

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

TO CONSIDER THE NOMINATIONS OF: MR. MICHAEL P.
CADENAZZI, JR. TO BE ASSISTANT SECRETARY OF DEFENSE
FOR INDUSTRIAL BASE POLICY; AND VICE ADMIRAL SCOTT
W. PAPPANO, USN TO BE PRINCIPAL DEPUTY
ADMINISTRATOR NATIONAL NUCLEAR SECURITY
ADMINISTRATION

Tuesday, April 29, 2025

Washington, D.C.

ALDERSON COURT REPORTING
1029 VERMONT AVE, NW
10TH FLOOR
WASHINGTON, DC 20005
(202) 289-2260
www.aldersonreporting.com

1 TO CONSIDER THE NOMINATIONS OF: MR. MICHAEL P. CADENAZZI,
2 JR. TO BE ASSISTANT SECRETARY OF DEFENSE FOR INDUSTRIAL BASE
3 POLICY; AND VICE ADMIRAL SCOTT W. PAPPANO, USN TO BE
4 PRINCIPAL DEPUTY ADMINISTRATOR NATIONAL NUCLEAR SECURITY
5 ADMINISTRATION
6

7 Tuesday, April 29, 2025
8

9 U.S. Senate

10 Committee on Armed Services

11 Washington, D.C.
12

13 The committee met, pursuant to notice, at 9:31 a.m. in
14 Room SD-G50, Dirksen Senate Office Building, Hon. Roger
15 Wicker, chairman of the committee, presiding.

16 Committee Members Present: Senators Wicker
17 [presiding], Fischer, Rounds, Ernst, Sullivan, Scott, Budd,
18 Sheehy, Reed, Shaheen, Gillibrand, Blumenthal, Hirono,
19 Kaine, King, Warren, Rosen, and Kelly.
20
21
22
23
24
25

1 OPENING STATEMENT OF HON. ROGER F. WICKER, U.S. SENATOR
2 FROM MISSISSIPPI

3 Chairman Wicker: Good morning. This hearing will come
4 to order. I welcome our witnesses and their families and I
5 thank them for being here this morning.

6 The United States is up against the most dangerous
7 threat environment we've faced since World War II. I say it
8 frequently, but it needs to be said even more frequently.
9 I'm grateful that these two individuals have stepped up to
10 help us in these challenging times.

11 Mr. Scott Pappano has been nominated to be Principal
12 Deputy Administrator of the National Nuclear Security
13 Administration. In this position, Mr. Pappano will help
14 lead an organization tasked with rebuilding and modernizing
15 our long, neglected nuclear weapons stock pile. He must be
16 up to the task because our nuclear dangers are more complex
17 than ever.

18 Over the past several years, we've watched as Russia,
19 China, and North Korea have rapidly expanded their nuclear
20 arsenals and developed new types of weapons, weapons for
21 which we are not prepared. In his previous position, Mr.
22 Pappano saw firsthand that the U.S. is far behind in ship
23 building. I hope he'll bring important lessons from that
24 experience and apply them to this role. Modernizing our
25 nuclear deterrent is a national imperative, and this

1 committee expects to see results. I look forward to hearing
2 how Mr. Pappano intends to drive NNSA to achieve this
3 objective.

4 Mr. Michael Cadenazzi has been nominated to be the
5 Assistant Secretary of Defense for industrial based policy
6 at the Department of Defense. Mr. Cadenazzi served 10 years
7 in the U.S. Navy as a cryptologic officer, and then took his
8 talents to private industry. He spent 20 years addressing
9 strategic and operational defense and aerospace challenges.
10 He has launched or participated in startups working on
11 analytics, technical service, and artificial intelligence.

12 He has been nominated to a position that is relatively
13 new, but it must not be overlooked. As a matter of fact, it
14 should be given very serious attention. The Office of
15 Industrial Base Policy is one of the most important posts in
16 the Pentagon. We need a large and capable cohort of defense
17 industrial policy analysts who can bring serious options to
18 the Secretary of Defense and the Congress, and we need those
19 analysts to be guided by a capable leader.

20 I look forward to hearing Mr. Cadenazzi's opinions on
21 how we can improve and simplify the department's analytic
22 capacity and investment authorities to build a more
23 resilient industrial base. I look forward to their
24 testimony.

25 And I now turn to my dear friend and Ranking Member,

1 Senator Reed.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1 STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE
2 ISLAND

3 Senator Reed: Well, thank you very much, Mr. Chairman.
4 Let me welcome Mr. Cadenazzi and Admiral Pappano. Thank
5 you, gentlemen. Welcome. Congratulations on your
6 nomination.

7 Also, this is a special moment because we have a
8 reunion of Rogers High School in Newport, Rhode Island here,
9 and I want to recognize all the Rhode Islanders.

10 Chairman Wicker: We're pressed for time.

11 [Laughter.]

12 Senator Reed: I know. Well, I can name them one by
13 one if you'd like, but all right, I will move on.

14 Mr. Cadenazzi, the Assistant Secretary of Defense for
15 Industrial Base Policy serves as a principal advisor to the
16 Undersecretary of Defense for Acquisition and Sustainment,
17 for all industrial base policies and related matters. The
18 position has a wide scope of responsibilities from ensuring
19 supply chain security, to guiding department-wide
20 investments into critical defense technology sectors, to
21 coordinating small business programs.

22 If you are confirmed, you'll be the second person to
23 hold this office. As such, there are a number of important
24 challenges need to address. In particular, the Defense
25 Department needs a coordinated strategy for working with the

1 defense industry to expand production capacity of weapon
2 systems, munitions, and key technologies such as
3 microelectronics, hyper sonics, and biomanufacturing. These
4 technologies will be crucial for maintaining America's
5 global competitiveness and will require working with
6 industry across the board from prime contractors to sub-tier
7 suppliers and producers of raw materials. I would ask for
8 your plans for addressing this significant challenge as we
9 go forward.

10 Further, as we've seen with greater clarity over the
11 past several years, ensuring supply chain security and
12 access to strategic minerals such as rare earth elements is
13 critical for the department and the defense industrial base.
14 The Defense Department must take a proactive approach to
15 identifying threats and vulnerabilities for its supply
16 chains and develop plans and tools to mitigate those risks.

17 I would note that doing so will require the department
18 to work across the inter-agency with multiple other federal
19 agencies. I would like to know your thoughts on how you
20 would address this challenge. Mr. Cadenazzi, if confirmed,
21 your experience as a Navy officer and as a business leader
22 in a high-tech field will be valuable for meeting these
23 challenges.

24 However, I would indicate too that you'll have to pick
25 up and grow your knowledge very rapidly because these fields

1 are changing so rapidly. You have a challenging task and I
2 wish you well.

3 Admiral Pappano, you have been nominated to be Deputy
4 Administrator for the National Nuclear Security
5 Administrator or NNSA. You retired last month as the Vice
6 Admiral after a 36-year career in the Navy. Thank you for
7 your service, sir. You were a principal leader and military
8 deputy to the Assistant Secretary of the Navy for Research.
9 So, you come well equipped to this task.

10 If confirmed, you'll lead the day-to-day operations of
11 the NNSA. Most importantly, you'll lead efforts to
12 modernize the warheads and our nuclear triad of submarines,
13 heavy bombers, and intercontinental ballistic missiles. The
14 NNSA has been working for years to complete this
15 modernization, but the department is experiencing tremendous
16 workload as it simultaneously recapitalizes warhead programs
17 and undertakes the major rebuilding of its nuclear
18 infrastructure, much of which dates back to the Manhattan
19 Project.

20 I would note that the NNSA's workforce is specialized
21 nuclear scientists and engineers is fundamental to
22 accomplishing these missions. I'm concerned that morale in
23 the department has been badly harmed in recent months as
24 hundreds of employees have been fired or threatened with
25 firing. Mr. Pappano, as a career Navy officer, I would like

1 to know how you will approach these challenges, including
2 how you'll work to retain the skilled civil servants to
3 maintain our nuclear deterrent.

4 Thank you again to our nominees and I look forward to
5 your testimony. Thank you, Mr. Chairman.

6 Chairman Wicker: Thank you, Senator Reed. And I too
7 am delighted that the State of Rhode Island is so well
8 represented --

9 Senator Reed: Thank you.

10 Chairman Wicker: -- by individuals. At this point we
11 will recognize our guests for their opening statements. Mr.
12 Cadenazzi, you are recognized for your opening statements,
13 sir.

1 STATEMENT OF MR. MICHAEL P. CADENAZZI, JR., NOMINATED
2 TO BE ASSISTANT SECRETARY OF DEFENSE FOR INDUSTRIAL BASE
3 POLICY

4 Mr. Cadenazzi: Thank you, Senator. Chairman Wicker,
5 Ranking Member Reed, members of the Senate Armed Services
6 Committee, thank you for the opportunity to appear before
7 you today. I would like to thank President Trump, the
8 administration, Secretary Hegseth, and his team, for their
9 support of my nomination to serve as the next Assistant
10 Secretary of Defense for Industrial Base Policy.

11 I must also thank and acknowledge my family. My
12 father, retired Navy Commander Michael Sr., my mother
13 Joanne, and my sister Marisa. My three daughters, Mhairi,
14 Hannah, and Iona. Their energy and laughter give my life
15 color and their successes fill me with immeasurable pride.
16 And I want to thank my wife, Sarah. I would not be
17 anywhere, much less here, without her.

18 My entire adult life has been spent in the defense
19 sector and in support of the effort to address the critical
20 needs of our industrial base. From my oath to the nation as
21 a Tulane NROTC midshipman in August, 1991 through 10 years
22 of active-duty service as a naval cryptologic officer, I had
23 the privilege to serve with dedicated military professionals
24 of every rank and branch. And over the past two decades, I
25 have been fortunate enough to work with the defense

1 industrial base from the primes down into the supply chain
2 while tackling myriad business issues.

3 At this critical time, I see the scale of challenges
4 facing our military while competing with a near peer pacing
5 us in many ways. In my view, the U.S. Defense Industrial
6 Base, we face constraints in crucial and exquisite
7 capabilities delivered in uncomfortably limited quantities
8 over long timelines, experiencing delivery delays, and
9 increasing costs. There are simply not enough weapons or
10 platforms and our readiness is inadequate. These are
11 national level challenges that undermine our lethality and
12 security.

13 Senators, I want this role because I want America to
14 win. I want to contribute to America's future victories,
15 and I want to take part in overcoming these challenges and
16 forging a more resilient, innovative, and responsive version
17 of the industrial machine that has underpinned our natural
18 security since World War II.

19 This role is critical to Secretary Hegseth's commitment
20 to rebuild the military by revitalizing the defense
21 industrial base. If confirmed, I will execute the role with
22 three guiding principles: prioritization, productivity, and
23 production.

