

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

POSTURE OF THE DEPARTMENT OF THE ARMY

Thursday, May 25, 2017

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1 HEARING TO RECEIVE TESTIMONY ON
2 THE POSTURE OF THE DEPARTMENT OF THE ARMY
3 IN REVIEW OF THE DEFENSE AUTHORIZATION REQUEST
4 FOR FISCAL YEAR 2018 AND
5 THE FUTURE YEARS DEFENSE PROGRAM

6
7 Thursday, May 25, 2017

8
9 U.S. Senate
10 Committee on Armed Services
11 Washington, D.C.
12

13 The committee met, pursuant to notice, at 9:36 a.m. in
14 Room SD-G50, Dirksen Senate Office Building, Hon. John
15 McCain, chairman of the committee, presiding.

16 Committee Members Present: Senators McCain
17 [presiding], Inhofe, Wicker, Fischer, Cotton, Rounds, Ernst,
18 Tillis, Sullivan, Perdue, Cruz, Reed, McCaskill, Gillibrand,
19 Blumenthal, Donnelly, King, Heinrich, Warren, and Peters.
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1 OPENING STATEMENT OF HON. JOHN McCAIN, U.S. SENATOR
2 FROM ARIZONA

3 Chairman McCain: Good morning.

4 The Armed Services Committee meets this morning to
5 receive testimony on the posture of the United States Army
6 and the fiscal year 2018 defense budget request.

7 I am pleased to welcome Robert Speer, Acting Secretary
8 of the Army, and General Mark Milley, Chief of Staff of the
9 Army. This committee is grateful for both of you and your
10 many years of distinguished service and your continued
11 leadership of our Army.

12 16 years of war have tested the Army, perhaps more than
13 any other service. But time and again, our soldiers have
14 met the test and proved their commitment, courage, and
15 determination. It is the duty of this committee and this
16 Congress to do their utmost to provide them with the support
17 they need and deserve.

18 That starts by recognizing that our Army is still at
19 war. At this moment, 186,000 soldiers are deployed in 140
20 locations around the globe. They are fighting terrorists
21 and training our partners in Afghanistan, supporting the
22 fight against ISIS in Iraq and Syria, all the while
23 reinforcing the defenses of our allies from the Korean DMZ
24 to NATO's eastern flank. The burden imposed on our soldiers
25 only grows as threats to our Nation increase and

1 sequestration remains the law of the land.

2 Given current operational demands, restoring readiness
3 must be the Army's first priority. But the sad reality is
4 that the focus on readiness issues in recent years has made
5 little to no difference. For yet another year, just over
6 one-third of the Army's brigade combat teams are ready for
7 deployment and decisive operations. Just three of the
8 Army's 58 brigade combat teams are at the highest level of
9 readiness. And the Army still does not plan to return to
10 full spectrum readiness until 2021 at the earliest.

11 The President's budget request is supposed to be
12 focused on restoring readiness. The buildup, the
13 administration says, will have to wait a couple of years.
14 That ignores what Army leaders have testified to this
15 committee, which is that inadequate end strength is forcing
16 the Army to consume readiness as fast as it produces it. In
17 other words, the Army will never truly restore readiness
18 until it begins to grow. Yet the President has submitted a
19 fiscal year 2018 budget request that calls for zero
20 additional soldiers.

21 Meanwhile, the Army is woefully behind on
22 modernization, and our soldiers are increasingly unprepared
23 to confront the harsh realities of 21st century warfare.
24 Analyses by the National Commission on the Future of the
25 United States Army, the Office of the Secretary of Defense,

1 and the Army itself have pointed to glaring capability gaps
2 in mobility, lethality, and survivability. These problems
3 will only get worse as adversaries such as Russia continue
4 to modernize their forces. Put simply, our Army lacks both
5 the adequate capacity and the key capabilities to win
6 decisively.

7 We cannot move quickly enough to modernize our Army and
8 give our soldiers the advanced capabilities they need to
9 prevail against a determined peer adversary. Yet today, the
10 Army has still not decided upon a comprehensive Army
11 modernization plan for the future. Indeed, despite the
12 great potential of advanced technologies, from active
13 protective systems to reactive armor to lethal munitions,
14 the Army does not have a major armored fighting vehicle
15 under design for the first time in nearly a century. It is
16 little wonder our current National Security Adviser, General
17 McMaster, remarked a year ago that the Army is -- and I
18 quote -- outranged and outgunned by many potential
19 adversaries.

