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Before the

Subcommittee on
Readiness and Management Support

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO MARK UP THE NATIONAL DEFENSE
AUTHORIZATION ACT FOR FISCAL YEAR 2016

Tuesday, May 12, 2015

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THE NATIONAL DEFENSE AUTHORIZATION ACT
FOR FISCAL YEAR 2016

Tuesday, May 12, 2015

U.S. Senate
Subcommittee on Readiness and
Management Support
Committee on Armed Services
Washington, D.C.

The subcommittee met, pursuant to notice, at 2:09 p.m.
in Room SD-106, Dirksen Senate Office Building, Hon. Kelly
Ayotte, chairman of the subcommittee, presiding.

Committee Members Present: Senators Ayotte
[presiding], McCain, Inhofe, Fischer, Rounds, Ernst, Lee,
Kaine, McCaskill, Shaheen, Hirono, and Heinrich.

1 OPENING STATEMENT OF HON. KELLY AYOTTE, U.S. SENATOR
2 FROM NEW HAMPSHIRE

3 Senator Ayotte: I want to thank everyone. The
4 Readiness and Management Support Subcommittee will come to
5 order. The subcommittee meets today to mark up the original
6 bill, the National Defense Authorization Act for Fiscal Year
7 2016. I want to thank Ranking Member Kaine. It has been a
8 pleasure to work with you on this subcommittee and to work
9 together. I also want to thank the staff who have worked
10 very hard on this. The minority staff: John Quirk, Mike
11 Noblet, and Ozge Guzelsu, as well as military legislative
12 assistant Ryan Colvert. I want to thank the majority staff
13 as well: Cord Sterling, Bill Greenwalt, Brad Patout, Jeremy
14 Hayes, and Elizabeth Everett, as well as my staff: Brad
15 Bowman, Rob Ganim, Ryan Clark, and Matt Reeder.

16 I am pleased to preside over this Readiness
17 Subcommittee mark, which can occur in an open mark in a very
18 transparent way. Before proceeding, I want to make a few
19 comments about this mark. The Readiness mark seeks to
20 prioritize operations and maintenance funding that is
21 essential to military readiness while seeking to streamline
22 and cut funding for headquarters management and overhead,
23 which have grown dramatically. And then to use the savings
24 to fund core readiness priorities and procure important
25 combat assets, and we will discuss this further in the full

1 mark.

2 The Readiness mark also authorizes \$8.4 billion for
3 military construction housing program, energy conservation,
4 and other activities. And there is one project that is
5 missing that I want to speak to which I have an amendment,
6 which I will not be offering in this subcommittee, but will
7 be seeking to bring forward and discuss in the full
8 committee. And that is an amendment that I have that is co-
9 sponsored by Senator Shaheen and Rounds.

10 At the Portsmouth Naval Shipyard, there is a junior
11 enlisted barracks that I had the chance to visit on Friday,
12 and this is for our junior sailors. When they are
13 maintaining the attack submarines, they can stay in these
14 barracks for up to 18 months. Originally the Department of
15 Defense had this as a priority in '15, then moved it to a
16 priority in '16, and now they have it in '18. My amendment,
17 which I will discuss in the full committee, would move it
18 back from '18 to '16, and let me tell you why.

19 When I went there on Friday, I saw firsthand, number
20 one, there is no fire suppression system for this barracks,
21 and so I am worried about the safety of these sailors,
22 junior enlisted sailors, should they try to leave the
23 barracks and there is a fire situation. There is also no
24 ventilation system. There is intermittent hot water where
25 they have to sometimes take people out of the barracks and

1 put them in local hotels, but obviously hot water is
2 important if you are going to be someplace for 18 months and
3 you would like to take a shower. In addition to that, there
4 is mold that has been found in the walls, and you can
5 imagine what that would do with a lack of any ventilation
6 system. And then there is asbestos in the floors.

7 So I am waiting to speak this afternoon to the vice
8 chief of the Navy, and looking forward to speaking to her
9 about getting some clarity from the Navy that this is one of
10 their unfunded priorities, and then we can discuss this in
11 the full committee. I want to thank certainly Senator
12 Shaheen and Rounds for co-sponsoring this effort.

13 I am pleased that the Air Force's budget does include a
14 \$2.8 million request to upgrade the flight simulator
15 building at Pease Air National Guard Base to prepare for the
16 arrival of the KC-46A. The Air Force has also included on
17 its unfunded priority list a request for \$1.3 million for
18 the KC-46A trainer, and I am pleased that the mark
19 authorizes these projects to allow the basing of the KC-46A
20 going forward at Pease.

