Congress helped stabilize readiness by supporting increases over sequestered funding levels through the Bipartisan Budget Act of 2013, and the subsequent authorization and appropriations acts for FY14 and this year. Nonetheless, we have not yet recovered from the readiness impact of over a decade of combat operations, exacerbated by the imposition of a lengthy Continuing Resolution and followed by budget sequestration in FY13, just as we were beginning to reset the force. These circumstances created maintenance backlogs that have prevented us from getting ships back to the Fleet on time and aircraft back on the flight line. We continue our efforts to rebuild the workforce in our public depots – both shipyards and aviation readiness centers – and reduce the number of lost operational days, but it will take years to dig out of a readiness hole.

The FY16 Navy budget submission is designed to continue our readiness recovery, restoring our required contingency operations capacity by 2018-2020 while continuing to provide a sustainable forward presence. PB-16 is the minimum funding required to execute the nation's Defense Strategy, though we still carry risks in two important mission areas, notably when confronted with a technologically advanced adversary or when forced to deny the objective of an opportunistic aggressor in a second region while already engaged in a major contingency. As the CNO stated in his recent testimony to the full committee, risk in our ability to *Deter and Defeat Aggression* and *Project Power Despite Anti-Access/Area Denial (A2/AD) Challenges* mean "longer timelines to win, more ships and aircraft out of action in battle, more Sailors, Marines, and Merchant Mariners killed, and less credibility to deter adversaries and assure allies in the future." That level of risk arises from capacity and readiness challenges as well as slower delivery of critical capabilities to the Fleet, particularly in air and missile defense and overall ordnance capacity.

My testimony today will focus on the current readiness of the Navy, and our plan, supported by our FY16 budget submission, to meet the challenges to delivering future readiness. If we return to a sequestered budget in FY16, we will not be able to execute the Defense Strategy as it is conveyed in the 2014 Quadrennial Defense Review and a revision will be required.

Current Navy Operations and Readiness

Employing a combination of Forward Deployed Naval Force ships homeported overseas and rotationally deploying units from CONUS, our Navy sustains a global presence of about 100 ships and submarines. Their combat power and other capabilities include the contributions of embarked Carrier Air Wings or other aviation units, Marine Expeditionary Units or elements of a Special Purpose Marine Air/Ground Task Force, Coast Guard detachments, and Special Operations units, among others. These capabilities are further enhanced by land-based or expeditionary Navy forces in theater. With additional ships training in home waters, approximately half the battle force is underway or deployed on any given day.

Every hour of every day around the globe we are executing missions. The sun never sets on the U.S. Navy. Ballistic Missile Submarines sustain the most survivable leg of our nation's nuclear triad. Carrier Strike Groups (CSGs), Amphibious Ready Groups (ARGs) and attack submarines (SSNs) conduct named operations in support of the Combatant Commanders (COCOMs) or exercise with other nations to build the partnerships essential to the stability of the global system. Ballistic Missile Defense-capable Cruisers and Destroyers protect U.S. and allied sea and shore-based assets. Our units operate with other nations through exercises or through executing theater security cooperation plans; activities essential to the stability of the global system. As an example, last month, USS FORT WORTH (LCS-3) practiced the Code for Unplanned Encounters at Sea (CUES) with the Chinese Navy, enhancing the professional

maritime relationship between the U.S. Seventh Fleet and the People's Liberation Army-Navy [PLA(N)]. Our crews and platforms are trained and certified to execute their core capabilities across the spectrum of military operations and are ready to be re-tasked as required to meet the next challenge. This was the case in August 2014 when the GEORGE HW BUSH CSG relocated from the Arabian Sea to the North Arabian Gulf and was on station, ready for combat operations, in less than 30 hours. The Navy is fundamentally multi-mission and rapidly adjusts to meet new challenges that might require U.S. presence and power projection forces.

Navy will continue to sustain the readiness of our deployed forces under our FY16 budget submission, but it will require several years to fully recover the capability to rapidly respond to COCOM requirements for a major contingency. In addition to our forces that are globally deployed today, combined requirements include: three extra CSGs and three ARGs to deploy within 30 days to respond to a major crisis. However, on average, we have only been able to keep one CSG and one ARG in this readiness posture, 1/3 of the requirement. Assuming the best case of an on-time, sufficient, and stable budget with no major contingencies, we should be able to recover from accumulated backlogs by 2018 for CSGs and 2020 for ARGs – five plus years after the first round of sequestration.

Recovery of readiness also requires a commitment to protect the time required to properly maintain and modernize our capital-intensive force and to conduct full-spectrum training. Our updated force generation model – the Optimized Fleet Response Plan (OFRP) - is designed to meet this commitment as well as better align all elements that support readiness development. Achieving full readiness entails the restoration of required capacity to our public shipyards and aviation depots – primarily through hiring and workforce development. In addition to aviation depots backlogs, we must also overcome the challenges of extending the service life of our legacy F/A-18 Hornet aircraft to 10,000 hours. Underlying our plan is the

need to operate the battle force at a sustainable level over the long term. With this plan we recover our material readiness, keep faith with our Sailors and their Families by providing more predictability in the operations schedule, and control the pace of deployments.

Meeting Our Readiness Challenges

The Navy FY16 budget request continues to fully support the readiness of our deployed forces. The budget request sustains our credible and survivable sea-based strategic deterrent and with continued overseas contingency operations (OCO) funding meets the adjudicated requirements of the FY16 Global Force Management Allocation Plan (GFMAP). This includes at least two CSGs and two ARGs, operating forward, fully mission-capable and certified for deployment. We continue to employ innovative approaches, including the use of new platforms like the Joint High Speed Vessel and the Mobile Landing Platform, to ensure the Navy/Marine Corps team continues to meet the security requirements of our nation, while providing the opportunity to reset and sustain the material condition of the force. Greater use of capable auxiliaries helps relieve pressure on our overstretched amphibious fleet.

Generating the Force

Navy readiness is at its lowest point in many years. Budget reductions forced cuts to afloat and ashore operations, generated ship and aircraft maintenance backlogs, and compelled us to extend unit deployments. Since 2013, many ships have been on deployment for 8-10 months or longer, exacting a cost on the resiliency of our people, sustainability of our equipment, and service life of our ships.

Navy has managed force generation using the Fleet Response Plan (FRP) since it was adopted in 2003 and fully implemented in 2007. This cyclic process was designed to support

readiness by synchronizing periodic deep maintenance and modernization with the Fleet training required to achieve GFMAP forward presence objectives and provide contingency response capacity. However, the continued employment of our contingency response units to generate increased presence over the past decade has not only increased maintenance requirements, it has also limited their availability to complete required maintenance and training. As with previous testimony of the last few years, this practice is unsustainable.

In 2013 and 2014, for example, Naval forces provided six percent and five percent more forward presence, respectively, than allocated due to emergent operations and unanticipated contingencies. This unbudgeted employment amounted to greater than 2,200 days in theater over that approved on the global force management plan in 2013 and greater than 1,800 days in theater over in 2014. We should operate the Fleet at sustainable presence levels in order for the Navy to meet requirements, while still maintaining material readiness, giving ships time to modernize, and allowing them to reach their expected service lives.

This year, Navy began implementation of the Optimized Fleet Response Plan (OFRP) to address these challenges. Designed to stabilize maintenance schedules and provide sufficient time to maintain and train the force while continuing to meet operational commitments, OFRP aligns supporting processes and resources to improve overall readiness. Furthermore, it provides a more stable and predictable schedule for our Sailors and their Families. We will continue OFRP implementation across the FYDP.

Ship Operations

The baseline Ship Operations request for FY16 provides an average of 45 underway steaming days per quarter for deployed ships and 20 days non-deployed, and would support the highest priority presence requirements of the Combatant Commanders to include global presence

for two CSGs, two ARGs and an acceptable number of deployed submarines. With OCO, ship operations are funded at 58 steaming days deployed/24 days non-deployed. The requested funding will meet the full adjudicated FY16 GFMAP ship presence requirement, support higher operational tempo for deployed forces and provide full operating funding for individual ship level maintenance and training.