20 The Army's modernization woes are undoubtedly connected
21 to the service's disastrous acquisition record over the last
22 2 decades: too many underperforming or canceled programs,
23 too few real capabilities fielded, and far too much taxpayer
24 money wasted. Tens of billions of dollars were squandered
25 on programs like the Future Combat System, the Comanche

1 attack helicopter, the Crusader howitzer, the Joint Tactical
2 Radio System, and the Distributed Common Ground System-Army.
3 Most recently, the committee has learned of the failure of
4 the Warfighter Information Network-Tactical, or WIN-T. This
5 program -- I urge my colleagues, if they do not pay any
6 attention to anything I say today -- this program has cost
7 the taxpayer over \$6 billion and has yet to meet the
8 requirements of our warfighters. \$6 billion.

9 But even with all that said, it is also true that the
10 Army will never recover from this troubled acquisition
11 history if it is paralyzed by fear of repeating it. This
12 committee has acted in the last two defense authorization
13 bills to empower the leaders of military services in the
14 acquisition process. I urge our witnesses to use these new
15 authorities to drive bold change.

16 Building a modern Army that can win decisively in the
17 harsh environs of 21st century warfare will require
18 visionary leadership. You will have to learn the lessons of
19 the past, make tough decisions, take and manage real risks,
20 and hold yourselves and those under your command accountable
21 for results. When you do so, you will always have an ally
22 in this committee because I believe our soldiers cannot
23 afford the false choice between readiness and modernization.
24 We can and must do better.

25 Senator Reed?

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

3 Senator Reed: Well, thank you very much, Mr. Chairman,
4 for holding this very important hearing. The Army is the
5 first service to testify before the full Senate Armed
6 Services Committee on their fiscal year 2018 budget request.

7 I would like to join you in welcoming Acting Secretary
8 Speer and General Milley at today's hearing. We commend
9 both of you gentlemen for your service to our country and
10 for your steadfast leadership of the Army.

11 In light of the new challenges facing the Army from
12 rebuilding readiness and modernization, it underscores how
13 important it is that we confirm a permanent Secretary of the
14 Army.

15 The President's fiscal year 2018 budget submission for
16 the Department of the Army includes \$166 billion in total
17 funding, of which \$137.1 billion is for base budget
18 requirements, and \$28.9 billion is for overseas contingency
19 operations. This represents roughly a \$5.1 billion increase
20 over the fiscal year 2017 request.

21 As the committee considers the Army's funding request,
22 we must always be mindful of our national security
23 challenges. It is highly unlikely that the demand for Army
24 forces will diminish in the near future. Currently more
25 than 180,000 soldiers, active, Reserve, and Guard, are

1 serving in over 140 countries, and while we continue to
2 field the most capable fighting force in the world, 16 years
3 of sustained military operations, focused almost exclusively
4 on counterterrorism, has taken a toll on the readiness of
5 our soldiers. Today, less than one-quarter of our Nation's
6 Army is ready to perform their core wartime missions, and
7 some critical combat enabler units are in far worse shape.
8 In addition, the evolving threats facing our Nation impacts
9 readiness as the Army needs to train to fight a near-peer
10 competitor in a full spectrum environment. Unfortunately,
11 while additional funding is important, it is not the sole
12 solution to restoring readiness levels. It will take both
13 time to rebuild strategic depth and relief from high
14 operational tempo.

15 I applaud the Army for making readiness their number
16 one priority, and General Milley, I look forward to your
17 thoughts on the Army's progress.

18 While readiness is vital, we cannot neglect investments
19 in the modernization of military platforms and equipment.
20 The Army's fiscal year 2018 budget request, \$27.8 billion
21 for modernization efforts, which includes \$18.4 billion for
22 procurement and \$9.4 billion for research, development,
23 test, and evaluation activities, is the current request. I
24 would like to know if our witnesses feel confident that the
25 funding for modernization is adequate.

1 A recent focus of this committee has been to improve
2 DOD acquisition processes, as the chairman mentioned, to
3 help reduce costs and to deliver the best new technologies
4 and systems for our operational forces more quickly. I hope
5 we can hear more about Army's successes in improving
6 acquisition, what role the Chief is playing in those
7 changes, and what, if anything, this committee can do to be
8 supportive.