24 First, prioritization. We must focus on the urgent
25 needs of war fighters today while positioning for the

1 challenges of tomorrow. There are immediate problems in
2 lethality, lower tier supply chain, and readiness. And
3 there is the need for long-term transformation flowing from
4 increased private capital, invigorated domestic
5 manufacturing, and secure access to vital materials and
6 minerals.

7 There is an abundance of analysis on our industrial
8 problems and thankfully, an equally abundant set of proposed
9 solutions, all of which outstrip our cash and capabilities
10 to respond. Hard choices await us as a department and as a
11 nation.

12 Second, productivity. This office must be a catalyst
13 to increase industrial productivity at every level. If
14 confirmed, I will collaborate across government and industry
15 to target critical investment into the most pressing supply
16 chain gaps and bottlenecks. And I believe we must
17 accelerate adoption of today's digital tools to secure the
18 leap ahead benefits of AI and quantum for the future. Our
19 goal must be to maximize the productive impact of every
20 defense dollar.

21 Third, production. The DOD must accelerate and scale
22 industrial base production now in advance of major conflict,
23 and we must position industry to surge in fulfillment of
24 future demands. Progress against these objectives will make
25 a measurable difference in our national security.

1 In closing, I want to acknowledge the outpouring of
2 support and my pursuit of this effort. It has been truly
3 humbling. What has been equally gratifying is the unabashed
4 commitment of individuals across government and industry to
5 work together to make the industrial base better. We have
6 done this work before and now we must do it again.

7 Senators, I respectfully request your support for my
8 confirmation and for the vital tasks that lie ahead to
9 reawaken the innovative spirit of the American industrial
10 base and to ensure that our nation remains a force for peace
11 and stability through strength. Thank you.

12 [The prepared statement of Mr. Cadenazzi follows:]
13
14
15
16
17
18
19
20
21
22
23
24
25

Chairman Wicker: Thank you very much, Mr. Cadenazzi.

Vice Admiral Pappano.

1 STATEMENT OF VICE ADMIRAL SCOTT W. PAPPANO, USN,
2 NOMINATED TO BE PRINCIPAL DEPUTY ADMINISTRATOR NATIONAL
3 NUCLEAR SECURITY ADMINISTRATION

4 Admiral Pappano: Chairman Wicker, Ranking Member Reed,
5 and members of the committee, thank you for your
6 consideration of my nomination to be the Principal Deputy
7 Administrator of the National Nuclear Security
8 Administration, NNSA at the U.S. Department of Energy.

9 Since first taking the oath of office in July, 1985, I
10 have devoted my entire adult life to serving our nation as
11 commissioned officer in the Navy. And I thank President
12 Trump and Energy Secretary Wright for affording me the
13 opportunity to shift course and continue my public service
14 in a greater and more impactful capacity.

15 I also need to thank my wife of 34 years, Kate, for
16 joining me here today and for her service to the nation as
17 the commander-in-chief of the Pappano household. Nothing I
18 have achieved would've been possible without her love and
19 support and her commitment to raising our children
20 throughout my frequent absences is a testament to her
21 strength and resilience. We are both proud of the adults
22 our children have grown up to be.

23 Foundational qualifications to serve as the principal
24 deputy administrator of NNSA, include an extensive
25 background in organizational management and being well

1 qualified to manage nuclear weapons, infrastructure,
2 construction and maintenance, non-proliferation, material
3 disposition programs, in a manner to enhance and protect
4 U.S. national security through the military application of
5 nuclear energy.

6 I believe that, if confirmed, my background,
7 experience, and expertise would be well suited to execute
8 the duties of this office. I also believe deeply in the
9 mission. Strategic nuclear deterrence is fundamental to our
10 national security and modernizing our nation's nuclear
11 weapons stockpile, nuclear forces, and supporting
12 infrastructure is a critical national security priority.

13 My qualifications are founded upon the bedrock of a
14 strong technical education with an undergraduate degree in
15 marine engineering from the U.S. Naval Academy and a
16 graduate degree in nuclear engineering for the Massachusetts
17 Institute of Technology. Both my education and leadership
18 were honed across a 36-year career as a nuclear submarine
19 officer and a military acquisition professional.

20 I have humbly led exceptional teams at all levels with
21 the understanding that my calling was to make the people
22 around me more effective and achieve greater outcomes than
23 they otherwise could have achieved by empowering them,
24 building esprit de corps, fostering deep technical
25 competence, and removing barriers to their success. As a

1 submarine line officer, I completed sea rotations on five
2 submarines across all classes, culminating in command of a
3 nuclear attack submarine. I also served as military
4 assistant for Assistant Secretary of Defense, charged with
5 both strategic nuclear deterrence and non-proliferation
6 policy.

7 As a military acquisition professional, I served as
8 major program manager for lifecycle sustainment of
9 operational, strategic, and attack submarines, oversaw
10 research and development activities of the Naval Undersea
11 Warfare Center Laboratories, established a program executive
12 office to focus on cradle to grave of lifecycle activities
13 for all nuclear strategic ballistic missile submarines, and
14 eventually served as a principal deputy Assistant Secretary
15 of the Navy, charged with overseeing the procurement and
16 sustainment of all Navy and Marine Corps weapon systems.

17 This has all led me to this unique moment in time
18 where, if confirmed, my expertise and experience would align
19 well with the leadership necessary for NNSA to overcome
20 generational challenges and deliver programs of record to
21 meet national security needs. I understand the complexity
22 of the threats and the critical importance of the NNSA
23 mission. I have a deep understanding of naval nuclear
24 propulsion from construction and testing, through
25 operations, lifecycle sustainment, and eventual

1 decommissioning.

2 I oversaw the recapitalization of our sea-based
3 strategic nuclear deterrent and work closely with other
4 stakeholders engaged in nuclear modernization efforts to
5 include STRATCOM Strategic Assistance Programs, the United
6 Kingdom Dreadnought Alliance, and other legs of the U.S.
7 nuclear triad.

8 I supervised contract performance in our nuclear ship
9 builders and led the standup of a navy industrial based team
10 to spearhead data driven assessment of the submarine supply
11 chain and collaboration across U.S. Department of Defense
12 and Congress to target industrial base investment in
13 critical infrastructure, supply chain capacity and
14 resilience, manufacturing, technology, workforce attraction,
15 recruitment, training, and retention.

16 I believe that if confirmed the lessons I have learned
17 on my Navy journey would translate well to the NNSA journey
18 that must ultimately modernize the nuclear stockpile in
19 supporting infrastructure without disrupting production
20 activities to ensure that the nation maintains a safe,
21 secure, reliable, and credible strategic nuclear deterrent.

22 I understand this is a no fail mission. I am honored
23 and humbled to be considered for this nomination and look
24 forward to answering your questions. Thank you.

25 [The prepared statement of Admiral Pappano follows:]

1 Chairman Wicker: Thank you both for your excellent
2 testimony.

3 At this point, I am required to ask standard questions
4 that we ask of every civilian nominee. So, if both of you
5 would turn your mics on and just answer yes or no into the
6 microphone.

7 Have you adhered to applicable laws and regulations
8 governing conflicts of interest?

9 [Both witnesses answered in the affirmative.]

10 Chairman Wicker: Have you assumed any duties or taken
11 any actions that would appear to presume the outcome of the
12 confirmation process?

13 [Both witnesses answered in the negative.]

14 Chairman Wicker: Exercising our legislative and
15 oversight responsibilities makes it important that this
16 committee, its subcommittees, and other appropriate
17 committees of Congress receive testimony, briefings,
18 reports, records, and other information from the executive
19 branch on a timely basis. Do you agree, if confirmed, to
20 appear and testify before this committee when requested?

21 [Both witnesses answered in the affirmative.]

22 Chairman Wicker: Do you agree to provide records,
23 documents, and electronic communications in a timely manner
24 when requested by this committee, it's subcommittees, or
25 other appropriate committees of Congress, and to consult

1 with the requester regarding the basis for any good faith
2 delay or denial in providing such records?

3 [Both witnesses answered in the affirmative.]

4 Chairman Wicker: Will you ensure that your staff
5 complies with deadlines established by this committee for
6 the production of reports, records, and other information,
7 including timely responding to hearing questions for the
8 record?

9 [Both witnesses answered in the affirmative.]

10 Chairman Wicker: There may be some from this hearing.
11 Will you cooperate in providing witnesses and briefers in
12 response to congressional requests?

13 [Both witnesses answered in the affirmative.]

14 Chairman Wicker: And will those witnesses and briefers
15 be protected from reprisal for their testimony or briefings?

16 [Both witnesses answered in the affirmative.]

17 Chairman Wicker: Thank you very much.

18 Now we'll proceed to questions. I'm going to defer my
19 questions until later and recognize for the first questions,
20 Chairwoman Fischer, who is chair of the strategic
21 subcommittee and along with Senator King has done yeoman
22 work in the subject matter of nuclear security. So, Madam
23 Chairwoman, you are recognized.

24 Senator Fischer: Thank you, Mr. Chairman, and thank
25 you, Ranking Member Reed. Thank you, gentlemen for being

1 here today and for your willingness to continue to serve
2 this country. Admiral, thank you for coming in to visit. I
3 appreciated you taking time and the conversation that we
4 had.

5 If confirmed, can you tell me how you will work to
6 ensure that NNSA weapons production remains on schedule?

7 Admiral Pappano: Thank you, Senator. Yes, if
8 confirmed, obviously, shifting to production is a key
9 element right now for us to modernize the nuclear weapons
10 stockpile right now. We've done a very good job of
11 stockpile management in a science-based manner and kept that
12 over the years. However, now we have to transition that
13 from the science-based stockpile management to actual
14 production facilities and make sure we modernize those
15 facilities, making sure that we don't lose the science in
16 the process and continue that going forward.

17 I'll do that by looking across how we are modernizing
18 our facilities right now and try to bring as much advanced
19 manufacturing capability as we can. As we look at the
20 Manhattan Era Project buildings that we're dealing with, a
21 lot of these facilities with how do we, as we modernize
22 those, bring in modern technology so that we can be much
23 more effective going forward in our production of nuclear
24 weapons stockpile.

25 Senator Fischer: Thank you.

1 We talked a little bit about NNSA's 25-year Enterprise
2 Blueprint, a roadmap to modernize the infrastructure there,
3 and some of which as you brought up in our discussion, it
4 dates back to the Manhattan Project. We won't be able to
5 produce the weapons that we need without the facilities
6 needed to process materials like uranium, lithium, high
7 explosives that go in those nuclear weapons. So, anything
8 we can do as you look at that modernization process, please
9 let us know.

10 Mr. -- can you say your last name? I think the
11 chairman mispronounced it.

12 Mr. Cadenazzi: No, not at all. I heard it all, ma'am.
13 Cadenazzi.

14 Senator Fischer: Cadenazzi.

15 Chairman Wicker: Take that back.

16 Senator Fischer: I take that back. Both the
17 Department of Defense and NNSA have similar challenges with
18 their industrial bases, and I believe that we have an
19 opportunity now to address underlying issues in a way that
20 strengthens both the nuclear industrial base and the defense
21 industrial base.