Air Operations (Flying Hour Program)

The Flying Hour Program (FHP) funds operations, intermediate and unit-level maintenance, and training for ten Navy carrier air wings, three Marine Corps air wings, Fleet Air Support aircraft, training squadrons, Reserve forces and various enabling activities. The FY16 baseline program provides funding to build required levels of readiness for deployment and sustain the readiness of units that are deployed. Navy and Marine Corps aviation forces are intended to achieve an average T-2.5/T-2.0 USN/USMC training readiness requirement with the exception of non-deployed F/A-18 (A-D) squadrons. Because of shortfalls in available aircraft due to depot throughput issues, these squadrons are funded at the maximum executable level while non-deployed, resulting in an overall readiness average of T-2.8/2.4. All squadrons deploy meeting theT-2.0 readiness requirement and OCO provides for additional deployed operating tempo above baseline funding.

Spares

The replenishment of existing, "off the shelf" spares used in ship and aircraft maintenance is funded through the Ship Operations and Flying Hour Programs. With OCO, those programs are fully funded in PB16. The provision of initial and outfitting spares for new platforms, systems and modifications is funded through the spares accounts. Traditionally, these

accounts have been funded below the requirement due to limited funding or past execution issues. Due to the ultimate impact on readiness, PB16 sustains executable funding levels to reduce cross-decking and cannibalization of parts driven by large backlogs. This is complemented by Navy-wide efforts to improve execution of these accounts, which have shown considerable success in aviation spares over the last two years, and continues to be a focus area.

Readiness Investments Required to Sustain the Force - Ship and Aircraft Maintenance

The Navy maintenance budget requests are built upon proven sustainment models. They are focused on continuing our ongoing investment to improve material readiness of our surface combatants, and support the integration of new capabilities into naval aviation.

The FY16 baseline budget request funds 80% of the ship maintenance requirement across the force, addressing both depot and intermediate level maintenance for carriers, submarines and surface ships. OCO funding provides the remaining 20% of the full baseline requirement to continue reduction of the backlog of life-cycle maintenance in our surface ships after years of high operational tempo and deferred maintenance. This year, the additional OCO for maintenance reset ($557M) includes funding for aircraft carriers (CVNs) as well to address increased wear and tear outside of the propulsion plant as a result of high operational demands. Since much of this work can only be accomplished in drydock, maintenance reset must continue across the FYDP.

To address the increased workload in our public shipyards and improve on-time delivery of ships and submarines back to the Fleet, the FY16 budget grows the shipyard workforce, reaching a high of 33,500 personnel in FY17, with additional investment in workforce training and development. One attack submarine (SSN) availability is moved to the private sector in FY16 with plans for two additional SSN availabilities in the private sector in FY17 to mitigate

total workload. The FY16 budget includes $89.5M in MILCON projects and $142M in restoration and modernization projects for Naval Shipyards in FY16, for a total capital investment of 8.7% in these important facilities.

The Fleet Readiness Centers (FRCs), Navy's aviation depots, have been challenged to recover full productivity after hiring freezes, furlough, and overtime restrictions in FY13. They face a growing workload, particularly for the additional service life extension of our legacy F/A-18 Hornets. FRCs are aggressively hiring with a goal of reaching full capacity by the end of this year. The hiring of additional engineering support to address new repairs required to reach 10,000 hours of service life, reallocation of some of the workforce, and contracting for private sector support have all been undertaken to complete existing work-in-process at the FRCs, particularly for legacy Hornets. Field teams have been increased to improve flight line maintenance and understanding of the material condition of airframes coming to the depots. As new repairs and parts are identified and approved, kits are developed to ensure long-lead parts are readily available.

As a result of these challenges, the Aviation Depot Maintenance program is funded to an executable level of 77% in baseline, 83% with OCO for new work to be inducted in FY16. This funding level supports a total of 564 airframes and 1,834 engines/engine modules to be repaired.

Navy Expeditionary Combat Forces

Navy expeditionary combat forces support ongoing combat operations and enduring Combatant Commander requirements by deploying maritime security, construction, explosive ordnance disposal, logistics and intelligence units to execute missions across the full spectrum of naval, joint and combined operations. In FY16, baseline funding is improved significantly over

prior years, providing 80% of the enduring requirement, with OCO supporting an additional 15% of the requirement.

Readiness Investments Required to Sustain the Force – Shore Infrastructure

The Navy's shore infrastructure, both in the United States and overseas, provides essential support to our Fleet. In addition to supporting operational and combat readiness, it is also a critical element in the quality of life and quality of work for our Sailors, Navy Civilians, and their Families. As we have done for several years, we continue to take risk in the long-term viability of our shore infrastructure to sustain Fleet readiness under the current funding level. However, in FY16 our facilities sustainment is improved to 84% of the OSD Facilities Sustainment Model versus 70% this year. When restoring and modernizing our infrastructure, we intend to prioritize life/safety issues and efficiency improvements to existing infrastructure and focus on repairing only the key components of our mission critical facilities. Lessor critical projects will remain deferred. Overall, the Department of the Navy will exceed the mandated capital investment of 6% across all shipyards and depots described in 10 USC 2476 with a 7.4% total investment in FY16. With the support provided by the Congress, Navy is on track to exceed the minimum investment in FY15 as well.

Looking Ahead

As we look to the future, the Navy will continue to be globally deployed to provide a credible and survivable strategic deterrent and to support the mission requirements of the regional Combatant Commanders. Global operations continue to assume an increasingly maritime focus, and our Navy will sustain its forward presence, warfighting focus, and readiness preparations to continue operating where it matters, when it matters. We see no future reduction

of these requirements and we have focused the FY16 Navy budget submission to address the challenges to achieving the necessary readiness to execute our missions. Any funding below this submission requires a revision of America's defense strategy. Sequestration would outright damage the national security of this country.

In closing, we should recall that our Sailors are the most important element of the future readiness of the Navy. Fortunately, they are the highest quality, most diverse force in our history and continue to make us the finest Navy in the world. As the CNO says, "They are our asymmetric advantage." On behalf of all our Sailors (active and reserve), Civilians and their Families let me reiterate our appreciation for the continued support of the members of the committee.

Vice Chief of Naval Operations

7/1/2014 - Present

ADMIRAL MICHELLE HOWARD



Admiral Howard is a 1978 graduate of Gateway High School in Aurora, Colorado. She graduated from the United States Naval Academy in 1982 and from the Army's Command and General Staff College in 1998, with a Masters in Military Arts and Sciences.

Howard's initial sea tours were aboard USS Hunley (AS 31) and USS Lexington (AVT 16). While serving on board Lexington, she received the secretary of the Navy/Navy League Captain Winifred Collins award in May 1987. This award is given to one woman officer a year for outstanding leadership. She reported to USS Mount Hood (AE 29) as chief engineer in 1990 and served in Operations Desert Shield and Desert Storm. She assumed duties as first lieutenant on board the USS Flint (AE 32) in July 1992. In January 1996, she became the executive officer of USS Tortuga (LSD 46) and deployed to the Adriatic in support of Operation Joint Endeavor, a peacekeeping effort in the former Republic of Yugoslavia. Sixty days after returning from the Mediterranean deployment, Tortuga departed on a West African training cruise, where the ship's Sailors, with embarked Marines and U.S. Coast Guard detachment, operated with the naval services of seven African nations.

She took command of USS Rushmore (LSD 47) on March 12, 1999, becoming the first African American woman to command a ship in the U.S. Navy. Howard was the commander of Amphibious Squadron Seven from May 2004 to September 2005. Deploying with Expeditionary Strike Group (ESG) 5, operations included tsunami relief efforts in Indonesia and maritime security operations in the North Arabian Gulf. She commanded Expeditionary Strike Group Two from April 2009 to July 2010. In 2009, she deployed to CENTCOM theater, where she commanded Task Force 151, Multi-national Counter-piracy effort, and Task Force 51, Expeditionary Forces. In 2010, she was the Maritime Task Force commander for BALTOPS, under 6th Fleet.

Her shore assignments include: J-3, Global Operations, Readiness and executive assistant to the Joint Staff director of Operations; deputy director N3 on the OPNAV staff; deputy director, Expeditionary Warfare Division, OPNAV staff; senior military assistant to the secretary of the Navy; Chief of Staff to the director for Strategic Plans and Policy, J-5, Joint Staff, deputy commander, US Fleet Forces Command, and Deputy Chief of Naval Operations for Operations, Plans & Strategy (N3/N5). She currently serves as the 38th Vice Chief of Naval Operations.