9 In the area of personnel, the budget requests the same
10 active duty end strength as enacted in the 2017 NDAA while
11 again seeking measures to slow the growth of personnel
12 costs. The President's budget requests a pay raise of 2.1
13 percent; modernization of the military health care benefit,
14 including cost sharing fees; and further implementation of
15 the blended retirement system, which will begin in 2018. I
16 hope to hear from the witnesses their views on the
17 cumulative impact these changes will have on the Army and
18 its ability to recruit and train the best for military
19 service.

20 I applaud the Army for its integration of women into
21 all of its formations, without restriction, including combat
22 and special operations units, an evolution that I believe
23 will greatly enhance the Army's ability to fill the ranks
24 with the very best. The Army will need to recruit from all
25 corners to meet the higher end strengths, and it is

1 imperative that the Army not lower standards.

2 I understand there may be calls by some to increase the
3 Army's active duty strength in 2018 above the President's
4 budget request. I caution that there must be a plan in
5 place to use these additional personnel and to pay for them.
6 Training and readiness are important, even paramount, and
7 maintaining and enhancing the fighting ability of the force
8 we have must take precedence over recruiting a larger force
9 that may not be ready.

10 Finally, as I have stated previously, enforcing budget
11 discipline through the Budget Control Act is ineffective and
12 shortsighted. I believe the Senate in a bipartisan fashion
13 should repeal the BCA and establish a more reasonable limit
14 on discretionary spending in an equitable manner that meets
15 our domestic and defense needs. But while sequestration is
16 the law of the land, budget requests that exceed the
17 spending caps are not useful because they allow the military
18 to plan for funds that are likely not forthcoming, adding to
19 the uncertainty DOD seeks to avoid.

20 There are many urgent issues to discuss this morning.
21 I thank our witnesses for appearing before the committee. I
22 look forward to their testimony.

23 Thank you, Mr. Chairman.

24 Chairman McCain: Welcome, Secretary Speer.

25

1 STATEMENT OF HON. ROBERT M. SPEER, ACTING SECRETARY OF
2 THE ARMY

3 Mr. Speer: Mr. Chairman, distinguished members of the
4 committee, I speak to you on behalf of our soldiers,
5 civilians, families about the current state of America's
6 Army.

7 Your Army continues to march towards increased
8 readiness while gaining momentum on modernization. Over the
9 past year, the Army has been rebuilding readiness to counter
10 the threats to the United States and our allies. You have
11 heard General Milley talk about readiness as our number one
12 priority, and I have witnessed firsthand the readiness needs
13 as I visited soldiers across our Army over the past 4
14 months. I saw the strain a high demand for Army forces puts
15 on our total Army, their families, our civilian workforce.
16 Frequent deployments and aggressive training schedules
17 needed to prepare our units are taking their toll.

18 The pace of operations is as high as it has been in the
19 past 16 years. Units are as busy at home as they are when
20 they are deployed. I have seen and heard these impacts
21 watching training and learning from senior leaders,
22 soldiers, families at town halls like the one I recently
23 attended at Fort Bragg. Soldiers told me what they are
24 going through and the impacts of constant deployments and
25 training. I met soldiers training at Fort Stewart, and a

1 month later, I saw these same soldiers at the National
2 Training Center just months after returning from Europe,
3 adding additional stress to Army families.

4 I thank Congress for the fiscal year 2017 budget, a
5 critical step of easing the strains while rebuilding
6 readiness. Just a few weeks ago, I was with both regular
7 Army and National Guard soldiers working shoulder to
8 shoulder with our NATO partners in Europe. These forces
9 rely upon readiness investments you made to organize, train
10 and equip them, and make this country safe, deterring
11 Russian aggression and reassuring our allies in Europe.

12 Your funding stopped the decline of Army manning
13 levels. It ensured deploying units like the soldiers from
14 Fort Drum I met in Europe now have the increased flying
15 hours to fund readiness improvements. Fiscal year 2017
16 funding enables us to modernize aircraft, armored vehicles,
17 and air and missile defense systems. Your authorization has
18 also increased investments in our ammunition stocks and
19 upgraded infrastructure and production line capacities in
20 the Army's organic industrial base. This is a good first
21 step ensuring we have the munitions we need and into the
22 future.