22 If confirmed, do you commit to working closely with
23 NNSA and the Department of Energy on policies like
24 increasing our skilled manufacturing workforce that would
25 impact both of those industrial bases?

1 Mr. Cadenazzi: Senator, I appreciate the question.
2 The significance of it, particularly in light of the
3 workforce issues and access to materials that we're facing
4 across the industrial base, these are major challenges that
5 both the NNSA and the broader defense industry face and are
6 dealing with. And if confirmed, I'm thrilled at the
7 opportunity to speak to you about how and where the
8 Industrial Base Policy Office and I might be able to focus.

9 Senator Fischer: Great. What we've seen happen in the
10 Ukraine war has shown us that militaries and modern
11 conflicts, they expend munitions at a much faster pace than
12 we ever expected before, and our stockpiles must be adjusted
13 to account for this, and we must expand our munitions
14 production capacity. We have to expand that.

15 We've taken some steps to address it in recent years,
16 and we have the opportunity to make those generational
17 investments through the reconciliation process. In your
18 opening statement, sir, you said that production must be
19 scaled now before conflict starts. I agree with that. If
20 confirmed, what steps would you take to accomplish that
21 goal?

22 Mr. Cadenazzi: Appreciate the question again, Senator.
23 The issue of munitions production, is the top of the
24 priority list and something I've discussed with multiple
25 senators on this committee. I'm excited to work with the

1 committee, if confirmed, on this topic.

2 There are a couple of major things that I think will
3 drive this. One is predictable and stable defense budget
4 and program spend. So, the more we can stabilize that, the
5 more industry we'll be able to align around it. A better
6 understanding of industry, of what the expectations for
7 surge capacity are, will make it clear what the potential
8 opportunities are for them and the level of capital required
9 to increase facilities and workforce.

10 That's a major opportunity for the department to
11 articulate what would be a big, hairy, audacious goal in
12 business school terms. And to go ahead and say, we need a
13 lot more capability from you and we need to agree then on
14 the investment required to meet that point.

15 And we need to scale the workforce as well. There are
16 many initiatives underway to improve workforce capabilities
17 across the country. We need to grow those and take
18 advantage of small businesses as well. If confirmed, these
19 are all exciting opportunities for us to help address what
20 is an obvious and well-reported gap on this issue.

21 Senator Fischer: Are you familiar with the
22 department's National Defense Industrial Strategy?

23 Mr. Cadenazzi: I am Senator, yes.

24 Senator Fischer: Do you have any concerns with that
25 strategy or think that there are gaps there that still need

1 to be addressed?

2 Mr. Cadenazzi: Senator, I think the strategy is solid.
3 Given the expectations of the previous administration and
4 the goals they were looking to achieve, I've reviewed the
5 external open-source material for that and the associated
6 implementation plan. If confirmed, I'm eager to work with
7 the Industrial Base Policy Office, the administration, and
8 the committees to understand what changes we believe are
9 necessary. I'm happy to work with you on that and to make
10 sure that we tune that to meet the current needs of the
11 moment, particularly in light of the changing requirements
12 of the new administration.

13 Senator Fischer: Okay, thank you. Thank you, Mr.
14 Chairman.

15 Chairman Wicker: Madam Chairwoman, it may not be
16 adequately staffed at the Department, and that's something
17 we'll want to talk about. The way I understood how to
18 pronounce the witness's name, was he said it rhymes with
19 snazzy. I now recognize my distinguished Ranking Member,
20 Mr. Reed from Rhode Island.

21 Senator Reed: Well, thank you. I'm just amazed that
22 you can't pronounce a simple name like Cadenazzi and
23 Pappano. Hey, this is amazing.

24 [Laughter.]

25 Senator Reed: Okay. Mr. Cadenazzi.

1 Mr. Cadenazzi: Cadenazzi.

2 Senator Reed: Cadenazzi. I have an Italian -- I grew
3 up in Cranston and Knightsville with all the Italians from
4 Itri.

5 The recent tariffs enacted by the Trump administration
6 will have a definite impact on the defense industrial base,
7 and if they're matched by reciprocal tariffs, that will
8 exacerbate the impact on the supply chain, the cost of
9 materiel. So, how will you assess the impacts of the
10 tariffs on DOD and the defense industrial base, and how do
11 you intend to work with the industrial base to deal with
12 this issue?

13 Mr. Cadenazzi: Senator, I appreciate the question and
14 the significance of it. The tariffs were a complicated non-
15 linear set of decisions being made on the global scale. And
16 I do think you're right that there are impacts to the
17 industrial base. However, I'm not currently aware of any
18 particular analysis regarding the particular impacts on the
19 aerospace and defense industrial base. I understand that
20 the purpose of the tariffs for a whole of government
21 approach to reshape certain elements of the economy,
22 manufacturing, access to materials, some of which we agree
23 are good. Increased domestic manufacturing, increased
24 domestic production are good things, and where we can
25 achieve those ends, we should be, you know, pleased to work

1 on that subject.

2 And if confirmed, I'm excited to work with the
3 committee, with you, and with the industrial base to
4 understand what the impacts on the industrial base will be,
5 any negative impacts, and to prepare actions necessary to
6 mitigate the effect of those negative impacts over time.

7 Senator Reed: Another aspect of this whole tariff
8 situation is that part of, I think the way to accelerate the
9 growth of our industrial base is to partner closely with our
10 allies, but we're involved with a heated discussion with
11 Canada and other natural allies about tariffs. And I think
12 that will inhibit our ability to cooperate and to integrate
13 with them and to expand quickly our industrial base. What
14 view do you have on that?

15 Mr. Cadenazzi: Senator, our allies and partners at the
16 industrial base level are critical. There's an incredible,
17 robust exchanges between companies and between countries
18 that enable us to work and operate and actually enable
19 substantial weapons sales overseas. Last year's, 2024's
20 defense exports total exceeded \$300 billion. Those
21 relationships remain strong. I'm convinced that there's
22 still robust interest across companies to work with their
23 partners wherever possible.

24 And I see substantial opportunities for us to increase
25 that collaboration, particularly in the sharing of the sale

1 of parts, assemblies, sub components, those kinds of things
2 where we can go ahead and close gaps and mitigate efforts,
3 issues that we have in the domestic U.S. defense industrial
4 base, by working more closely in a more targeted way with
5 our allies and partners. So, if confirmed, I'm excited to
6 work on that.

7 Senator Reed: If you see a severe impact of tariffs on
8 our production in the United States, our industrial base,
9 will you let this committee know very rapidly?

10 Mr. Cadenazzi: Senator, of course.

11 Senator Reed: Thank you. Admiral Pappano, again,
12 thank you for your extraordinary service in the submarines.
13 They are our key tier in the deterrence and the nuclear
14 triad. Thank you.

15 You're going into NNSA right now, and you've got the
16 highest demand since 1980's in terms of nuclear weapons and
17 nuclear systems. And at the same time, you're trying to
18 rebuild an aged infrastructure. I'm being polite.

19 But recent actions by DOGE in coming in and dismissing
20 people, and then many times, five days later, hiring them
21 back, which is even more disturbing, the 2000 federal
22 workforce that NNSA had, is now down to about 1,650. And
23 they're at perhaps a breaking point in terms of not only the
24 demands on them to do the job, but also this sense of, "Will
25 I be going next week or will I still be here?" How are you

1 going to respond to this morale problem and this personnel
2 problem?

3 Admiral Pappano: Thank you, Senator. I'm not fully
4 apprised of all the hirings and firings or goings on
5 personnel-wise inside NNSA right now, only what's available,
6 open source. However, if confirmed, that will be a top
7 priority of mine. Understanding what that workforce needs,
8 making sure it is properly resourced in people and funding
9 as required to accomplish this no-fail mission of
10 recapitalizing our strategic nuclear infrastructure, and,
11 you know, getting back to weapons production.

12 Senator Reed: Thank you very much, sir. And again,
13 thank you for your service, both of you.

14 Chairman Wicker: Thank you, Senator Reed. Senator
15 Budd.

16 Senator Budd: Thank you, Chairman. Thank you both for
17 being here. Thanks to your families as well, for your long
18 service and your willing to continue in service in these
19 unique and important roles.

20 Mr. Cadenazzi, and we'll just go with sir for you,
21 since we've had all the challenges of pronunciation. On
22 April 4th of this year, China's Ministry of Commerce, they
23 imposed export restrictions on seven rare earth elements in
24 magnets. So, giving our ongoing heavy reliance on China,
25 for many of these rare earths, there's an increasingly

1 unacceptable level of risk to our ability to produce
2 everything from planes to munitions. The United States
3 should have created a rare earth supply chain independent of
4 China a decade ago.

5 Companies like Vulcan Elements, which is a rare earth
6 magnet manufacturer that's fully decoupled from China, and
7 is based in North Carolina, they're attempting to do just
8 that. But efforts need to accelerate and accelerate at
9 scale. So, in your advanced policy questions, you discussed
10 your intent to leverage the DPA or the Defense Production
11 Act, as well as the Industrial Base Analysis and
12 Sustainment, or the IBAS, to support private sector
13 investment in our defense industrial base.

14 So, if confirmed, how will you leverage these
15 authorities to end our reliance on China for rare earths?

16 Mr. Cadenazzi: Senator, this is a critical opportunity
17 for the country to go ahead and increase its ability to
18 develop domestic resources and decrease our reliance on
19 China within the industrial base. If confirmed, I'm eager
20 to work with this committee, with you, on the issues
21 associated with the application of DPA and IBAS as direct
22 opportunities to increase our investment into the domestic
23 mineral production chain. I believe DPA and IBAS
24 collectively invested over \$540 million into these resource
25 developments efforts over the past few years.

1 We can continue that. We should. There are other
2 additional capabilities we should explore: partnership with
3 allies to go ahead and secure additional resources and
4 increase production capabilities, recycling. There's
5 numerous strategies which are available to us to go ahead
6 and take advantage of this time in this window where there's
7 some sense of urgency about it. Before we lose that sense
8 of urgency, I believe we need to make real initiatives and
9 real effort to go ahead and close the gap.

10 So, if confirmed, Senator, it's an exciting opportunity
11 and time for us to help on that.

12 Senator Budd: Thank you for that answer.

13 So, if confirmed, will you commit to working with not
14 only this committee, but also the banking committee to make
15 improvements to the DPA?

16 Mr. Cadenazzi: Absolutely, Senator.

17 Senator Budd: Thank you. The Committee on Foreign
18 Investment in the U.S. or CFIUS, is also primarily within
19 the banking jurisdiction, but the Department of Defense and
20 the Industrial Base Policy Office in particular, play an
21 important role in reviews conducted by the committee. I
22 frequently hear folks from North Carolina, including those
23 that are military installations in North Carolina with
24 concerns about foreign investments, specifically from China,
25 near military installations.