21 The Readiness mark also includes important acquisition
22 reform provisions. In this era of growing threats and
23 shrinking defense budgets, the old methods of acquisition
24 and all of the information that we have all received in this
25 committee of acquisition overruns are no longer sufficient,

1 and I know all of us share this concern. We owe our troops
2 the best equipment, and we owe hard-paying taxpayers --
3 hardworking taxpayers responsible stewardship of their
4 dollars. So for that reason, I am pleased that the
5 Readiness mark puts forward a significant number of historic
6 acquisition reform initiatives that are designed to get our
7 troops what they need more quickly, more efficiently, and in
8 a cost-effective manner.

9 I am also pleased that the Readiness mark includes My
10 Best Value contracting provision. Our troops who put their
11 lives on the line for our freedom and security, when we are
12 talking about their personal equipment that keeps them safe,
13 the cheapest is not always the best, and we need to make
14 sure that they have the best to remain safe. In combat as
15 well as in training, quality personal protective equipment,
16 like body armor and helmets, can prevent serious injuries
17 and means a very big difference between life and death from
18 those who sacrifice the most for our Nation.

19 We heard testimony at the beginning of the Readiness
20 Subcommittee about the Department's request, one of the
21 first hearings we had for another request for a base
22 realignment and closure round. We saw with the 2005 base
23 realignment and closure round that the Department -- that
24 whole round cost a lot more than we anticipated, and we did
25 not see the cost savings that we thought we would achieve

1 from that.

2 So at a time when the Department cannot afford to fully
3 fund key readiness requirements, I do not support giving the
4 Department the authority to pursue a BRAC round. This mark
5 does not authorize another BRAC round, and includes a
6 provision that makes clear that nothing in the act shall be
7 construed to authorize an additional BRAC round.

8 In the past, the subcommittee has used the chairman's
9 mark as the markup vehicle subject to amendment. The staff
10 has briefed the markup recommendations in detail to the
11 staff of the subcommittee members. Unless there is an
12 objection, we will adopt the chairman's mark subject to
13 amendment.

14 [No response.]

15 Senator Ayotte: There being no objection, it is so
16 ordered.

17 Chairman McCain has expressed a concern that we ensure
18 that when we ask the Department of Defense to provide a
19 reporting requirement that we are thoughtful in doing so to
20 ensure that they can focus on their core functions.
21 Therefore, any member of this subcommittee who would like to
22 adopt an amendment that requires the Department to prepare a
23 report must make their amendment pending as we go through
24 this subcommittee markup.

25 At this point, I would like to offer Ranking Member

1 Senator Kaine the opportunity to make an opening statement,
2 and I thank Senator Kaine.
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1 STATEMENT OF HON. TIM Kaine, U.S. SENATOR FROM
2 VIRGINIA

3 Senator Kaine: Well, thank you all, and I would like
4 to thank Chairwoman Ayotte. It is a treat to work with you
5 and your staff and the staff of the subcommittee. I thank
6 everyone for their efforts.

7 Just a word of, you know, news about the real world
8 consequence here as we begin. The Navy has informed us just
9 recently that in the last hour or two that an F/A-18 Super
10 Hornet that took off on the Teddy Roosevelt, which is
11 deployed from Norfolk into the 5th AOR to support Operation
12 Inherent Resolve, crashed today after takeoff. The pilots
13 as we understand were both rescued alive, and the cause of
14 the crash is unknown. But, you know, you would not
15 necessarily know it from discussion here on the floor, but
16 there is a war going on, and people are risking their lives
17 every day. And we pray that the news about both these
18 pilots being safe is, in fact, accurate.

19 I am honored to serve on this subcommittee and serve
20 with Senator Ayotte and all of you. Our military continues
21 to face a degraded state of readiness as we have heard over
22 and over again in hearing after hearing both at the
23 subcommittee and at the full committee level. And I believe
24 that a continuation of sequestration level budget caps in
25 Fiscal Year 2016 will make that problem worse over the

1 years.

2 We heard from Retired General Mattis at the beginning
3 of the year, and he said it best before SASC, "No foe could
4 wreak such havoc on our security that mindless sequestration
5 is achieving." And the fact that it is self-imposed makes
6 me feel a little squeamish. If sequestration level budget
7 caps continue in Fiscal Year 2016, disproportionate amounts
8 will be taken out of operation and maintenance accounts,
9 which falls heavily within the Readiness Subcommittee.

10 So I hope that we will work together in the NDAA, but
11 certainly beyond the appropriations process to find a better
12 way than the budget caps. If they remain in place, we will
13 subject DoD to conditions that are not really strategically
14 optimal to protecting the Nation.