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Subcommittee on Readiness

STATEMENT OF

GENERAL JOHN PAXTON

ASSISTANT COMMANDANT

UNITED STATES MARINE CORPS

BEFORE THE

HOUSE ARMED SERVICES COMMITTEE

SUBCOMMITTEE ON READINESS

ON

26 MARCH 2015

Not for public dissemination
Until released by the House Armed Services Committee
Subcommittee on Readiness

Introduction

Chairman Ayotte, Ranking Member Kaine, and distinguished members of the Senate Armed Services Subcommittee on Readiness: I appreciate the opportunity to testify on the current state of readiness in your Marine Corps and on our Fiscal Year 2016 budget request. We greatly appreciate the continued support of Congress and of this subcommittee in ensuring our ability to remain the Nation's ready force.

Since 1775 the Marine Corps, has been our nation's Crisis Response force. This was mandated by our 82nd Congress. Continuing to fulfill this role remains our top priority. Balanced air-ground-logistics forces that are forward-deployed, forward-engaged, and postured to shape events, manage instability, project influence, and immediately respond to crises around the globe are what we provide. Marine forces remain expeditionary and are partnered with the Navy, coming from the sea, operating ashore, and providing the time and decision space necessary for our National Command Authority. Ultimately, our role as America's 9-1-1 force informs how we man, train, and equip our force both for today and into the future.

This past year has demonstrated that the Marine Corps must be ready to respond, fight, and win more than just the last war. In 2014 the performance of your Marine Corps underscored the fact that responsiveness and versatility are in high demand today and that fact can be expected in the future.

- ***Your Marines – Operationally Responsive*** -

OEF – Afghanistan

In 2014, Marine Expeditionary Brigade-Afghanistan (MEB-A) concluded six years of sustained Marine Air-Ground Task Force (MAGTF) operations in Afghanistan. Operations there focused on ensuring the success of the Afghanistan presidential elections in the summer of 2014 and transitioning security responsibilities to the Afghanistan National Defense Security Forces (ANDSF). With Marines serving in an advisory capacity, the ANSF in Helmand Province held control of all district centers. Regional Command (SW) also turned over operational responsibilities to the

International Security Assistance Force Joint Command (IJC). Today, a residual Marine presence of several hundred continues to support the Resolute Support Mission (NATO)/OPERATION FREEDOM'S SENTINEL (US) in Afghanistan.

Special Purpose Marine Air Ground Task Force – Crisis Response (SPMAGTF-CR) Operations

While not as independent, flexible and responsive as our Marine Expeditionary Units (MEU) embarked and underway aboard Amphibious Ready Groups (ARG), two SPMAGTF-CRs are filling crisis response critical capability gaps for the combatant commanders in AFRICOM and CENTCOM. This past year SPMAGTF-CR units assigned to AFRICOM positioned forward in Moron, Spain and Signonella, Italy safeguarded the lives of our diplomatic personnel and conducted military-assisted departures from the U.S. Embassy in South Sudan in January and our Embassy in Libya in July 14.

The Marine Corps SPMAGTF-CR unit assigned to CENTCOM (SPMAGTF-CR-CC) became fully operational on 1 November 2014 and deployed to the CENTCOM AOR. Since that time, SPMAGTF-CR-CC conducted embassy reinforcement, Theater Security Cooperation (TSC) exercises, and provided critical aviation and ground capabilities in the fight against ISIL. Most recently, Marines from SPMAGTF-CR-CC supported the evacuation of our Embassy in Sana'a, Yemen in February of this year.

Current Operations

Today, there are over 31,000 Marines forward deployed, conducting a full range of theater security and crisis response missions. Marines are currently conducting security cooperation activities in 29 countries around the globe. Over 22,000 Marines are west of the international dateline in the Pacific building partnership capacity, strengthening alliances, deterring aggression, and preparing for any contingency. Your Marines serving today in the operating forces are either deployed, getting ready to deploy, or have recently returned from deployment. Our operational tempo since September 11, 2001 has been high and remains high today. We expect this trend to continue.

- ***Institutional Balance*** -

The Marine Corps is committed to remaining the Nation's ready force, a force truly capable of responding to a crisis anywhere around the globe at a moment's notice. Thus, the American people and this Congress have rightly come to expect the Marine Corps to do what must be done in "any clime and place" and under any conditions. As our 36th Commandant recently published in his Commandant's Planning Guidance (CPG), "you expect us to respond quickly and win always."

This obligation requires the Marine Corps to maintain a high state of combat readiness at all times. Readiness is the critical measure of our Marine Corps' capacity to respond with required capability and leadership. We look at readiness through the lens of our five institutional pillars of readiness – **high quality people, unit readiness, capacity to meet the combatant commanders' requirements, infrastructure sustainment**, and **equipment modernization**. These pillars represent the operational and foundational components of readiness across the Marine Corps. We know we are ready when leaders confirm that their units are well trained, well led at all levels, and can respond quickly to the unforeseen. This capability helps to minimize operational risk and provides our national leaders the time and space to make reasoned decisions.

While we will always ensure that our forward deployed Marines and Sailors are properly manned, trained, and equipped, we must seek a balanced investment across the pillars to simultaneously ensure current as well as future (i.e. next to deploy) readiness. At the foundation of this readiness, we emphasize that all Marines and all Marine units (i.e. from home station) are physically and mentally ready, are fully equipped, and have sufficient time with quality small unit leaders in place to move and train whenever called upon.

We also fully appreciate that our readiness and institutional balance today, and the ability to maintain it in the future, are directly related to today's fiscal realities. During these fiscally constrained times, we must remain focused on the allocation of resources to ensure the holistic readiness of the institution (i.e. training, education, infrastructure and modernization), making every dollar count when and where it is needed most.

As the Marine Corps looks to achieve balance across the five pillars of readiness after thirteen years of uninterrupted war, our efforts have been frustrated by two clearly tenuous variables. First, the continued high operational tempo of, and high demand for, Marine forces, and second, the continued budget uncertainty surrounding annual appropriations (i.e. sequestration and impacts). Both of these variables have been keenly and repeatedly felt throughout the Marine Corps all this year as we have protected near-term readiness at the expense of our long-term modernization and of our infrastructure investments. This reality has forced the Marine Corps' to make the hard choice to underfund, reduce or delay funding, which threatens our future readiness and responsiveness.

As America's 9-1-1 force, your Corps is required to maintain an institutional capability, an operational balance, and an expeditionary mindset that facilitates our ability to deploy ready forces tonight. However, as we continue to face the possibility of sequestration-level funding for FY 2016, we may well be forced into adopting some short term or limited scope and scale variations for future unexpected deployments over the next few years. This means quite simply, that we will see increased risk in timely response to crises, in properly training and equipping our Marines to respond, and in their overall readiness to respond. By responding later with less and being less trained we may eventually expect to see an increase in casualties.

Readiness and the Capacity to Respond

With the support of Congress, the Marine Corps is committed to remaining ready and continuing the tradition of innovation, adaptation, and winning our Nation's battles. The challenges of the future operating environment will demand that our Nation maintain a force-in-readiness that is capable of true global response. America's responsibility as a world leader requires an approach to the current and future strategic landscape that leverages the forward presence of our military forces in support of our diplomatic and economic elements of power.

As stated in the 2012 President's Defense Strategic Guidance, "The United States will continue to lead global efforts with capable allies and partners to assure access to and

use of the global commons, both by strengthening international norms of responsible behavior and by maintaining relevant and interoperable military capabilities." High-yield, relatively low-investment Marine Corps capabilities (ready and responsive air-ground-logistics forces) uniquely support this strategic approach.

- ***Current Readiness*** -

Maintaining the readiness of our forward deployed forces during a period of high operational tempo while amidst fiscal uncertainty; as well as fiscal decline, comes with ever increasing operational and programmatic risk. Today, approximately half of the Marine Corps' home-station units are at an unacceptable level of readiness in their ability to execute wartime missions, respond to unexpected crises, and surge for major contingencies. Furthermore, the ability of non-deployed units to conduct full spectrum operations continues to degrade as home-station personnel and equipment are sourced to protect and project the readiness of deployed and next-to-deploy units. As the Nation's first responders, the Marine Corps' home-stationed units are expected to be at or near the same high state of readiness as our deployed units, since these non-deployed units will provide the capacity to respond with the capability required (leadership and training) in the event of unexpected crises and or major contingencies.