1 So, do you see a need for the DOD to improve engagement
2 on the topic of foreign investment risks to national
3 security?

4 Mr. Cadenazzi: Senator, thank you for the question.
5 This is a critical topic and one that's at the top of the
6 list for the industrial based policy office, currently. The
7 CFIUS office, the associated authorities around
8 identification of adversarial capital and adversarial
9 companies, Chinese companies working in the defense
10 industrial base, is a top priority for the office.

11 All those issues around purchasing of land and those
12 sort of things around military installations this is
13 something that I think requires additional resourcing to
14 look at. I believe that those issues are understaffed
15 relative to the demand to look at all the transactions that
16 are potentially high risk. If confirmed, I'm eager to work
17 with you and the committee to understand -- the other
18 committees to understand what can be done to bring
19 additional scrutiny to bear on this topic and what we can do
20 to resource the analysis that's required.

21 Senator Budd: Thank you.

22 You mentioned additional resources. I think that's
23 important. Do you see bottlenecks of the DODs engagement on
24 this issue?

25 Mr. Cadenazzi: Senator, I'm not aware of any

1 particular bottlenecks that currently exist. I'm aware that
2 there's a significant number of transactions that have been
3 looked at and there's a belief generally that there's a need
4 for more. However, I can't comment specifically on what the
5 scale of that gap is. And if confirmed, I'm eager to
6 understand and work with you to understand what is
7 additional resources would be required to close any gap
8 relative to the risk exposure we're willing to tolerate.

9 Senator Budd: Thank you for that. Admiral, a
10 question. This is different than SMRs, which are often
11 talked about, but what are your views on using modular micro
12 reactors as an expeditionary power source and how do you
13 balance their adoption with security and the concern about
14 proliferation?

15 Admiral Pappano: Thank you, Senator. If confirmed,
16 obviously there's some significant potential with micro
17 reactors and what we could do with those either in civilian
18 or military application. Certainly, if confirmed, I'll work
19 with the NNSA administrator and the Secretary of Energy to
20 make sure that we are, you know, properly monitoring and
21 overseeing what we would do with those micro reactors to
22 make sure we don't have a nonproliferation condition.

23 Senator Budd: Thank you both for your time. Chairman.

24 Chairman Wicker: Thank you very much, Senator Budd.

25 Senator Hirono.

1 Senator Hirono: Thank you, Mr. Chairman. Welcome to
2 both of you and your families. Going to the fitness to
3 serve question, I ask the following two initial questions of
4 all nominees before any of the committees on which I sit, so
5 I will ask you.

6 We'll start with Mr. Cadenazzi. Since you became a
7 legal adult, have you ever made unwanted requests for sexual
8 favors or committed any verbal or physical harassment or
9 assault of a sexual nature?

10 Mr. Cadenazzi: No.

11 Senator Hirono: Mr. Pappano? Admiral?

12 Admiral Pappano: No.

13 Senator Hirono: Have you ever faced discipline or
14 entered into a settlement relating to this kind of conduct?

15 [Both witnesses answered in the negative.]

16 Senator Hirono: For Mr. Cadenazzi, I championed a
17 provision in last year's NDAA that created a program focused
18 on advanced manufacturing capabilities in the Indo-Pacific
19 to more quickly construct unmanned systems and parts for
20 ships and submarine repairs, and this program is essential
21 to bolstering deterrence in the region. DOD and the
22 services have always struggled to coordinate industrial
23 based modernization efforts.

24 How do you plan to foster greater integration across
25 the services for this important program?

1 Mr. Cadenazzi: Senator, I appreciate the question.

2 This is a critical issue. Hawaii represents a significant
3 portion of the organic industrial base and our broader
4 defense industrial base. There are many tools we have to
5 bring alignment across the industrial base initiatives that
6 are there and the groups that are responsible for it.

7 The first thing is leadership. That is the wherewithal
8 to go ahead and get into the weeds. The macro issues, I
9 think, thankfully, there's a substantial number of
10 authorities and resources available that are made available
11 by the Congress over time to the DOD to take action on these
12 issues.

13 At the micro level, we need to get into the details to
14 understand where individual organizations may not be getting
15 it with regards to the opportunities here, in particular,
16 the new, I think, acquisition and industrial based executive
17 order does a good job to highlight the acquisition personnel
18 to workforce training initiatives, and things that we can do
19 to go ahead and drive more understanding into the leaders at
20 the tactical level, we need to make decisions to invest in
21 the integration of the industrial base.

22 Senator Hirono: I hope that you will focus on this
23 aspect of what we need to do, because I know you are aware
24 that Indo-Pacific is the largest AOR, and we need to provide
25 flexibilities when the ships are out to sea and they need to

1 have flexibility and repair and doing all the things that
2 will keep them going.

3 So, I hope that you'll visit Hawaii and see for
4 yourself the capabilities that we need to strengthen. Again
5 for you, I have met with small businesses in the past as
6 they struggle to comply with the requirements to meet the
7 cybersecurity maturity model certification requirements, and
8 it's pretty complicated, and they have a hard time
9 complying, as I said.

10 So, I am prioritizing a provision in this year's NDAA
11 that would require the DOD to provide additional support and
12 innovative tools for small businesses to ensure that they
13 are aligned with DODs CMMC requirements, allowing them to
14 save money and contribute to diversifying the defense
15 industrial base that you are very focused on strengthening.

16 What are your thoughts on the provision that would
17 require DOD to provide more assistance to small businesses
18 to enable them to work with you all?

19 Mr. Cadenazzi: Senator, this is a critical topic, and
20 it has been a bit of a roadblock for small businesses over
21 time. It's great that you're bringing this issue up.
22 Within the small business office, within the Industrial Base
23 Policy Office, there's a program called Project Spectrum,
24 which is intended to go out to small businesses that are
25 operating in the defense sector to help them go ahead and

1 get the resources and understanding and analysis they need
2 to accelerate and reduce the cost of their compliance with
3 CMMC.

4 If confirmed, I'm eager to work with you on this
5 provision, your proposals going forward. I think anything
6 we can do to streamline the requirements while also ensuring
7 a more robust and resilient security and base for our cyber
8 infrastructure, is critical opportunity for the department
9 and we should look at that.

10 Senator Hirono: Should you be confirmed, as I believe
11 you will be, that I would like to work with you on how we
12 can better strengthen this part of our supply chain, because
13 without our small businesses, many of whom are dropping out
14 of working with the DOD for a number of reasons, including
15 complying with the security requirements. So, this is
16 something that I would want to be very specific in following
17 up with you.

18 One more question for you. The COVID-19 pandemic and
19 geopolitical competition with China has exposed the deep
20 fragilities in the US defense supply chain, as we mentioned.
21 So, for example, we remain heavily reliant on foreign
22 sources for critical earth elements. So, what steps do you
23 plan to take to address this significant issue?

24 Mr. Cadenazzi: Senator, I appreciate the question.
25 The issue of access to raw materials, rare earths in

1 particular, is one that is particularly challenging. The
2 Industrial Base Policy Office has invested over \$540 million
3 in the past on these topics. I think we need to accelerate
4 and invigorate those investments, but also align them to the
5 most critical and impactful opportunities that'll have the
6 most impact on our most critical near-term needs.

7 Whether that's munitions lethality or readiness, we
8 should make those decisions in those investments promptly
9 and get them moving so we can see the impact as soon as
10 possible. If confirmed, I look forward to working with you
11 on that issue.

12 Senator Hirono: Thank you. Thank you, Mr. Chairman.

13 Chairman Wicker: Thank you, Senator Hirono. Senator
14 Sheehy.

15 Senator Sheehy: Thank you, Mr. Chairman.

16 I'll start with you, Admiral. You talked about the
17 Manhattan Project in your comments, and I think you know,
18 that was an era when the government was oftentimes the hot
19 bed of innovation, and I think we can all agree that's not
20 the case anymore. So, as we're looking at -- you know, I
21 was reading about China having a salt-based fission reactor
22 online just recently, which of course is a huge leap in
23 technology.

24 How are you going to incentivize private industry
25 innovation to make sure that we either regain or stay in the

1 lead for nuclear innovation around the world?

2 Admiral Pappano: Yeah. Thank you for that question,
3 Senator. Obviously, you know, our national labs, our
4 strategic labs, they are really leading edge on some of this
5 innovation and technology and really a national treasure for
6 all of us. So, I want to make sure we continue that
7 science-based approach that we have at our national labs,
8 but also making sure that we take the opportunity to
9 coordinate with other business and other academic
10 institutions to go leverage what other innovations are going
11 on across the country.

12 Senator Sheehy: So, for example, there's a number of
13 smaller companies innovating in micro reactors, and they're
14 having a very hard time getting access to processed
15 fissionable material so they can proceed with, not just
16 their development, but actually the production of these
17 items. How can you streamline the access of this material?
18 Of course, it has to be controlled, and we have to vet these
19 companies, but many of them are vetted and are capable of
20 receiving this material, yet they'll wait years on a very
21 simple approval. How can you expedite that?

22 Admiral Pappano: I'm not fully apprised, Senator, on
23 all of the details within NNSA on the processes for that,
24 but I commit that I will work with the NNSA administrator
25 and the Secretary of Energy and as necessary, the Department

1 of Defense to make sure I look at those processes and find
2 ways to streamline those as appropriate.

3 Senator Sheehy: You know, our triad is from a bygone
4 era, you know, our B-52s are coming up on 70 years old as
5 far as the airframes, you know, our silos in Montana for the
6 minuteman, you know, those are half a century old
7 technology, if not older. And you know, luckily our
8 undersea leg of the triad is pretty healthy, but we can't
9 build those subs fast enough, as you know. So, how are you
10 going to contribute to a revitalization of that triad to
11 make sure we are competing with and leading China and other
12 near peers?

13 Admiral Pappano: Yeah. Thank you for the question,
14 Senator. Obviously, I'm completely aligned with you on the
15 need to recapitalize all legs of our nuclear triad right
16 now. If confirmed, NNSA's key role in that is making sure
17 we maintain the nuclear stockpile stewardship as we move
18 into production of new weapons. Also look for, obviously,
19 innovative technologies or innovative ways to design weapons
20 or weapons materials through advanced technologies to get
21 after weapons production more quickly going forward here.

22 Senator Sheehy: And, Mr. Cadenazzi, regarding
23 acquisition reform, you know, I think in the past 25 years
24 since the global war on terror started, we've all seen every
25 lab accelerator, you know, innovation unit, lots of little

1 tents are stood up saying, "We're going to change innovation
2 for acquisition. We're going to accelerate acquisition,
3 we're going to get geared to the war fighter."

4 And all we hear is a lot of offices stood up, a lot of
5 money spent, but very little progress is made. It's time
6 for real progress, as we've seen across the world in Israel
7 and the war in Ukraine. Defense acquisition has to turn a
8 page and be fundamentally restructured, so we can buy things
9 faster. We can welcome more suppliers to our industrial
10 base. Welcome them, not scare them away with unneeded
11 regulation and burdensome compliance requirements like
12 Senator Hirono just mentioned.