15 The chairman's mark proposes transferring \$38.9 million
16 in O&M from the base budget into OCO to bring the base
17 authorization below the BCA cap and avoid sequestration.
18 DoD deserves a lasting solution to sequestration, not a
19 temporary one. In the chairman's mark, there is a
20 significant cut that I am disappointed to see, cutting O&M
21 from the military services and defense-wide agencies by \$1.7
22 billion, a sizable cut for "streamlining" headquarters.

23 And I think it is important that we kind of point out
24 what that would mean. These cuts would take effect by next
25 year and certainly have a negative effect on our defense

1 community, including in Virginia. Secretary Carter has
2 worked since 2013 to implement a long-term strategy that
3 would reduce overhead in headquarters without causing large-
4 scale layoffs or cuts to vital programs. Headquarters --
5 what "headquarters" means is either abrupt layoffs to DoD
6 personnel or more likely cuts to programs because
7 headquarters includes programs such as funeral honors for
8 service members and veterans, suicide prevention, sexual
9 assault prevention, audit support as we are trying to get
10 audited financial statements from the DoD, the acquisition
11 workforce as we are trying to form acquisition processes at
12 the DoD.

13 These are all areas where we have worked hard, and
14 there are ongoing reforms in this mark that we are trying to
15 promote moving forward at the same time as we may cut the
16 staff to do it. I would hope that we would not jeopardize
17 our ability to move forward on these important reforms.
18 During the full committee markup I am going to offer an
19 amendment on this, but not here during the subcommittee.

20 There are many readiness priorities in the mark that
21 are very solid: increases in O&M funding for crucial
22 programs aimed at restoring readiness, \$401.6 million
23 increase to O&M for depot maintenance, flying operations,
24 cyber training, reducing insider threat attacks, very
25 important, behavioral health counseling, and other important

1 priorities. In the area of MILCON, I am pleased that we
2 were able to pay for about \$400 million worth of projects
3 identified by service chiefs and combatant commands as
4 priority unfunded requirements.

5 I am particularly pleased to see adding new fire
6 suppression, fire station, fire safety at Quantico where all
7 Marine officers are trained and equipment concentration
8 points at Fort A.P. Hill in Virginia. I also strongly
9 support a provision allowing DoD labs, important DoD labs,
10 to begin addressing long-term facilities deficiencies.

11 This subcommittee mark, the chairwoman led a
12 subcommittee hearing on acquisition reform, and it is
13 important to note that there are 50 different acquisition
14 reform provisions in this subcommittee mark. This is a
15 serious aspect of this NDAA, and that is laudatory to help
16 us better reform our system, making it more agile and
17 responsive, helping to control costs. And I am pleased to
18 say in addition, the mark fully funds the President's
19 request for environmental programs.

20 So to conclude, Senator Ayotte, thank you for your
21 leadership as the chair of the subcommittee. You mentioned
22 a lot of staffers, and I will not repeat all their names.
23 But to the Readiness Subcommittee's majority and minority
24 professional staff members who work so cooperatively
25 together, to Brad Bowman, your military LA, and Ryan

1 Colvert, my military LA, and especially to the Readiness
2 staff assistant, Leah Schuenemann, who put together the
3 markup book, which without that, we would not know what to
4 do sitting here.

5 Senator Ayotte: That is true.

6 Senator Kaine: So thanks to all, and I yield it back
7 to you, Madam Chair.

8 Senator Ayotte: Thank you so much, Senator Kaine. We
9 have received a number of amendments that have been cleared
10 by both sides. I would like to go through those amendments
11 and see if there is any objection to adopting them as a
12 group.

13 We have received Ayotte Amendment Number 4 on personal
14 protection equipment; McCain Amendment Number 17 on MILCON
15 details; Ayotte 22 on body armor modernization, co-sponsored
16 by Senator Shaheen. We have Sessions 30, as modified, depot
17 workload study, which is co-sponsored by Senator Inhofe. We
18 have Blumenthal 32, repeal of limitation on authority to
19 enter into a contract for the sustainment, maintenance,
20 repair, or overhaul of the F-117 engine. We have Ernst 39,
21 which is temporary authority to extend contracts and leases
22 under arms initiative. We have Shaheen 50, as modified,
23 care of stock and storage. We have Kaine Amendments 66 and
24 67, DoD cloud computing strategy.