Despite this challenge and imbalance, the Marine Corps continues to provide units ready and responsive to meet core and assigned missions in support of all directed current operational, crisis, and contingency requirements. However, we continue to assume long-term risk particularly in supporting major contingencies in order to fund unit readiness in the near term. Consequently, the Marine Corps' future capacity for crisis response and major contingency response is likely to be significantly reduced. Quite simply, if those units are not ready due to a lack of training, equipment or manning, it could mean a delayed response to resolve a contingency or to execute an operational plan, both of which create unacceptable risk for our national defense strategy as well as risk to mission accomplishment and to the whole-of-force itself. The following sections elaborate on some specific readiness challenges the Corps is facing today.

- ***Current Challenges to Readiness and the Capacity to Respond*** –

As the Nation's first responders, we firmly believe that the Marine Corps as a service, and in its entirety, is expected to be always in a high state of readiness. Today however, there are numerous challenges that have created a readiness imbalance, affecting our capacity to respond to future challenges with the required capability and leadership. For example, our home station unit's ability to train is challenged. Time is the essential component required to fix worn equipment and to train units to standard. A lower end-strength and unwavering and high unit deployment to dwell (D2D) ratios exacerbate time at home stations to prepare, train, and maintain. This, coupled with temporary shortages of personnel and equipment at the unit level, validate operational requirements that exceed resource availability, and a growing paucity of amphibious platforms on which to train, all contribute to degraded full-spectrum capabilities across the entire Service. As an example, a D2D ratio of 1:2 means your Marines are deploying for 7 months and home for 14 months before deploying again. During that 14-month "dwell," units are affected by personnel changes and gaps (duty station rotations, schooling, and maintenance), ship availability shortfalls and growing maintenance requirements, equipment reset requirements (service life extensions and upgrades), degraded supply storages, training schedule challenges (older ranges and equipment, and weather) and more. These collective challenges factor into every unit's compressed and stressing task to remain constantly ready. In some case, the D2D ratio is even lower than 1:2 (MV-22 squadrons, Combat Engineer units, and F/A-18 squadrons), placing considerable stress on high demand, low density units and equipment. Also concerning is the inability to assess the long-term health of the force at lower D2D ratios and the impact on overall force retention. Quite simply, despite OIF and OEF being "over," the unstable world and "New Normal" is causing your Corps to continue to "run hot."

As referenced earlier, just over half of Marine Corps home-stationed units are at unacceptable levels of readiness. For example, Marine Aviation contains some of our most stressed units. As operational commitments remain relatively steady, the overall

number of Marine aircraft available for tasking and or training has decreased since 2003. At that time Marine Aviation contained 58 active component squadrons and 12 reserve component squadrons for a total of 70 squadrons.

The Marine Corps has 55 active component squadrons today, three of which (2 VMM, and 1VMFA) are in transition. Of the 52 remaining squadrons, 33% are deployed and 17% are in pre-deployment workups to deploy. Our minimum readiness goal to deploy is T-2.0, which is simply the cut line between a squadron trained to accomplish its core mission and a squadron that is not. To attain a T-2.0 rating, a squadron must be qualified to perform at least 70 percent of its Mission Essential Tasks (METs) (i.e. tasks required to accomplish the multiple missions that are or may be assigned to a unit). Currently, our deployed squadrons and detachments remain well trained and properly resourced, averaging T-2.17. Next-to-deploy units are often unable to achieve the minimum goal of T-2.0 until just prior to deployment. Non-deployed squadrons experience significant and unhealthy resource challenges, which manifest in training and readiness degradation, averaging T-2.96.

The Marine Corps is actively and deliberately applying resources to maintain the readiness of deployed and next-to-deploy units. Our focus is to continue to meet all current requirements, while addressing the personnel, equipment, and training challenges across the remainder of the force. We are in the midst of a comprehensive review of our manning and readiness reporting systems and will develop a detailed plan to enhance our overall readiness during 2015.

We are also committed to meet the growing expeditionary requirements of our combatant commanders (COCOMs). To meet COCOM requirements, the Marine Corps will be required to sustain a D2D ratio in the active component force of 1:2 vice a more stable, and time proven, D2D ratio of 1:3. The Marine Corps also has some high demand/low density units that maintain a current D2D ratio of less than 1:2, such as the (VMGR/KC-130) community. These communities are closely monitored for training, maintenance, and deployment readiness as well as deployment frequency. The Marine Corps will continue to provide ready forces to meet COCOM demands, but we are carefully assessing the impact of reduced D2D ratios on our training and quality of life across all units and occupational fields. What we do know is that the optimal size of your

Marine Corps to meet the requirements of the Defense Strategic Guidance is 186,800 Marines. This optimal size gives the Marine Corps the capacity we need to meet current operational requirements demand with a D2D ratio closer to 1:3 which supports time for home station units to train and maintain. We continue to validate and support this assessment. Today, due to fiscal realities, the Marine Corps is adjusting its active duty end-strength to reach 182,000 Marines by 2017. As we continue to downsize, we must emphasize the enduring national mission requirement to provide forces that can always meet today's crisis response demands.

Another significant readiness challenge is the growing gap in the numbers of small unit leaders with the right grade, experience, technical skills and leadership qualifications associated with their billets. Specifically, our current inventory of Non-Commissioned Officers (NCOs) and Staff Non-Commissioned Officers (SNCOs) is not meeting our force structure requirements. The technical, tactical, and leadership demands on our NCOs and SNCOs has grown during 13 years of OIF and OEF. These Marine combat leaders have proven their mettle. We remain committed to fully and properly training them and their successors for the rigors of an unstable world with disaggregated operations against an asymmetric enemy in a distant and hostile environment. This dynamic directly affects our current and future training, maintenance, and discipline. We must train and retain adequate numbers of SNCOs and NCOs to preclude degraded crisis response readiness and ensure combat effectiveness. The Marine Corps' PB16 military budget funds a FY16 end-strength of 184,000 in our base budget and supports right-sizing our NCO ranks to provide our Marines the small unit leadership they deserve and which our Corps and nation need.

- Naval Expeditionary Force –

We share a rich heritage and maintain a strong partnership with the United States Navy. Sea-based and forward deployed naval forces provide the day-to-day engagement, crisis response, and assured access for the joint force in a contingency. The availability of amphibious shipping is paramount to both our readiness and to our overall ability to respond. The Marine Corps' requirement for amphibious warships to respond, for war

plans, and for contingencies remains at 38 platforms. The Navy's inventory today is 31 total amphibious warships. When accounting for steady-state demands and for essential maintenance requirements we are seeing that far fewer platforms are readily available for employment. Simply put we have a serious inventory problem and a growing availability challenge.

This is why the Marine Corps fully supports the Secretary of the Navy and Chief of Naval Operations' (CNO) efforts to increase the inventory and availability of amphibious platforms and surface connectors that facilitate our key concepts of operational maneuver from the sea (OMFTS) and ship-to-objective maneuver (STOM). The President's budget supports key investments in LPD-28, LX(R), and ship-to-shore connectors (SSC), and demonstrates our commitment to global maritime presence and to our Nation's mandate to sustain an amphibious capability that can respond to, deter, deny, and defeat threats on a global scale. We appreciate Congress providing a substantial portion of funding to procure a 12th LPD, and respectfully request that this committee continue to support full funding of that amphibious ship. The enhanced mission profiles of these new, improved and much needed platforms create operational flexibility, extended geographical reach, and surge capabilities for all our COCOMs.

Naval investments in alternative seabasing platforms expand access and reduce dependence on land bases, supporting national global strategic objectives and providing operational flexibility in an uncertain world. The naval seabasing investments in the Mobile Landing Platform (MLP), the Large Medium-Speed Roll-on/Roll-off (LMSR) strategic sealift ship, and the (T-AKE) Dry Cargo and Ammunition Ship as part of the Maritime Prepositioning Ship Squadrons (MPS), coupled with the Joint High Speed Vessel (JHSV), Afloat Forward Staging Base (AFSB) and ship-to-shore connectors provide additional lift, speed, and maneuver capability to augment, yet not necessarily replace or substitute for proven Navy and Marine Corps amphibious combat capabilities. Although never a substitute for amphibious warships, particularly in a contested environment, these alternative platforms will continually complement amphibious ships and can enhance national readiness and ability to answer COCOM non-combat demands.