13 So, what are the top three things you're going to do as
14 fast as you can do, besides ask for more money, to actually
15 change the defense acquisition paradigm, to broaden our
16 industrial base and strengthen it?

17 Mr. Cadenazzi: Senator, I appreciate the question. It
18 was a pleasure to talk to you last week. Thank you for the
19 time. So, when it comes to the acquisition reform process,
20 I think former Secretary Kendall said it best that, "There's
21 no such thing as acquisition reform, there's just
22 acquisition improvement." And I think that holds true, that
23 there's a lot to be done.

24 My particular focus in this area is centered on a
25 couple of particular things. One, is to more fully leverage

1 the available authorities like middle tier of acquisition,
2 other transaction authority, through education of the
3 acquisition workforce. I think the new executive order
4 captures that we need to move that into law and make sure
5 that that becomes something that's driven in a more
6 actionable way by the department.

7 Two, is predictable, stable budgets will allow us to go
8 ahead and mitigate some of the risks associated with how the
9 industrial base and the programs respond. They make plans,
10 budgets change, and then necessarily their activities in the
11 industrial base alignment around them have to change as
12 well.

13 And then, third, is anything we can do to sort of
14 decrease the level of regulation, the level of difficulty in
15 getting access to work. So, you mentioned new vendors, new
16 companies. We want that. We now have a time when there's a
17 lot of new interest in the defense department in serving it.
18 We should take advantage of that as every way we can.

19 If confirmed, I'm excited to work with you and the
20 committee on that issue.

21 Senator Sheehy: Well, our acquisition structure
22 usually fights the last war, and in my era, it was the
23 MRAPV, the Mine Resistant Armor Protected Vehicles. Bob
24 Gates pushed those through. We got it done and saved a lot
25 of lives, including a lot of folks I know.

1 Chairman Wicker: Here. Here.

2 Senator Sheehy: But it came too late. And instead of
3 innovating after our 17, 18, 19-year-old kids are dying on
4 the battlefield, let's innovate beforehand. Because they're
5 the ones that are going to pay the price for our failures.
6 So, for both of you, I ask you, you focus heavily on the
7 reforms we need because we need to be ready next time.
8 Thanks.

9 Chairman Wicker: Thank you, Senator Sheehy. Senator
10 King, before I recognize you, let me just follow-up Mr.
11 Cadenazzi. On middle tier acquisition needing to be put
12 into law, I trust you've read my FoRGED Act?

13 Mr. Cadenazzi: Yes, Senator.

14 Chairman Wicker: And that the enactment of that would
15 be one of the very ways we could statutorily authorize these
16 sorts of things.

17 Mr. Cadenazzi: Absolutely, Senator. I think it's a
18 critical improvement on the process along with rescissions
19 and the various changes to other laws that are mentioned in
20 it.

21 Chairman Wicker: Good. Well, Senator Reed and I and
22 the committee are hard at work on that. We hope we could do
23 it quickly. Senator King.

24 Senator King: Thank you, Mr. Chairman.

25 Admiral Pappano, I want to talk about two or three

1 things with you: capacity, proliferation, and speed.
2 Capacity, are you aware of whether or not there's still a
3 hiring freeze at NNSA?

4 Admiral Pappano: Senator, I'm not aware of the
5 personnel policies at NNSA right now.

6 Senator King: Well, I think capacity is a concern
7 because the staff level is down eight or nine percent since
8 January. I believe the hiring freeze is still in place, and
9 yet, as you've testified today, you have some pretty serious
10 responsibilities, particularly with the upgrading of the
11 triad.

12 So, I hope that that's something you can look into,
13 follow up on, advocate for, having the adequate capacity in
14 order to meet the responsibilities that are being thrust
15 upon you. Is that something you can work toward?

16 Admiral Pappano: Yes, sir. If confirmed, I commit to
17 you that I will advocate for the men and women of NNSA, make
18 sure that we have the right amount of people, the right
19 skill sets, the right training, and the right resources to
20 accomplish the mission that we have to do.

21 Senator King: I appreciate that. A piece of the
22 responsibility of NNSA that isn't talked about all that much
23 is proliferation and anti-proliferation around the world.
24 The reason I consider that so important is our whole defense
25 strategy is based upon the idea of deterrence. If

1 terrorists get a hold of nuclear material, deterrence
2 doesn't work. They don't have a capital city to bomb. They
3 don't care about dying.

4 So, that is a true nightmare scenario. That makes non-
5 proliferation, anti-proliferation an incredibly important
6 responsibility right now, because of the fact that terrorist
7 groups are still out there. Al-Qaeda, ISIS are on the
8 rebound in many parts of the world. So, I hope that you'll
9 put some emphasis and real focus on the proliferation
10 responsibilities of NNSA.

11 Admiral Pappano: Yes, thank you for that, Senator. Of
12 course, if confirmed, I will focus as well on non-
13 proliferation and counterproliferation. We sometimes get
14 bogged on and focusing on weapons production and strategic
15 deterrence. But another critical mission of NNSA is the
16 non-proliferation counterproliferation, making sure we
17 provide the tools necessary to, you know, prevent the spread
18 of nuclear materials.

19 Senator King: And the technology, the development of
20 the technology, for example, to detect nuclear material.
21 That would be a huge breakthrough. And I hope that's part
22 of the mission you'll pursue.

23 Admiral Pappano: Yes, Senator. Thank you. I'm not
24 fully apprised of all the programs in progress with NNSA and
25 counterproliferation, but clearly the ability to detect

1 nuclear materials and do nuclear materials forensics, is a
2 key mission of NNSA that I will certainly prioritize to go
3 after the things that you suggest there, if confirmed.

4 Senator King: Final question for you. As the chairman
5 mentioned, Senator Fischer and I have been working on these
6 issues together for some years. I'm concerned about the
7 speed of NNSA's development of the next generation warhead
8 capacity pits, for example, because we're moving forward
9 pretty fast on the B-1 bomber, on the Columbia class
10 submarine. We're beginning work on Sentinel, but we want to
11 have -- but all that's for naught if we don't have the
12 modern warheads available.

13 So, speed, I think, is an issue that you're going to
14 have to look at. I have not been overly impressed, I guess
15 I would say with the with the execution of, for example, as
16 I mentioned, pit production.

17 Admiral Pappano: Yes, thank you, Senator. I share
18 your concern for urgency on this and make sure we move out
19 quickly here and properly. Part of that in my view is, if
20 confirmed, taking a look at what the barriers are to that
21 speed, making sure we attack those barriers, whether it's
22 policies or processes that we need to overcome, whether it's
23 bringing technology to bear and how we design or build or
24 manufacture equipment.

25 But anything that we can do to speed the process and

1 make all the very effective people more effective in what
2 they do through technology.

3 Senator King: I think the key word you used is
4 urgency. Mr. Cadenazzi, I don't have as much time. I do
5 have a suggestion on the issue of smaller businesses, which
6 several senators have talked about. Call your own 800
7 number in effect. What I mean by that is, have a red team
8 pretend to be a small business applying to the Pentagon and
9 see what the barriers are, see what the requirements are,
10 how many pages are the requirements. I have found that very
11 effective over the years to actually experience what a
12 potential contractor would experience.

13 Mr. Cadenazzi: Senator, appreciate the point there.
14 As I've formally founded and ran and sold multiple small
15 businesses, I know the pain of difficulty of working with
16 the Department of Defense. I concur with you entirely,
17 that's a great reminder on the practical experience of that.
18 So, thank you for the suggestion.

19 Senator King: And there've been a lot of discussion
20 about workforce in this committee and workforce is one of
21 the key bottlenecks, and we can't ignore the fact that we
22 could put billions of dollars into some area of defense
23 procurement, and there just aren't the people to build a
24 weapon system.

25 So, I think strong attention to workforce and to

1 building the workforce and to providing the amenities
2 necessary to attract the workforce into our defense
3 industrial base is going to be a big part of this job. It's
4 not just a question of money, it's a question of being sure
5 the people are there to do the welding.

6 Mr. Cadenazzi: Senator, I wish we could have some Top
7 Gun Maverick style movie that was going to talk about just
8 how incredible the opportunity is to work at the shipyards
9 in Virginia and elsewhere across the industrial base.

10 Senator King: Maine. There are two in Maine.

11 Mr. Cadenazzi: Oh, in Maine, sorry. And Mississippi
12 as well. Sorry.

13 Senator King: This is Virginia.

14 Mr. Cadenazzi: I got you there, Senator. But I think
15 we're going to have to do the hard work of actually
16 developing apprenticeship programs, looking at the
17 application of scholarships, Pell grants for welding, the
18 kind of things that we've had these discussions in the past.
19 Now's the time to move ahead on making sure that people
20 understand the significance of these jobs, the economic
21 opportunities to grow and live families, the importance of
22 this. We need to make people feel valued in these jobs as
23 well.

24 And if confirmed, I'm eager to work with this committee
25 with you and with the rest of the Congress on programs

1 that'll actually accelerate, increase the movement of
2 workforce into the defense industrial base.

3 Senator King: Thank you very much. I'll just leave
4 you with one phrase, consistent demand signal. Thank you,
5 Mr. Chairman.

6 Mr. Cadenazzi: Agree totally.

7 Chairman Wicker: Well, that's a good phrase. But
8 also, Senator King, you said to Vice Admiral Pappano, and it
9 applies to both witnesses, the word urgency needs to have
10 meaning right now. So, thank you very much for that line of
11 questioning. Senator Shaheen.

12 Senator Shaheen: Good morning. Welcome to both of
13 you. Thank you for being here and for your willingness to
14 continue to serve the country.

15 I couldn't agree more with you, Mr. Cadenazzi, on your
16 response to Senator King's question about workforce, and I
17 think the Maine and New Hampshire delegations are both very
18 proud of our Portsmouth Naval Shipyard and the mission of
19 the workforce there and the good work that they do. So, I
20 think you explained very well what the benefits are of
21 working on the civilian side in the defense industry.

22 Chairman Wicker: And of course, you got your education
23 in the state of Mississippi, Senator Shaheen.

24 Senator Shaheen: I did. And so, I know how important
25 Mississippi is to the ship building too, Senator Wicker.

1 You said in your remarks that you weren't aware of the
2 impact of the tariffs on the aerospace industry. And I just
3 wanted to give you an example.

4 Last week, I visited a company called New Hampshire
5 Ball Bearings that makes bearings for the aerospace
6 industry, solely does a lot of its business with the defense
7 industry. And what they told me is that as the result of
8 the steel tariffs, the uncertainty around that, and the
9 President's intent to raise the tariffs on steel, that their
10 lead time for steel has gone from 20 weeks to two and a half
11 years.