25 We have Heinrich 84, major range and test facility

1 bases; Inhofe 102, air reflective pavement markings; Inhofe
2 111, Defense Logistics Agency and military services
3 integrated demand planning for spare parts; Inhofe 115, as
4 modified, DoD energy security and efficiency technologies;
5 Inhofe 117, DLA contracts; Sullivan 134, innovative
6 readiness training program; Donnelly 140, redevelopment of
7 the former Indian army ammunition plant; King 151, HUBZone
8 qualified disaster areas; Shaheen 159, mitigation strategy
9 to prevent fraud and abuse in the Service Disabled Veteran
10 Owned Small Business Program; Hirono 164, as modified, Red
11 Hill underground fuel storage facility; Hirono 165,
12 Department of Defense fuel consumption estimates; Hirono
13 167, pilot program on intensive instruction in certain Asian
14 languages; Manchin 172, Category 1 ammunition; Manchin 173,
15 technology domain awareness; Kaine 181, tubular light
16 emitting diode technology.

17 And if there is not an objection, I would ask that
18 these amendments that have been cleared be adopted.

19 Voice: So moved

20 Senator Inhofe: Second.

21 Senator Ayotte: All in favor, say aye.

22 [A chorus of ayes.]

23 Senator Ayotte: The manager's package has been
24 adopted.

25 Consistent with the chairman's guidance, I would -- we

1 will now proceed to consideration of amendments that have
2 previously been cleared by both sides, but include a
3 reporting requirement. I will invite members to offer their
4 cleared amendments, and when all of those amendments on the
5 reporting requirements have been offered, I would propose
6 that we adopt those amendments en bloc.

7 Would any senator like to offer an amendment? Senator
8 Inhofe?

9 Senator Inhofe: Thank you, Madam Chair. Consistent
10 with that requirement, if they have to have a report, I call
11 up 103 and 129. And secondly, everything else has been
12 cleared on my list except for 105 and 112, which I would ask
13 that they be moved to the full committee.

14 Senator Ayotte: Without objection.

15 Senator Inhofe: That is it.

16 Senator Ayotte: Would anyone else like to offer a
17 reporting amendment? Senator Fischer?

18 Senator Fischer: Thank you, Madam Chairman. I would
19 like to call up the Fischer Amendment Number 65, which
20 requires a report from the Department of Defense. It would
21 direct the Secretary to review the Department's foreign
22 language training programs which support the needs of our
23 military as well as the intelligence community and non-
24 defense customers. And this has been cleared by both sides.
25 Thank you.

1 Senator Ayotte: Senator Shaheen?

2 Senator Shaheen: Yes, Madam Chair. I would like to
3 call up Shaheen Amendment Number 49 on fabric-based
4 respiratory equipment. It requires the Secretary of Defense
5 to report on emerging fabric technologies that may provide
6 service members with better protection from airborne hazards
7 in order to improve long-term health while deployed
8 overseas.

9 Senator Ayotte: Do other members -- Senator Rounds?

10 Senator Rounds: Thank you, Madam Chair. Consistent
11 with the chairman's request, I would like to call up Number
12 148. It has been cleared by both sides. The object of the
13 request is to report language as to require DoD to report on
14 separate 556 ammunition procurement programs by both the
15 Army and the Marine Corps.

16 Senator Ayotte: Thank you. Senator Hirono?

17 Senator Hirono: Thank you, Madam Chair. I would like
18 to call up Hirono Amendment Number 162 concerning public
19 schools on military installations. In Fiscal Year 2011, the
20 Department of Defense surveyed the conditions and capacity
21 of public schools that mainly serve military-connected
22 children. And my amendment would require the DoD to survey
23 the remaining school -- public schools on military
24 installations so that these schools, too, could be assessed
25 for the needs that they have.

1 Senator Ayotte: Thank you. And before we leave the
2 reporting amendment, I would like to call up Ayotte
3 Amendment 21 that is co-sponsored by Senator Shaheen. And
4 this amendment would -- is a reporting requirement for Haven
5 Well contamination. In April of 2014, the Air Force, in
6 coordination with the EPA in the City of Portsmouth,
7 discovered the presence of PFCs in the Haven Well in
8 Portsmouth. That has been attributed to the Air Force's use
9 of firefighting foam at Pease Air National Guard Base.

10 I believe that the Air Force has not been proactive
11 enough in identifying and notifying service members and
12 civilians who have been exposed, so my amendment would
13 address this along with the co-sponsorship of Senator
14 Shaheen.

15 Does anyone else have a reporting amendment that they
16 would like to offer?

17 [No response.]

18 Senator Ayotte: If that -- we have received all of
19 those amendments, I would ask for a motion to adopt all of
20 these reporting amendments that we have just offered.

21 Senator Inhofe: So moved.

22 Senator Ayotte: Is there a second?

23 Senator Hirono: Second.

24 Senator Ayotte: All in favor?

25 [A chorus of ayes.]