While the President's Budget moves us in the right direction, it will take many years and a sustained effort to address the serious risk in the current inventory and

availability of amphibious ships. The Marine Corps will continue to work closely with the Navy and Congress to implement the 30 year ship building plan and to address the current amphibious availability and readiness challenges.

Building the Force of the Future

As challenging as it has been to prepare Marines for the current fight, our force must adapt to the ever-changing character and conduct of warfare to remain ready, relevant, and responsive. Innovation and adaptability will be required to build the force of the future. For the last 14 years, the Marine Corps has applied a small but key percentage of our resources to providing Marines what they need for today's fight. While individual Marines are our critical weapons system, we must outfit him with modern, reliable and useful gear and equipment. Because readiness remains our first priority in meeting our national security responsibility, our focus on an unrelenting demand for forces coupled with a declining budget has forced the Marine Corps to make difficult choices and to reduce investment in modernization in order to maintain current and near term readiness. We are consciously, by necessity, delaying needed modernization.

- ***Modernization Efforts*** –

Our declining budget has forced the Marine Corps to make difficult choices at the expense of modernization to maintain current and near term readiness. In the current fiscal environment, the Marine Corps is investing only in essential modernization, focusing on those areas that underpin our core competencies. Today, we have placed much emphasis on new or replacement programs such as our Amphibious Combat Vehicle (ACV), a Joint Light Tactical Vehicle (JLTV), our CH-53K Heavy Lift Replacement, and the critical fifth generation F-35 Joint Strike Fighter (JSF). At the same time, our modernization resources are also necessarily focused on improving capabilities and extending the life of current systems in order to fill gaps that can be exploited by today's threats.

In order to balance modernization across the capabilities of the MAGTF and ensure a ready and responsive force of the future, our two top priorities remain the ACV, to include science and technology efforts toward high-water speed capabilities, and the JSF, both of which provide the technology required to dominate our adversaries in the future. Additionally, our investments in Network On-the-Move (NOTM), Ground/Air Task Oriented Radar (G/ATOR), and other additional aviation platforms such as the MV-22, CH-53K, and UH-1Y/AH-1Z programs are vital to the overall combat effectiveness and readiness of our future MAGTFs. We are also focused on and investing heavily in extending the service life and improving the interim capabilities of our legacy systems due to the time required to recapitalize needed capabilities while ensuring a smooth transition to future requirements.

For example, the need for recapitalization of our 42-year old AAV is critical and the nation cannot afford to gap this capability. Rising annual maintenance costs for the AAV and other legacy systems compete for resources against modernization efforts that seek to replace them with modern combat capabilities (i.e. ACV). This required allocation of precious resources works against our other investment and recapitalization efforts. Additionally, for our legacy aircraft platforms, the focus is on modernization to make them relevant in tomorrow's fight while simultaneously providing a bridge to rearrange our aviation recapitalization efforts. Rapid procurement of these new systems is critical to solving both our serious current and future readiness problems.

If we do not modernize, we will actually move backwards. Our adversaries continue to develop new capabilities exploiting any technology gaps associated with specific domains and functions. By under-resourcing equipment modernization we will ultimately fall behind. Increasing threats, the proliferation of A2/AD weapon systems, and the aging of key material capabilities present an unacceptable risk to forcible entry operations and our overall combat effectiveness if modernization continues to be diminished or halted.

Modernization and innovation are more than just procurement programs. We will re-energize our MAGTF experimentation and test new tactics, techniques, procedures, equipment and concepts that will allow us to meet every challenge. We are maintaining

our commitment to Science and Technology, and we continue to look for opportunities to expand our efforts in this critical area.

- Concept Development and Experimentation –

The current and future operating environment will remain volatile, unpredictable, and complex. To continue to deliver order from the chaos, we anticipate no lessening in the demand for Marine capabilities ranging from Amphibious Ready Groups with enhanced Marine Expeditionary Units (ARG/MEUs) and Special Purpose MAGTFs for crisis response as well as for more Marine Security Guards at our embassies and consulates (MCESG). Trends point to greater security challenges to our vital national interests almost everywhere. Therefore, as our Nation meets these future challenges, it will rely heavily on the Marine Corps to remain the ready, relevant, and responsive force of first resort. While there will be a degree of consistency in our missions, there is likely to be inconsistency in the operating environment, and we must be willing to experiment, take risk, and implement change to overcome challenges in those varied operating environments (threat, access, communications, etc.). As was the case prior to World War II, the quality and focus of our concept development, our expansion of science and technology, the frequency and significance of our exercises, and our constant experimentation efforts will remain critical to our overall readiness, relevance, and indeed our mission success. The end state of our efforts to link concepts and doctrine to exercises and experimentation will be to develop and nurture the intellectual energy and creativity of individual Marines and of units. This will enable the Marine Corps to continue to be a leader in both tactical and operational innovation.

A year ago we published *Expeditionary Force 21*(*EF-21*), our Marine Corps capstone concept. *EF-21* establishes our vision and goals for the next 10 years and provides guidance for the design and development of the future force that will fight and win in the future environment. *Expeditionary Force 21* will also inform decisions regarding how we will adjust our organizational structure to exploit the value of regionally focused forces and provide the basis for future Navy and Marine Corps capability development to meet the challenges of the 21st Century. Developed in close

coordination with the recent update of our maritime strategy (i.e. *Cooperative Strategy 21 (CS21)*, *Expeditionary Force 21* describes how the Marine Corps will be postured, organized, trained, and equipped to fulfill the responsibilities and missions required around the world. This comprises four essential lines of effort: refining our organization, adjusting our forward posture, increasing our naval integration, and enhancing littoral maneuver capability.

- All Volunteer Force -

Our Marines and civilians are the foundation of who we are and of all that we do. We succeed because of our focus on recruiting, training, and retaining quality people. People are the primary means through which the Marine Corps remains ready and responsive in guaranteeing the defense of our great Nation. The resources we dedicate to recruiting, retaining, and developing high quality people directly contribute to the success of our institution. Thus, our commitment to attract, train, and deploy with the best quality Marines must always remain at the forefront.

Today, the Marine Corps does not have the proper level of personnel stability or cohesion in our non-deployed units. Having to move Marines between units to meet manning goals for approaching often accelerated or extended deployment cycles creates personnel turbulence, inhibits cohesion, and is not visible in our current readiness assessment tools. This personnel turbulence affects our combat readiness and our ability to optimally train, retain, and take care of Marines. Moving forward, we will improve cohesion by increasing our individual and unit preparedness across the force as well as emphasizing consistency of leadership and personnel stability across that same force.

Conclusion

On behalf of the Marines and Sailors and their families, all of whom provide this Nation with its versatile and reliable force-in readiness, I thank Congress and this subcommittee for your continued interest in and recognition of our operational and fiscal challenges and our key contributions to national security. We are proud of our reputation

for frugality and remaining one of the best values for the defense dollar. In these times of budget austerity, the Nation continues to hold high expectations of her Marine Corps, and our stewardship of taxpayer dollars. The Marine Corps will continue to answer the Nation's call to arms, meet the needs of the Combatant Commanders and others who depend upon our service, and operate forward as a strategically mobile force optimized for forward-presence and crisis response. Your continued support is requested to provide a balance across all five of our readiness pillars, so we can maintain our institutional readiness and our ability to remain responsive... as your predecessors wisely charged more than 60 years ago, "to be the most ready when the nation is least ready."

General John M. Paxton, Jr.
Assistant Commandant of the Marine Corps

General Paxton was promoted to General and assumed the duties of Assistant Commandant of the Marine Corps on December 15, 2012. A native of Pennsylvania, he graduated from Cornell University with a Bachelor and Master of Science in Civil Engineering and was commissioned through Officer Candidate School in 1974.