12 So, think about that. What the impact of that is going
13 to be on our defense industrial base and our ability to
14 supply the military with what they need, which has already
15 been under stress, as we've seen, as the result of the war
16 in Ukraine.

17 So, I just want to follow up on Senator Reed's question
18 about how you expect to keep track of the impact of these
19 kinds of tariffs on the defense industrial base and how do
20 you think about addressing the shortage of steel, which is
21 not just a shortage in terms of capacity, but they said as
22 the result of the tariffs, their one domestic suppliers has
23 increased prices significantly because they're able to do
24 that because of the tariffs and they can't get supply from
25 our allies, which they had been doing, which helped with

1 both the cost and the availability. So, how do you think
2 about addressing that problem, because that's significant.

3 Mr. Cadenazzi: Senator, I appreciate the question and
4 your concerns on this issue. As I mentioned before, the
5 tariffs issue is significant and obviously is going to have
6 impact in differential ways. First, I'm not aware of any
7 analysis that the Industrial Base Policy Office has produced
8 in this. I presume that they have, but I have not been
9 provided with that. So, I'd be loath to go ahead and
10 provide an assessment of what the department believes the
11 impact is in the industrial base right now.

12 It is likely wide and varied. There's probably pockets
13 where they're benefiting from it and other pockets where
14 you're highlighting one of the challenges.

15 Senator Shaheen: Well, not to interrupt, but --

16 Mr. Cadenazzi: Yes, ma'am.

17 Senator Shaheen: -- I think the concern is, is there
18 an analysis that's been done and where does that start and
19 what are we seeing as a result of these tariffs over time?
20 It's not at all clear to me that that analysis has been
21 done. Certainly, I'm not aware that this committee has seen
22 any of that work. So, I think that's number one, we need to
23 see that.

24 And secondly, we need to track what happens and to feel
25 like we are responding to the shortcomings that we're seeing

1 as the result of policies. So that we're not further
2 handicapping our defense industry.

3 Mr. Cadenazzi: Senator, if confirmed, I commit to come
4 back and make sure to provide whatever analysis has been
5 done, and if there's particular requests for the type of
6 analysis on the mix of companies you're talking about, or
7 particular technology area, I'm happy to work with you on
8 those issues as well. That's critically important.

9 Regarding the steel issue specifically, again, I'm not
10 aware of any particular analysis on the impact of tariffs on
11 steel or the steel in the context of the industrial base.
12 The industrial base consumes a lot of domestic steel. So,
13 there's some unique characteristics of that relative to
14 other industries. Again, if confirmed, I'm eager to discuss
15 this issue with you and what can be done to mitigate the
16 issues on the industrial base.

17 Senator Shaheen: Good. Thank you. I appreciate that.

18 Chairman Wicker: That's a pretty good answer, isn't
19 it, Senator Shaheen?

20 Senator Shaheen: The proof is in the pudding.

21 Chairman Wicker: Right.

22 Senator Shaheen: Admiral Pappano, since the invasion
23 of Ukraine, this committee has supported the National
24 Nuclear Security Administration's cooperation with Ukraine
25 by monitoring Russian occupied power plants in Ukraine and

1 training the Ukrainians to detect radiation releases. This
2 cooperation has been really important particularly as we
3 look at Russian attacks on the largest power plant in
4 Europe, the Zaporizhzhia Power Plant.

5 And can you speak to the importance of NNSA's
6 cooperation with Ukraine, especially during ongoing
7 negotiations?

8 Admiral Pappano: Thank you, Senator. I am not fully
9 apprised at all the details of that cooperation right now.
10 But, if confirmed, I would make sure that NNSA provided the
11 tools and capabilities to go do those verifications so that
12 we could monitor, verify whatever we need to do as far as
13 the administration desires.

14 Senator Shaheen: Thank you. Thank you, Mr. Chairman.

15 Chairman Wicker: Thank you, Senator Shaheen. Senator
16 Warren.

17 Senator Warren: Thank you, Mr. Chairman. Thank you
18 for being with us today.

19 So, artificial intelligence presents big opportunities
20 and big risks for national security. Federal agencies
21 should benefit from AI innovation, but instead, a few big
22 tech companies could lock the government into expensive
23 anti-competitive products. I'm working with Senator Schmitt
24 on this and last month, the Office of Management and Budget
25 published guidance to ensure that the government can,

1 "Benefit from a competitive American AI marketplace."

2 The guidance does not apply to DOD, but is all the more
3 important at DOD, given the billions of dollars that DOD is
4 set to give out in AI and cloud contracts. So, today, I
5 want to just run through some of the lessons from OMB'S
6 guidance.

7 Number one, interoperability. A big tech contractor
8 could build its cloud tool so that works only with its own
9 AI, which would trap DOD into paying sky high prices
10 potentially for subpar products. And that is why OMB
11 encouraged agencies to require AI tools to work with other
12 companies' products.

13 Mr. Cadenazzi, do you agree that DOD would benefit from
14 interoperability?

15 Mr. Cadenazzi: Senator, I appreciate the question.
16 I'm not familiar with the term interoperability as defined
17 in that particular report, but more broadly, in general,
18 yes, it's a great thing for the department to secure.

19 Senator Warren: Okay, good. I'm going to take that as
20 a yes. That you think the product should be able to work
21 with other products, work in connection.

22 Mr. Cadenazzi: In general, more connectivity and
23 flexibility to enable a networked approach is a good thing
24 for software.

25 Senator Warren: Good. We're at the same place then.

1 Let's do another one. Data use. The biggest AI contractors
2 can also stomp out competition by training their models on
3 troves of government data so that smaller companies don't
4 stand a chance. This is a disaster for competition and a
5 disaster for data security.

6 Data on the location of our service members or on DODs
7 contracts should not be anywhere near a commercial AI model,
8 for example. The White House is clear here. It says
9 contractors should not use government data to train publicly
10 or commercially available AI algorithms without an agency's
11 permission.

12 So, Mr. Cadenazzi, do you agree it's important for both
13 competition and data security to limit contractors from
14 training their government tools -- from training their
15 commercial tools on government data?

16 Mr. Cadenazzi: Senator, I appreciate the question.
17 And in general, yes, I'd say we want to make sure we're
18 following the law with regards to the application of these
19 tools.

20 Senator Warren: No, that's not my question. This is
21 not a question of law yet. This is just a question of what
22 we should be doing in our acquisitions at DOD.

23 Mr. Cadenazzi: So, Senator, I'm not familiar with the
24 White House particular guidance on this issue, but as you
25 laid it out, it seems to make sense and I would be

1 supportive of discussing that with you, if confirmed.

2 Senator Warren: Look, government contracts for AI and
3 for cloud tools should one, prevent lock-in, and two,
4 protect government data. That's all we're talking about
5 here.

6 Senator Schmitt and I have a bipartisan bill to make
7 sure that DOD contracts do exactly that. Next week, we will
8 reintroduce the Protecting Cloud and AI Competition in
9 Defense Act to make sure that billions of dollars in DOD
10 contracts go toward fueling innovation in AI and cloud
11 technology, and not just helping the biggest companies get
12 even bigger.

13 So, let me ask you, Mr. Cadenazzi, will you commit to
14 working with me and with Senator Schmitt to stop any
15 competitive practices by big tech that could threaten our
16 national security?

17 Mr. Cadenazzi: Senator, artificial intelligence
18 represents the most promising capabilities for
19 transformational productivity and impact to the department.
20 I would be thrilled if confirmed, to work with you and
21 Senator Schmitt on this issue.

22 Senator Warren: That looks good. I look forward to
23 working with Senator Schmitt and with you and all of the
24 members of this committee. I think we could make some real
25 progress here. Thank you, Mr. Chairman.

1 Mr. Cadenazzi: Thanks, Senator.

2 Chairman Wicker: And this Senator yields back her
3 time. Now, Senator Kaine, I haven't asked my questions yet.
4 Do you think I should?

5 Senator Kaine: I'm not in a rush, Mr. Chair.

6 Chairman Wicker: No, go ahead and ask your questions,
7 Senator.

8 Senator Kaine: Well, thank you, and congratulations to
9 the nominees. You're both very qualified. I look forward
10 to supporting you.

11 I want to begin, actually just by putting some breaking
12 news on the record. This morning, the Secretary of
13 Defense, Pete Hegseth, tweeted as follows, "This morning, I
14 proudly ended the Women Peace and Security Program inside
15 the Department of Defense. WPS is yet another woke divisive
16 social justice Biden initiative that overburdens our
17 commanders and troops distracting from our core task, war
18 fighting. WPS is a United Nations program pushed by
19 feminists and left-wing activists, politicians fawn over it,
20 troops hate it. DOD will hereby execute the minimum of WPS
21 required by statute and fight to end the program for our
22 next budget. Good riddance, WPS."

23 I wanted to read this because that tweet contains some
24 glaring inaccuracies that are far beneath the standard we
25 should expect from a Department of Defense. First, "WPS is

1 yet another woke divisive social justice Biden initiative."
2 WPS was passed by a unanimous vote in the Senate in October
3 of 2017, when the Senate was majority Republican and Donald
4 Trump was president, and he signed it.

5 Does our Secretary of Defense not know the difference
6 between a bill that was passed by the Biden administration,
7 or one that was passed and signed in the Trump
8 administration?

9 Secondly, "Politicians fawn over it. Troops hate it."
10 I returned to the hearing this committee had to consider the
11 confirmation of General Caine, and I read the following
12 testimony.

13 "Senator Shaheen: General Caine, congratulations on
14 your nomination. One of the things that we discussed was
15 the Women Peace and Security legislation that was signed by
16 President Trump during his first term. And it mandates that
17 women should be at the table in conflict resolution and
18 peace negotiations. And at DOD, that's men having women
19 involved in security cooperation programs that really give
20 us, I think, an advantage over our adversaries like China
21 and Russia. Just for the record, are you familiar with the
22 WPS program, General Caine?

23 General Caine: I am Senator, yes.

24 Senator Shaheen: And do you believe that it's a DEI
25 program?

1 General Caine: I do not.

2 Senator Shaheen: Thank you. Can you provide some
3 examples of the operational advantage that from your
4 perspective, this gives us?

5 General Caine: Well, Senator, I can just give you my
6 own personal recollections from being deployed. Before this
7 was precursors of the program, but when we would go out into
8 the field and after concluding an assault, we would have
9 female members who would speak with those women and children
10 who were on the objective. And they would help us to
11 understand the human terrain in new and novel ways.

12 And so, WPS is, I think, a program that really helps us
13 to understand the full spectrum of challenges that are in
14 front of us."

15 From the testimony of our confirmed chairman of the
16 Joint Chiefs of Staff. If the Secretary of Defense cannot
17 understand the difference between a Biden initiative and a
18 Trump administration, and when the Secretary of Defense
19 claims that troops hate something that the newly confirmed
20 head of the Joint Chiefs of Staff appreciates, I have to add
21 this to the 1000 questions about the judgment of this
22 secretary that I've already raised.