1 Senator Ayotte: Then the amendments that were just
2 offered for reporting requirements are adopted by the
3 committee and will be included in the manager's package.

4 I would ask at this point do any other members have an
5 amendment that they would like to offer. Senator Lee?

6 Senator Lee: Madam Chair, I would like to offer Lee
7 Amendment Number 074. This is an amendment that is of
8 special interest in highlighting the impact on military
9 ranges in the western United States if the greater sage-
10 grouse were to be listed under the Endangered Species Act in
11 2015.

12 Now, this amendment encourages the Department of
13 Defense to communicate military impacts to the Department of
14 Interior, and for both the Department of Defense and the
15 Department of Interior to work with State governments to
16 address sage-grouse species management through State-
17 initiated conservation plans. If this were to be listed,
18 this could have potentially devastating impacts on military
19 operations, and I would like to introduce this amendment.

20 Senator Ayotte: Thank you for the introduction. I am
21 told that this amendment also involves the jurisdiction of
22 both the Environment and Public Works Committee, so I am
23 advised by staff that the Environment and Public Works
24 Committee has not yet cleared the amendment, and, therefore,
25 the amendment is not in order now and should be brought up

1 in the full committee.

2 Senator Lee: Thank you, Madam Chair.

3 Senator Ayotte: Thank you.

4 Senator McCaskill: I do not have an amendment, but I
5 just want to bring to the subcommittee's attention. I am
6 confident we will get this worked out, but some language is
7 in the mark that I think is problematic. There has been a
8 five-year process undergone by NGA, and this would fence the
9 funds for that. And it is about getting enough information
10 from NGA, and I am all for that. I think people on this
11 committee who know me know that I am somebody who wants to
12 do aggressive oversight.

13 So I am going to work with the chair, and the rank, and
14 the chairman of the full committee and explain the problems
15 with this. But it would cause significant issues in terms
16 of slowing down a process that is already five years in the
17 making. There were over 200 applicants. It has been weeded
18 down to four through a really rigorous process. And this
19 would freeze it, and I think being really problematic on a
20 number of levels.

21 And I will be happy to go into it with anybody who
22 wants to visit before tomorrow, but hopefully we will get it
23 all worked out before then, but I wanted to at least put it
24 on the record. Thank you.

25 Senator Ayotte: Thank you, Senator McCaskill. Do any

1 other members have other business that they would like to --
2 Senator Shaheen?

3 Senator Shaheen: If it would be in order, can I just
4 say a word about the amendment that you and I are co-
5 sponsoring on the Haven Well contamination?

6 Senator Ayotte: Absolutely.

7 Senator Shaheen: Because I certainly applaud this
8 effort to call to the attention of the Air Force what is
9 happening at Pease as the result of contamination of the
10 Haven Well. So far, we have heard from 332 adults and 129
11 children who have requested that they be tested. And there
12 are two child care centers who rely on the water at Pease.
13 And potential impacts on the water for the City of
14 Portsmouth.

15 So this is a very big issue, and I know that the Air
16 Force has expressed a willingness to cooperate, but I
17 certainly think it is very important for somebody to be
18 paying attention to this issue because of the potential
19 impact on people who are affected, including about 60
20 firefighters who have been stationed at Pease who have been
21 affected by the use of water from this water from this well.

22 So hopefully the Air Force will pay attention and will
23 step up and work with the State of New Hampshire and the
24 City of Portsmouth.

25 Senator Ayotte: I want to thank Senator Shaheen. This

1 amendment that you worked with me on, Ayotte 21 that we have
2 adopted, hopefully will be a wake-up call for the Air Force
3 to work both with the city and the residents in the local
4 area to make sure that they are notified and there is
5 appropriate measures taken to assure people's health and
6 safety. Thank you.

7 Senator Shaheen: Thank you.

8 Senator Ayotte: Does anyone else have any business
9 that they like to offer before the subcommittee?

10 [No response.]

11 Senator Ayotte: Well, I want to thank everyone and
12 thank Senator Kaine for his work on this subcommittee.

13 Before we close, I would like to make a motion -- ask
14 someone to make a motion to adopt the subcommittee's report
15 -- full subcommittee report, as amended, today. If someone
16 would offer this motion.

17 Senator McCaskill: So moved.

18 Senator Ayotte: Thank you. Is there a second?

19 Senator Rounds: Second.

20 Senator Ayotte: All in favor?

21 [A chorus of ayes.]

22 Senator Ayotte: With that, this committee is
23 adjourned, and I thank all of you for your hard work.
24 Appreciate it.

25 [Whereupon, at 2:34 p.m., the hearing was adjourned.]