General Paxton's assignments in the operating forces include Rifle and Weapons Platoon Commander and Company Executive Officer, Co. B, 1st Battalion, 3d Marines; Training Officer, 4th Marine Regiment; Executive Officer, Co. G, 2d Battalion, 4th Marines; Company Commander, Co. L and Operations Officer, 3d Battalion, 5th Marines; GCE Operations Officer, II MEF, and Assistant Chief of Staff, G-3, 1st Marine Division. He commanded the 1st Battalion, 8th Marines in support of operations in Bosnia and Somalia and later the 1st Marine Regiment.

Other assignments include Company Commander, Co. B, Marine Barracks Washington and Commanding Officer of Marine Corps Recruiting Station New York. He served as a Plans Division Officer, Plans, Policies and Operations, HQMC; the Executive Assistant to the Undersecretary of the Navy; and Amphibious Operations Officer/Crisis Action Team Executive Officer, Combined Forces Command, Republic of Korea.

As a general officer, he has served as the Director, Programs Division, Programs and Resources, HQMC; the Commanding General of Marine Corps Recruit Depot San Diego/Western Recruiting Region; Commanding General, 1st Marine Division; Chief of Staff, Multi-National Forces – Iraq; Director for Operations, J-3, The Joint Staff; and Commanding General, II Marine Expeditionary Force and Commander Marine Forces Africa. Most recently he served as the Commander, Marine Corps Forces Command; Commanding General, Fleet Marine Force Atlantic; and Commander, Marine Forces Europe.

General Paxton is a graduate of the U.S. Army Infantry Officer Advanced Course and Marine Corps Command and Staff College. He has also served as a Commandant's Fellow at the Brookings Institute as well as at the Council on Foreign Relations.

DEPARTMENT OF THE AIR FORCE
PRESENTATION TO THE SUBCOMMITTEE
ON
READINESS

UNITED STATES HOUSE OF REPRESENTATIVES

SUBJECT: CURRENT READINESS OF THE U.S. AIR FORCE

STATEMENT OF: GENERAL LARRY O. SPENCER
VICE CHIEF OF STAFF OF THE AIR FORCE

MARCH 26, 2015

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BY THE SUBCOMMITTEE ON READINESS
UNITED STATES HOUSE OF REPRESENTATIVES

INTRODUCTION

The United States Air Force has never failed to meet any threat our Nation has faced and establish an environment that was beyond the capabilities of our enemies to resist. Our capabilities of range, speed, and agility give our Nation an indispensable and qualitative advantage that is unparalleled today and we must retain them going into the future. Whether it's opening an aerial port to deliver humanitarian aid, flying a single sortie from middle-America to the Korea peninsula and back to send a clear message, dropping a bomb, or dropping a Brigade Combat Team into the conflict zone– we can reach out and touch anyone, anytime, at any place, in a matter of hours, not days. Since 1947, Americans have been able to sleep soundly knowing that in every corner of the globe, the United States Air Force is ready.

Through technology, ingenuity, and unparalleled training and expertise the Air Force provides our Nation and allies more precise and effective options. But readiness requires the right number of Airmen, with the right equipment, trained to the right level, and with the right amount of support and resources, to accomplish what the Nation asks us to do. While Airmen have performed exceptionally well in major combat operations such as those in Iraq, and Afghanistan, these operations come at a price. Today, continual demand for airpower, coupled with dwindling and uncertain budgets, leave the force with insufficient time and resources to train Airmen across the full range of Air Force missions. Proficiency required for highly contested, non-permissive environments has suffered, due to our necessary engagement in the current counterinsurgency fights.

We recognize that there are no quick fixes. Even at the level of the President's Budget it will take the Air Force years to recover lost readiness. Our return to full-spectrum readiness

must include the funding of critical programs such as flying hours, weapons system sustainment, and infrastructure, while also balancing deployment tempo, training, and exercises. We must also be technologically superior and agile enough to evolve ahead of the myriad of future potential threats.

However, because of the current restrictive and uncertain fiscal environment we have been forced to make difficult choices within an incredibly complex security environment. Our current Service readiness and capacity are degraded to the point where our core capabilities are at risk. To correct this, the fiscal year 2016 President's Budget (FY16 PB) preserves the minimum capability to sustain current warfighting efforts, and places the Air Force on a path toward balancing readiness with necessary modernization in order to meet evolving threats.

READINESS TODAY; READINESS TOMORROW

The 2012 Defense Strategic Guidance (as updated by the 2014 Quadrennial Defense Review) requires healthy and sustainable Air Force combat readiness, modernization and recapitalization programs. Since passage of the Budget Control Act, the Air Force has been forced to trade capacity in an attempt to preserve capability. We are now at the point where any further reduction in size *equals* a reduction in capability – the two are inextricably linked. Combatant commanders require Air Force support on a 24/7 basis, and the Air Force does not have excess capacity to trade away. If asked to accomplish multiple parts of the defense strategy, we will have to make difficult decisions on mission priorities and dilute coverage across the board. Unless we improve readiness levels, our full combat power will take longer to apply, will pull coverage from other areas, and will increase risk to our Joint and coalition forces.

The FY16 PB is a step to alleviate some of that risk. It allows us to preserve our future readiness, including munitions inventories; protect our top three acquisitions programs; and protect investments such as the training aircraft system, cyber mission forces and the next generation of space systems. Our plan is to reduce risk in high-priority areas by accelerating the modernization of aging fleets and improving our installations around the country. We are focused on capabilities, not platforms – preserving and enhancing the agility and flexibility of the Air Force.

Weapons System Sustainment

Weapons system sustainment (WSS) is a key component of full-spectrum readiness. Years of combat demands have taken a toll across many weapons systems. We continue to see an increase in the costs of WSS requirements. These costs are driven by factors such as the complexity of new systems, operations tempo, force structure changes, and growth in required depot-level maintenance on legacy aircraft.

If sequestration-level funding returns, it will hamper our efforts to improve WSS. Depot delays will result in the grounding of some aircraft. It will mean idle production shops, a degradation of workforce proficiency and productivity, and corresponding future volatility and operational costs. Analysis shows it can take up to three years to recover full restoration of depot workforce productivity and proficiency. Historically, WSS funding requirements for combat-ready forces increase at a rate double that of inflation planning factors. WSS costs still outpace inflationary growth, and in the current fiscal environment, our efforts to restore weapons systems to required levels will be a major challenge.

The longer we fly our legacy aircraft, the more they will break and require increased preventative maintenance. We have tankers that are on average 52 years old, bombers that are over 50 years old, and fourth generation fighters that are an average of 25 years old. If we had kept WWII's B-17 bomber, and flown it in Operation Desert Storm 1991, it would have been younger than the B-52, the KC-135, and the U-2 are today. If we are not able to perform weapons system sustainment on our aircraft or modernize them so we can improve upon their speed, range, and survivability, we will lose our technological edge and superiority.

Flying Hours and Training

Our flying hour program is essential to full-spectrum readiness. If sequestration is implemented, it will affect our ability to accomplish flying and training requirements and our ability to meet full-spectrum operations. Readiness is not just influenced by funding, but also ongoing operations. Time and resources used to conduct current operations limit opportunities to train across the full-spectrum of missions. For example, the operational and combat demands over the last decade have eroded our ability to train for missions involving anti-access/area denial scenarios. To meet combatant commander requirements, we have had to increase our deployment lengths and decrease time between deployments, which affect our reconstitution and training cycles. Our high operations tempo has resulted in Airmen that are only proficient in the jobs they do when they deploy.

To fix this problem and be able to meet an increasing demand for Air Force capabilities in future operations, we need the funding and the latitude to balance these rotational and expeditionary requirements with adequate full-spectrum training. The additional funding

requested in the FY16 PB will help us recover flying hour-related readiness due to the FY13 sequester and put us on a steady path toward full recovery.

Operational Training Infrastructure (OTI)

Full-spectrum training for combat against a high-end adversary requires specific investment and emphasis on an integrated training and exercise capability. This includes the availability and sustainability of air-to-air and air-to-ground training ranges, fully augmented by, and integrated with, virtual training in simulators and with constructive models to represent a high-end adversary. This is what we call our Operational Training Infrastructure (OTI). Our ability to effectively expose our forces to a realistic, sufficiently dense, and advanced threat capability cannot be accomplished without our focus on OTI.