23 I'm stunned at the lack of professionalism that this
24 tweet demonstrates. Look, we aired out pretty carefully at
25 this hearing, the Secretary's own antipathy to women in

1 service, and his own track record of poor treatment of women
2 in leadership positions. The fact that he doesn't like WPS,
3 that's one thing, but the fact that he claims that it's a
4 Biden initiative when it isn't, an initiative that was
5 supported unanimously by a Republican majority Senate, and
6 that troops hate it when the newly confirmed head of the
7 joint chiefs of staff testifies to its value, I find
8 shocking.

9 Now, I'll go to my questions if I could. And Admiral
10 Pappano, you were asked a question earlier about recruiting
11 and hiring within NNSA, and you pointed out that you
12 weren't, you know, fully up to speed on the current. But I
13 want to go back. The GAO did a report in May, 2024 that I
14 imagine you probably are aware of. And it discussed
15 challenges that the NNSA faced in recruiting and retaining
16 staff because of intense competition with other industries
17 and other agencies. This is a skill set that's in pretty
18 high demand.

19 So, should you be confirmed, how would you approach
20 that challenge, making sure that we, you know, keep the good
21 talent we have and continue to attract new talent in an
22 important place where there's a lot of competition in the
23 private sector and the public sector too?

24 Admiral Pappano: Thank you for the question, Senator.
25 Yes, if confirmed, I will certainly advocate for the men and

1 women of NNSA and laboratories understanding that there's a
2 unique skill set critical to national security everywhere
3 from skilled trades up to weapons designers and, you know,
4 nuclear physicists.

5 And so, it is sometimes hard to find those people, and
6 we need to make sure that we are doing everything we can to
7 go attract, recruit, train, retain those people as part of
8 national security. And that could start everywhere from,
9 you know, looking at programs in the science, technology,
10 engineering, and mathematics, you know, K-12 up to colleges,
11 what opportunities we have out there to go get people
12 interested in that line of work and develop them going
13 forward.

14 Senator Kaine: I'm sure you probably have the tools
15 you need to do that, but should you find that you don't,
16 please let the committee know if there are additional tools
17 we can provide to help you meet that mission.

18 Admiral Pappano: Thank you, Senator. If confirmed, I
19 look forward to working with the committee if I need
20 additional tools.

21 Senator Kaine: I yield back, having taken the 38
22 seconds that Senator Warren undershot.

23 Chairman Wicker: The gentleman has nothing to yield
24 back. Senator Rosen.

25 Senator Rosen: Well, thank you, Chairman Wicker,

1 Ranking Member Reed holding this hearing. And gentlemen,
2 thank you for your willingness to serve.

3 I want to move on to small business defense production
4 because, Mr. Cadenazzi, Nevada's home to a growing number of
5 small businesses, manufacturers, technology startups that
6 have capabilities that could directly support our national
7 security. These companies are highly innovative, but they
8 face significant challenges when it comes to breaking into
9 the defense marketplace, which remains dominated by large
10 incumbent contractors.

11 The current acquisition system is too slow, too
12 complex, and too risk adverse to effectively engage with
13 non-traditional players. So, Mr. Cadenazzi, if confirmed,
14 how do you plan to address the systemic barriers in order to
15 create a more open and competitive environment for small
16 businesses and emerging technology firms including those
17 like in my state of Nevada, that have not traditionally
18 played a large role in defense.

19 And more specifically, what are your priorities for
20 streamlining the acquisition pathways for these companies?
21 And how can the Department of Defense better leverage
22 innovation across all 50 states as part of a broader
23 industrial base strategy?

24 Mr. Cadenazzi: Senator, thank you for bringing this
25 topic up. The small business office within the Industrial

1 Base Policy Office is a critical element of what the
2 department counts on us to bring policies, priorities, and a
3 focus on small businesses. They represent some of the most
4 dynamic and innovative parts of the economy, particularly in
5 the places that are offering the technology. That's the
6 most exciting going forward. Artificial intelligence,
7 quantum mechanics, machine learning, and advanced
8 manufacturing.

9 So, this is a major priority for the department and for
10 me. Going forward, I want to understand more about what the
11 Industrial Base Policy Office's programs are doing, what
12 effect they're having, things like small business innovative
13 research, where we work with the R and E component of the
14 department project, the apex accelerators which exist across
15 the country, to go ahead and provide access to small
16 businesses to understand the department. If confirmed, I'm
17 eager to learn more about those capabilities, what the
18 resourcing is, and what we can do to accelerate the impact
19 over time.

20 Senator Rosen: I'm glad to set up a meeting with you
21 and talk about a lot of things happening in Nevada. So,
22 thank you.

23 But I'm going to move on to nuclear testing, building a
24 lot on the Nuclear Security Administration. And of course,
25 Admiral Pappano, I asked a similar line of questioning to

1 Congressman Williams at his confirmation hearing. And given
2 your potential role as his deputy, I'm going to ask you the
3 same questions.

4 So, as I'm sure you do know, the Nevada National
5 Security Site, NNSS, formerly known as the Nevada Test Site
6 -- Nevada still call it the test site -- was the primary
7 location for U.S. nuclear testing from 1951 to 1992 with 100
8 atmospheric tests and 828 underground tests. I lived there
9 during those times of the underground tests. Trust me, that
10 ground would shake like nobody's business once a month.

11 This era, unfortunately, left lasting radioactive
12 contamination across millions of acres, exposed countless
13 people to dangerous radiation. It's an outcome that we must
14 not repeat. Since the 1992 testing moratorium was signed by
15 President George H.W. Bush, the NNSA has used subcritical
16 experiments to ensure the safety, reliability, and
17 effectiveness of our nuclear stockpile without the need for
18 explosive testing.

19 So, for decades, its approach has received annual
20 validation from the heads of National Labs, US strategic
21 command, the secretaries of defense and energy, including
22 throughout the first Trump administration. Despite this
23 consensus, some have advocated for a return to explosive
24 nuclear testing. Can you imagine?

25 Experts warn such a move can encourage countries like

1 Russia and China to follow suit risking a new dangerous and
2 unnecessary nuclear arms race. So, Admiral Pappano, I'm
3 just going to ask you to answer yes or no, same as I did the
4 congressman.

5 If President Trump sought your counsel on restarting
6 explosive nuclear testing, would you advise the resumption
7 of explosive nuclear testing?

8 Admiral Pappano: Based on what you suggested there
9 -- Senator, thank you for the question. But if confirmed, I
10 would not advocate for nuclear testing based on the amount
11 of data we have from explosive testing, our extensive
12 modeling simulation capability, subcritical testing
13 capabilities, and the annual verification.

14 Senator Rosen: Thank you. The second question I'm
15 going to ask you is, given that the stockpile has been
16 annually certified as safe and effective without explosive
17 testing, do you see any technical or strategic justification
18 for resuming explosive testing?

19 Admiral Pappano: Thank you, Senator. Again, based on
20 the amount of explosive test data that we have, the model
21 simulation capability, subcritical testing capabilities at
22 the Nevada test site among other places, and the annual
23 verification, I do not see a need to return to explosive
24 testing. I would not advocate for that, if confirmed.

25 Senator Rosen: And normally, I would ask a longer

1 answer, but I just want to ask you if you will commit to
2 prioritizing ongoing scientific advancements in stockpile
3 stewardship?

4 Admiral Pappano: If confirmed, I look forward to
5 enhancing anything we can do, you know, technology-wise in
6 advancing stockpile stewardship, science-based.

7 Senator Rosen: Thank you. Thank you, Mr. Chairman.

8 Chairman Wicker: Senator Rosen, I understand that the
9 massive casino hotels back in the day would alert their
10 customers and patrons as to when a nuclear explosion was
11 going to be had so that they could watch. Isn't that
12 correct?

13 Senator Rosen: Yes, it is that. In fact, there's
14 still some bars and lounges called the Atomic Lounge and
15 other things that are still there. You're absolutely right.
16 And I would love to lead a congressional delegation to Las
17 Vegas and come see not only the test cycle, one mile
18 underground, where they do the subcritical testing, it's
19 amazing, but also to the Atomic Testing Museum, which gives
20 you all the history of what they did.

21 It's quite informative and the test site going down
22 underground in that tunnel where they do those tests, it's
23 pretty amazing.

24 Chairman Wicker: Might be educational, Senator Reed.
25 But the publicity surrounding a congressional delegation

1 trip to Las Vegas would be a negative.

2 Senator Rosen: We'll go straight. We can land at
3 Nellis Air Force base, the crown jewel of the Air Force,
4 thank you very much. And we can head right over there, see
5 the remote sensing lab and the Nevada test site. We'll put
6 the curtains down, you don't even have to see the Las Vegas
7 strip.

8 Chairman Wicker: Well, don't go overboard.

9 [Laughter.]

10 Senator Rosen: Thank you, Mr. Chairman.

11 Chairman Wicker: Senator Kelly, you are recognized.

12 Senator Kelly: Thank you, Mr. Chairman. I do have to
13 point out though, that the museum you mentioned, which I
14 have been to --

15 Senator Rosen: It's amazing.

16 Senator Kelly: -- it's in Las Vegas.

17 Senator Rosen: It is. It is. It's at the university,
18 though.

19 Senator Kelly: Yes.

20 Senator Rosen: It's at the university.

21 Senator Kelly: It's a great museum. I highly
22 recommend it.

23 Senator Rosen: Research institute.

24 Senator Kelly: Vice Admiral Pappano and Mr. Cadenazzi
25 -- am I pronouncing that correctly?

1 Mr. Cadenazzi: Cadenazzi, close.

2 Senator Kelly: Cadenazzi, thank you. Thank you both
3 for being here. Mr. Cadenazzi, I'd like to understand your
4 plan to enhance our critical mineral stockpiles. So, the
5 United States, we import nearly 100 percent of our cobalt
6 sulfate and cobalt metal requirements despite cobalt playing
7 a critical role in a lot of defense technologies.
8 Meanwhile, China produces more than 70 percent of the
9 world's refined cobalt.

10 It's imperative that we decouple and substantially
11 bolster our domestic critical mineral supply chain. So,
12 given the national security importance of these rare
13 minerals, such as cobalt, how do you plan on supporting
14 American cobalt and other critical mineral processing
15 companies?

16 Mr. Cadenazzi: Senator, I appreciate the question and
17 the significance of this issue. I've spent more time
18 looking at the periodic table of elements now since I have,
19 like in my chemistry class in high school.

20 China's clearly weaponized the periodic table of
21 elements. They've made efforts to go ahead and secure
22 access to materials that we require within the defense
23 industrial base. The Industrial Base Policy Office has made
24 investments totaling \$540 million into various mineral
25 capabilities, processing source materials over the past

1 several years.

2 If confirmed, I'm eager to understand more about the
3 particular issues associated with cobalt, but also the
4 broader needs for access to strategic and critical minerals,
5 and ensure that we're taking the necessary action to ensure
6 American requirements are met domestically or through allies
7 and partners over time.

8 And if confirmed, I'm eager to work with you on that
9 subject, Senator.

10 Senator Kelly: Now, do you think we should have our
11 own -- build our own stockpile of critical minerals?

12 Mr. Cadenazzi: Senator, yeah, absolutely. We do have
13 a strategic and critical materials stockpile in place now.
14 I'm not aware of the scale of that relative to the demand of
15 the industrial base. However again, if confirmed, I'm here
16 to work further on this and understand the scale of required
17 investment of both government and private capital necessary
18 to secure access to those materials.

19 Senator Kelly: Thank you. And, Admiral, in your
20 advanced policy questionnaire, when asked what your main
21 priority will be as the principal deputy administrator, you
22 responded that you would work to maximize the efficiency,
23 effectiveness, capability, and capacity of NNSA. I want to
24 follow up on this because while I agree on the priority, I'm
25 concerned that recent freezes on civilian hirings and the

1 firing of probationary employees across the federal
2 government will hamper your ability to accomplish your
3 priorities, and ultimately, the agency's mission.

4 Part of that mission is to stockpile nuclear weapons
5 and reduce the overall global nuclear threat. To accomplish
6 this mission, the agency employs nuclear physicists, and
7 other highly technical professionals. These professionals
8 cannot be mass produced and are incredibly difficult to coax
9 into federal service.

10 So, how do you assess the recent firings and
11 termination letters for NNSA employees and how that will
12 affect your ability to accomplish the agency's mission?

13 Admiral Pappano: Thank you for the question, Senator.
14 I agree that that is a critical workforce. And right now, I
15 am not fully apprised about the details of what is happening
16 at NNSA. I only read about what I see in the news. But if
17 confirmed, it will be a priority of mine to make sure that I
18 assess the workforce needs, the resourcing of the number of
19 people, and whatever facilities, training, capability they
20 have, whatever we need to do to attract, recruit, train, and
21 retain that critical workforce will be a priority of mine.

22 Senator Kelly: Do you see that one of your first
23 responsibilities, if confirmed, is to make sure you have the
24 workforce you need?

25 Admiral Pappano: Thank you, Senator. Yes, certainly.

1 Having the critical workforce, if confirmed, is something I
2 will assess and make sure I advocate for the men and women
3 of NNSA and the National Laboratories to make sure they are
4 resourced properly to accomplish this no fail mission

5 Senator Kelly: And Admiral, DOD is at an unfortunate
6 intersection here, where all legs of our nuclear triad are
7 needing modernization at the same time, and this
8 modernization requirement has a direct impact on the NNSA.
9 Additionally, civil service integration is critical for the
10 agency's mission. The NNSA's partnership with the
11 scientific and academic community is paramount for
12 maintaining our comparative advantage.

13 How are you planning on managing the modernization
14 projects with infrastructure recapitalization efforts that
15 span civil and federal infrastructure? And you have three
16 seconds.

17 Admiral Pappano: Thank you, Senator. I will certainly
18 -- another priority of mine will be to assess the enterprise
19 blueprint going forward and making sure we look for where
20 the barriers are, the driving, getting the enterprise
21 recapitalized, all the infrastructure recapitalized, look
22 for opportunities for where we can insert modern
23 manufacturing technology to drive a sense of urgency in our
24 stockpile stewardship programs.

25 Senator Kelly: All right. Thank you, Admiral.

1 Chairman Wicker: Thank you, Senator Kelly. Let me ask
2 a question basically a yes or no question to each of you.
3 Congress is in the process of attempting to pass a
4 reconciliation bill much of which will deal with the Defense
5 Department. Because of the rules that we are required to
6 operate under, the Defense Reconciliation Bill must be
7 unspecific as to how the money is spent and will technically
8 be at the discretion of the Department of Defense, and we
9 are required in the rules to write recommendations for how
10 the money is spent.

11 Do you commit to follow unequivocally, the Congress's
12 spending recommendations in the Defense Reconciliation Bill?
13 Mr. Cadenazzi?

14 Mr. Cadenazzi: Yes, Senator.

15 Chairman Wicker: Admiral Pappano?

16 Admiral Pappano: Yes, sir. I look forward to working
17 with this committee on prioritizing.

18 Chairman Wicker: Very good. Now I think we've talked
19 about, Mr. Cadenazzi, we've talked about middle tier
20 acquisition. This is something that my legislation, the
21 FORGED Act would very much address. And I believe you told
22 me that you had read the Act and liked much of it. If you
23 want to expand on that answer?

24 Mr. Cadenazzi: More praise for the Act? Absolutely,
25 Senator.

1 Chairman Wicker: Yes, right. Yes, heap that on.

2 Mr. Cadenazzi: Keep going. Yes, sir. Please go on.

3 Chairman Wicker: Okay. I do believe, I think, once
4 you're confirmed, you're going to have some middle tier
5 authorization already. But I can say that Senator Reed and
6 I are very much likely to put much of the FORGED Act in the
7 NDAA -- in the upcoming NDAA. I hope you won't wait for
8 that. If you have tools such as other transaction
9 agreements and middle tier acquisition, will you commit to
10 going ahead with that?

11 Mr. Cadenazzi: Senator, thank you for the point.
12 Absolutely. I'm excited to use all the available
13 authorities more aggressively to make sure we're meeting the
14 needs of the industrial bases and the delivering what the
15 department needs at this critical time. And if confirmed,
16 I'm eager to work with you and Ranking Member Reed on this
17 issue going forward.

18 Chairman Wicker: Thank you very much. Now I think you
19 are going to have a staffing shortage. If you are able to
20 do the things that we've talked about today, you're going to
21 need people that look at production rates and limiting
22 factors in the supplier base. Isn't that right?

23 Mr. Cadenazzi: Yes, Senator.

24 Chairman Wicker: And you're going to need to have
25 people that actually visit the production lines to assess

1 whether companies are doing things the right way, spending
2 money the right way, and that sort of thing. Is that
3 correct?

4 Mr. Cadenazzi: Yes, Senator.

5 Chairman Wicker: You're going to need people who
6 develop options when we ask questions like, how do we build
7 more munitions, which I think we've had testimony today that
8 often we spin down on munitions more quickly than we intend
9 to. You're going to need people to do that, are you not?

10 Mr. Cadenazzi: Absolutely, Chairman Wicker.

11 Chairman Wicker: But unfortunately, the size of the
12 office remains only a handful of people. As my
13 understanding, only five government people work on the
14 Defense Production Act. Do you know that number to be
15 correct? Am I'm well informed there?

16 Mr. Cadenazzi: Chairman Wicker, I'm not aware of
17 exactly how many people are working in any element of the
18 components of the Industrial Base Policy Office at this
19 time.

20 Chairman Wicker: If that is true, and I think it is,
21 that represents a crisis, which is why we have already
22 required a staffing plan for these functions in last year's
23 fiscal year, NDAA, the statute under which we're operating
24 today.

25 So, will you bring us this plan as soon as possible,

1 Mr. Cadenazzi?

2 Mr. Cadenazzi: Yes, Chairman Wicker.

3 Chairman Wicker: Thank you very much. Now Vice
4 Admiral Pappano, what you are going to be tasked with, you
5 and others, is going to require a huge infrastructure
6 investment. Am I correct there?

7 Admiral Pappano: Yes, Senator.

8 Chairman Wicker: And would you advise the committee as
9 to how you're going to do that and exactly what you're going
10 to need? And am I correct, you're going to need more
11 workforce by a great deal to get this done?

12 Admiral Pappano: Thank you, Mr. Chairman. If
13 confirmed, certainly it'll be a priority of mine to look
14 across the enterprise blueprint plan, make sure we don't
15 have to reinvent the wheel there, but assess how that plan
16 goes forward and our infrastructure investments over the
17 next 25 to 50 years, and then figure out where the barriers
18 are to getting that done with urgency, whether it's policy,
19 procedure, whatever we need to go look at to make sure we
20 can break down those barriers and drive more urgency into
21 our infrastructure recapitalization, and then obviously, the
22 workforce that goes along with that, that we need to demand
23 that infrastructure for our stockpile stewardship and the
24 production.

25 Chairman Wicker: Senator Reed and I have been told

1 that this is going to be one of the largest infrastructure
2 requirements that the federal government has ever had. Are
3 we well advised on that?

4 Admiral Pappano: Thank you, Mr. Chairman. I do not
5 know that as a fact, but it seems a reasonable assumption to
6 make that is a significantly large infrastructure. We talk
7 about recapitalizing, you know, the Manhattan Project Era
8 facilities and driving those into the future.

9 Chairman Wicker: I think the public needs to be aware
10 of this. This is most important. And again, Senator King
11 and Senator Fischer have taken the lead on this.

12 Let's talk about cooperation with our allies on
13 industrial base policy. There's been talk in recent years
14 about this. AUKUS Pillar 2 production diplomacy in Europe,
15 the partnership for the Indo-Pacific Industrial resilience,
16 but most people think there's been very little success in
17 that regard. Do you have an opinion as to whether we're way
18 behind in that area, Admiral?

19 Admiral Pappano: Thank you, Mr. Chairman. Certainly,
20 you know, I'm aligned with President Trump's, you know,
21 Peace Through Strength, which a part of that I think is, you
22 know, our willingness to work with willing partners and
23 allies to increase our overall strength. I think that in my
24 experience, we've done pretty well with that so far. Some
25 of the strategic nuclear deterrents cooperation we've had

1 with the United Kingdom. There's a lot of history there in
2 that. And then obviously starting to move forward with the
3 AUKUS Accords. And the work is going on with the Pillar One
4 and Pillar 2 of AUKUS.

5 Chairman Wicker: Well, there may have been some
6 infighting within the department about this particular task.
7 And so last year we made it clear in the NDAA that the
8 acquisition undersecretary owns these issues like the ones I
9 have mentioned. If confirmed, you'll oversee the low-level
10 Deputy Assistant Secretary of Defense designated to be the
11 lead on this issue. And right now, that position has maybe
12 a dozen members, inadequate number, many of whom are not
13 from industry.

14 Will you commit to us and to this committee, that you
15 will work on the issue of stagnation and industrial base
16 integration with our allies, such as the areas that I've
17 mentioned?

18 Admiral Pappano: Thank you, Mr. Chairman. Certainly,
19 if confirmed, I'll commit to you that I will work with this
20 committee and partners and allies as necessary to drive this
21 forward.

22 Chairman Wicker: Mr. Reed, I believe we've covered a
23 lot of things. I think the questions have been very good,
24 and it appears to me that we've got the right folks in place
25 for these positions. And so, does anyone else have

1 anything? If not, let's see if I need to make any
2 announcements. Are we good to go?

3 Questions for the record will be due to the committee
4 within two business days of the conclusion of the hearing,
5 which is right now. Thank you.

6 [Whereupon, at 11:03 a.m., the hearing was adjourned.]

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25