OTI becomes critical when you consider that we must expand our 5th generation weapon systems. These systems are so advanced that challenging our operators in live training environments while protecting the capabilities and tactics of these systems is problematic. Our approach to OTI will address these training shortfalls while maximizing the value of every training dollar.

In addition to investments in simulators as part of OTI, our ranges are used for large-scale joint and coalition exercises that are critical to training in realistic scenarios. We intend to sustain these critical national assets to elevate flying training effectiveness for the joint team and improve unit readiness. The same is true for our munitions. The FY16 PB includes funding to addresses the shortfalls in our critical munitions programs and to accelerate production and reduce unit cost.

Space Readiness

Space-based capabilities and effects are vital to US warfighting and the Air Force remains committed to maintaining the advantages this domain provides. Potential adversaries are developing and fielding capabilities to deny us these advantages and are also fielding their own space capabilities to support their terrestrial warfighting operations. We now recognize that space can no longer be considered a sanctuary. In order to deter and defeat interference and attacks on US space systems we must improve space domain mission assurance capabilities against aggressive and comprehensive space control programs.

Nuclear Readiness

The FY16 PB strengthens the nuclear enterprise, the number one mission priority of the Air Force. The Air Force's intercontinental ballistic missiles and heavy bombers provide two legs of the Nation's nuclear triad. The FY16 PB funds additional investments across the FYDP to sustain and modernize the ICBM force and funds 1,120 additional military and civilian billets across the nuclear enterprise as part of the Secretary of the Air Force-directed Force Improvement Program.

CONCLUSION

A ready, strong, and agile Air Force is a critical component of the best, most credible military in the world. Air Force capabilities are indispensable to deterrence, controlled escalation, and destruction of an adversary's military capability…as well as development, stability, and partnership-building. Today's Air Force provides America an indispensable hedge against the challenges of a dangerous and uncertain future, providing viable foreign policy options without requiring a large military commitment on foreign soil.

Such a force does not happen by accident; it must be deliberately planned and consistently funded in order to be successful. Continued investments in Air Force capabilities and readiness are essential to ensuring that the Air Force maintains the range, speed, and agility the Nation expects. Regardless of the future security environment, the Air Force must retain – and maintain – its unique ability to provide America with *Global Vigilance, Global Reach,* and *Global Power.*

GENERAL LARRY O. SPENCER



Gen. Larry O. Spencer is Vice Chief of Staff of the U.S. Air Force, Washington, D.C. As Vice Chief, he presides over the Air Staff and serves as a member of the Joint Chiefs of Staff Requirements Oversight Council and Deputy Advisory Working Group. He assists the Chief of Staff with organizing, training, and equipping of 690,000 active-duty, Guard, Reserve and civilian forces serving in the United States and overseas.

General Spencer was born in Washington, D.C. He received his Bachelor of Science degree in industrial engineering technology from Southern Illinois University, Carbondale, and was commissioned through Officer Training School in 1980 as a distinguished graduate. General Spencer has commanded a squadron, group and wing, and he was Vice Commander of the Oklahoma City Air Logistics Center. He was also the first Air Force officer to serve as Assistant Chief of Staff in the White House Military Office. He served as the Comptroller and then Director of Mission Support (A7) at a major command; and held positions within the Air Staff and Secretary of the Air Force. Prior to his current assignment, the general was Director, Force Structure, Resources and Assessment, Joint Staff, the Pentagon, Washington, D.C.

EDUCATION

1979 Bachelor of Science degree in industrial engineering technology, Southern Illinois University, Carbondale
1980 Distinguished graduate, Officer Training School, Lackland AFB, Texas
1983 Distinguished graduate, Squadron Officer School, Maxwell AFB, Ala.
1987 Master of Science degree in business management, Webster College, St. Louis, Mo.
1990 Marine Corps Command and Staff College, Quantico, Va.
1994 Distinguished graduate, Master of Science degree in resource strategy, Industrial College of the Armed Forces, National Defense University, Fort Lesley J. McNair, Washington, D.C.
2005 Logistics Executive Development Seminar, Wright-Patterson AFB, Ohio
2005 AFMC Senior Leader's Maintenance Course, Wright-Patterson AFB, Ohio
2005 Logistics Technology, University of North Carolina, Chapel Hill
2005 Black Sea Region Seminar, John F. Kennedy School of Business, Harvard University, Cambridge, Mass.
2006 Lean Six Sigma Green Belt Training Program, University of Oklahoma
2007 Systems Acquisition Management Course, Defense Acquisition University, Fort Belvoir, Va.
2011 Pinnacle, Joint, Coalition and Interagency Studies, National Defense University, Fort Lesley J. McNair, Washington, D.C.

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

MARCH 26, 2015

QUESTION SUBMITTED BY MS. BORDALLO

Ms. BORDALLO. Describe the series of events that led to the backlog in maintenance for legacy F–18 Hornet aircraft and the steps the Navy is taking to alleviate this backlog which is leading to a higher T-rating, and therefore lower readiness, in the FY16 budget.

Admiral HOWARD. The Department's legacy F/A–18A–D depot throughput challenge is attributed to a series of events beginning with delays in JSF procurement, which has translated to unplanned maintenance to extend the service life of legacy Hornet aircraft beyond the 6,000 hour design life. Additionally, COCOM-driven operations and Fleet Response Training Plan (FRTP) training and readiness requirements are driving an increased strike fighter utilization rate thereby adding to the current depot workload. In an effort to meet strike fighter inventory requirements, depot throughput of planned service life extension work has been complicated by the discovery of unexpected corrosion induced work, leading to longer repair times for inducted airframes.

Furthermore, the constraints of sequestration, and multiple continuing resolutions, have limited the Navy's ability to replenish artisans and engineers to keep pace with personnel attrition and the increased breadth and depth of depot repair requirements associated with extending the service life of legacy Hornets. As a result of the 2013 Budget Control Act, the Department imposed a nine month hiring freeze, which prevented the replenishment of some 400 artisans who voluntarily left the workforce. Additionally, budget reductions imposed as a result of sequestration limited the hiring capacity for engineers who support depot planning and inspection and repair disposition. Furthermore, the depots experienced an increased requirement for personnel to address new requirements, an increase in depot facility repair events, and an increase in scope of current work associated with aging legacy airframes. This increase in workload coupled with a decreased workforce has created a complex challenge at the organic depot facilities.

To improve F/A–18 depot capacity, the Department is attacking the major barriers to production—manpower and material. This includes an aggressive hiring and training plan for artisans and engineers, and improved parts availability and staging for high flight hour (HFH) maintenance events based on common repair requirements. Additionally, the Navy has collaborated with Boeing in identifying several areas to improve overall depot throughput, such as employing Boeing Engineering Support and incorporating Super Hornet modifications at its Cecil Field facility. The strategy is proving successful as depot production levels are improving, but requires time to fully mature. With the requested funding, and under this plan, the Department anticipates continued improvement in depot throughput to meet annual production requirements by FY17 and full recovery by FY19.

QUESTIONS SUBMITTED BY MR. NUGENT

Mr. NUGENT. In this year's NDAA I will be submitting language asking the Surface Deployment and Distribution Command (SDDC) for a plan to reform the Defense Personal Property System (DPS). As you know, this is a system that thousands of military families use each year to organize and facilitate service member change of stations. In 2013, the Army entered into a contract to improve the functionality and ease of use for the system.

Would you mind identifying the progress towards improving this system? Is the build out of the DPS system moving as scheduled or has it fallen behind?

General ALLYN. In 2013, USTRANSCOM entered into a 5-year contract to implement Increment III of DPS. Increment III's primary goal is to develop and implement for DPS the remaining three major capabilities, Non-Temporary Storage, Intra-country Moves, and Direct Procurement Moves, so that the legacy Transportation Operational Personal Property Standard System (TOPS) can be retired in 2018. In Fiscal Year (FY) 2014, DPS supported over 550,000 shipments for military families worldwide and implemented eight maintenance releases, most of which remediated software defects from the previous developer or enhanced system security. The DPS Program Management Office also completed several major requirements

refinement efforts with the Services, which allowed the developer to begin the requirements analysis phase for several Increment III capabilities. Website improvements were accelerated to meet the needs of our service members in 2015, which required a reprioritization of other tasks on contract. These improvements include customer ease-of-use updates for the Self-counseling, Claims, and move.mil web pages and are scheduled to be completed in FY15. Additional improvements on contract for FY16–18 include support for document management and imaging and digital signature capability, as well as server and software modernization to improve performance and stability. The implementation timeline has slipped approximately 4 months.

Mr. NUGENT. After more than a decade in Afghanistan, there have been a number of lessons learned not least of which have been in the functionality and reliability of our communications networks and equipment. Millions of Americans carry cell phones that are extremely user friendly and capable of texting, searching the Web and geo-locating while soldiers on the battlefield have cumbersome and difficult to use systems.

Currently, the Army is working towards improving the network under the Simplified Tactical Army Reliable Network (STARNet) program.

Would you mind discussing the milestone progress of that plan?

General ALLYN. As our adversaries continue to invest in network and cyber capabilities, we must do so as well to keep our decisive edge. The Simplified Tactical Army Reliable Network (STARNet) is an overarching strategy to provide incremental network enhancements between 2016 and 2021; it is not a formal acquisition program. The Army is resourcing individual existing programs that align with the enhancements to simplify and harden the network. The endstate goals of the roadmap include: fielding modernized network capabilities across formations from Infantry, Stryker and Armored brigades to Aviation and enabling forces; delivering the Common Operating Environment to give Soldiers a familiar look and feel for their mission command applications from garrison to foxhole; simplifying and protecting the network to increase commanders' operational agility; improving tactical communications with joint, interagency, intergovernmental and multinational partners; creating smaller, lighter command posts for rapid deployment; and improving home station training and readiness to deliver uninterrupted mission command.

Some examples of promising capability include small expeditionary satellite terminals, en route airborne mission command planning tools, air/ground radios, implementation of the Command Post and Mounted Computing Environment applications and hardware, and network monitoring tools. By inserting these capabilities into the current network, we achieve faster, economic benefits to military operations. We will see these improvements in the network as they are integrated between FY16–21.

QUESTIONS SUBMITTED BY MR. SHUSTER

Mr. SHUSTER. Pennsylvania has the third largest National Guard in the nation, and in the 4 counties of the Pennsylvania 6th district, there are about 5,947 Guard members. The experience of all forces in combat and the high up-tempo of the post 9/11 military is an important and perishable capability. When Active Component members separate from service, DOD should work to keep those capabilities and experiences through the Guard or Reserves Components. How do you plan to incentivize our separating Active Component soldiers to join the Guard or Reserves?

General ALLYN. So far in FY 2015, we are exceeding established transition retention goals for active duty Soldiers to Army Reserve and National Guard Service. Both the Army Reserve (USAR) and Army National Guard (ARNG) offer incentives for transitioning Active Duty Soldiers to join the Selected Reserve.

Among those incentives are the Officers Affiliation Bonus (OAB) and the Enlisted Affiliation Bonus (EAB), both of which may not exceed $20,000. Soldiers can apply for the OAB/EAB through a Reserve Component Career Counselor and/or an Active Component Career Counselor only while on Active Duty. Soldiers may execute the OAB/EAB addendum up to 180 days prior to their scheduled Expiration of Term in Service date.

In order to be eligible, Soldiers must: be serving on active duty or have served on active duty and are discharged under honorable conditions; have less than 20 years of total military service; have completed any term of service or period of obligated service; meet the re-entry and separation program designer code requirements for affiliation; affiliate as Duty Military Occupational Specialty Qualified directly into a USAR or ARNG critical skill vacancy from the Active Army; and agree to serve a minimum of three years in the Selected Reserve.

Other incentives for service in units of the ARNG and USAR for both officers and enlisted include Drill/Battle Assembly pay; promotion and advanced training opportunities; life, health and dental insurance at very competitive rates; two-year deferment from mobilization in the USAR; and Reserve and veterans benefits authorized and administered by each state Government.

Both components also offer educational benefits such as Federal Tuition Assistance, Student Loan Repayment, and GI Bill under certain conditions.

Mr. SHUSTER. Pennsylvania has the third largest National Guard in the nation, and in the 4 counties of the Pennsylvania 6th district, there are about 5,947 Guard members. The experience of all forces in combat and the high up-tempo of the post 9/11 military is an important and perishable capability. When Active Component members separate from service, DOD should work to keep those capabilities and experiences through the Guard or Reserves Components. How do you plan to incentivize our separating Active Component soldiers to join the Guard or Reserves?

Admiral HOWARD. There are 1,929 Navy Reserve Sailors who are based in Pennsylvania. They are supported by five Navy Operational Support Centers (Avoca, Lehigh Valley, Erie, Pittsburgh, Ebensburg, and Harrisonburg).

In the Navy, we use a Continuum of Service (CoS) approach that provides opportunities for seamless transition between active and reserve components, and service status categories, to meet mission requirements and encourage a lifetime of service. Through our Navy Personnel Command Career Transition Office, monetary and non-monetary incentives, and options for continued service, are discussed with officer and enlisted Sailors prior to leaving active duty, to present options best suited to each individual transitioning Sailor.

Affiliation bonuses may be used to attract transitioning Sailors with certain desired skill sets into the Navy Reserve. Non-monetary benefits of transitioning from active duty directly into the Selected Reserve include a 2-year involuntary mobilization deferment, continued access to TRICARE healthcare coverage and long-term care and life insurance, transferability of Post-9/11 GI-Bill benefits and other education opportunities, and the prospect for eventual non-regular retirement.

Mr. SHUSTER. Pennsylvania has the third largest National Guard in the nation, and in the 4 counties of the Pennsylvania 6th district, there are about 5,947 Guard members. The experience of all forces in combat and the high up-tempo of the post 9/11 military is an important and perishable capability. When Active Component members separate from service, DOD should work to keep those capabilities and experiences through the Guard or Reserves Components. How do you plan to incentivize our separating Active Component soldiers to join the Guard or Reserves?

General PAXTON. The Marine Corps has multiple incentives to help retain talented Marines in the Reserve Component. First, the direct affiliation program (DAP) affords highly qualified active component (AC) Marines the opportunity to affiliate with a Selected Marine Corps Reserve (SMCR) unit following their end of active service (EAS). The DAP provides transitioning AC Marines a seamless transition into the SMCR with a guaranteed reserve billet prior to reaching their EAS. It also provides Marines with a no-cost six month extension of their existing Tricare benefits.

Second, affiliation bonuses are also available for Marine officers, noncommissioned officers with critical skills and staff sergeants. The Marine Corps also offers inactive duty for training (IDT) travel reimbursement for staff noncommissioned officers and officers. This incentive pays up to $300 per month to more senior Marines who live greater than 300 miles from their reserve unit. This program has been very successful. In fact, the Center for Naval Analyses found that the IDT travel reimbursement program is associated with an estimated 10-percentage point increase in manpower levels and a 24-percentage-point increase in regular drill attendance.

Finally, most Marines leaving the active component are eligible to retrain to another military occupational specialty (MOS) if their local reserve unit does not have a requirement for the current MOS. This program has been critical to keeping the Marine Corps Reserve ready and relevant. Overall, the Marine Corps Reserve retrains approximately 400 Marines per year.

Mr. SHUSTER. Pennsylvania has the third largest National Guard in the nation, and in the 4 counties of the Pennsylvania 6th district, there are about 5,947 Guard members. The experience of all forces in combat and the high up-tempo of the post 9/11 military is an important and perishable capability. When Active Component members separate from service, DOD should work to keep those capabilities and experiences through the Guard or Reserves Components. How do you plan to incentivize our separating Active Component soldiers to join the Guard or Reserves?

General SPENCER. The Air Reserve Components are employing a number of tools, initiatives, and educational benefits to attract prior service members. Both the Air Force Reserve and Air National Guard leverage the access provided by In-Service

Recruiters to capture departing service members. These Recruiters track separating Airmen and contact each one of them to ensure they are aware of the opportunities in the reserve component. They employ affiliation bonuses and incentives to attract members with critical skills and specialties.

We are working on a Total Force awareness initiative sponsored by the Chief Master Sergeant of the Air Force which aims to educate Airmen of the opportunities within the reserve components at the earliest stages and throughout their Air Force service commitment. The initiative involves an awareness campaign as well as a cultural change via socialization of reserve component opportunities throughout leadership and supervisory channels.