23 Our \$137.2 billion fiscal year 2018 budget request
24 sustains 1,018,000 total Army. This Army will be capable of
25 meeting global obligations while investing in capabilities

1 for wartime operations and challenges. This budget builds
2 on the fiscal year 2017 by continuing readiness
3 improvements. It begins a long-term effort to improve long-
4 range fires, air missile defense, continues to replenish
5 munitions stocks and provide advance protective systems for
6 combat vehicle and aviation. It begins to fill shortfalls
7 in transportation capabilities, and it will sustain
8 increased armored brigade combat teams and combat aviation
9 brigades, both in high demand across the globe.

10 If we do not get the money we request, we will not be
11 able to modernize our Army and thus continue to mortgage our
12 future readiness. Above all, the Army needs sufficient,
13 sustained, predictable funding to restore balance and reduce
14 risk.

15 The Budget Control Act and continuing resolutions cause
16 uncertainty. They force us to make trades and prioritize
17 readiness over other investments, raise the defense caps.
18 It is far more cost effective for the Army to balance
19 current operations and future modernization when we can rely
20 upon predictable funding that extends beyond a single year's
21 budget.

22 We are the stewards of the funds you provide on behalf
23 of our Nation. We are committed to Secretary Mattis'
24 emphasis to rebuild and reform our processes and resources
25 efficiently and effectively.

1 To this end, the Army will conduct a financial
2 statement audit on 30 September this year and will remain
3 audit-ready. The Chief and I are aggressively reforming
4 acquisition processes. We must deliver capabilities to
5 warfighters quicker and at lower cost.

6 I want to provide every soldiers, civilian and family
7 members, the care and respect they deserve. The Army is
8 making progress against stamping out sexual assault, sexual
9 harassment, and retaliation, and other offensive behaviors.
10 As a former Army officer married to a former Army officer
11 and the father of four, this is a personal priority. We
12 demand respect among our soldiers and civilians and will not
13 tolerate destructive behavior in our formation.

14 In addition, our continuing Soldier 2020 initiative of
15 standards-based assignment regardless of gender is working
16 and saw success at Fort Benning, Georgia.

17 Thank you once more on behalf of the men and women of
18 our Army. Your funding for fiscal year 2017 restored the
19 balance to our Army. We are asking you to provide resources
20 in the fiscal year 2018 request and provide budget
21 predictability into the future. With your help, the Army
22 will continue to build readiness and modernize to meet the
23 challenge.

24 Thank you and I look forward to your questions.

25 [The prepared statement of Mr. Speer and General Milley

1 follows:]

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1 Chairman McCain: Thank you.
2 General Milley?
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1 STATEMENT OF GENERAL MARK A. MILLEY, USA, CHIEF OF
2 STAFF OF THE ARMY

3 General Milley: Thanks, Chairman McCain and Ranking
4 Member Reed, and all the distinguished members of the
5 committee for the opportunity to testify today.

6 I just want to take a moment to publicly express to our
7 great ally, the British people, the condolences of the
8 entire United States Army on the horrific attack against the
9 innocent in Manchester. This should also serve as a stark
10 and brutal reminder to all of us that our efforts against
11 ISIS and their fellow terrorists are righteous and just.
12 ISIS must be destroyed and ISIS will be destroyed.

13 For the past 16 years, the United States Army has
14 continuously provided trained and ready forces in
15 Afghanistan and Iraq as we simultaneously executed a wide
16 array of missions in support of the geographic commanders
17 around the world, as the chairman noted earlier, in Europe,
18 Korea, Africa, South and Central America, with 180,000
19 troops in 140 countries. About 40 or 50 percent or so of
20 the demand from the combatant commanders is met by Army
21 forces, and about 70 percent of unexpected emergent demand
22 is met by Army forces. The bottom line is the United States
23 Army continues to meet all missions required of us and we
24 still remain the best ground combat force in the world.

25 However, as the chairman earlier pointed out, the

1 United States is increasingly being challenged and gaps in
2 both capability and capacity have emerged. You, this
3 Congress, recognized that, and your support in the fiscal
4 year 2017 budget stopped the downward trend in readiness and
5 capacity for the Army. And the Army is making very, very
6 slow and very steady progress but slow progress in our core
7 warfighting skills across the total force, and we still have
8 much, much more work to do to achieve full spectrum
9 readiness and modernization.

10 And the most significant help we can get from Congress,
11 frankly, is a steady, predictable funding line, raise the
12 BCA top line, and stop using CRs from year to year.
13 Adequate and predictable funding is absolutely vital to
14 combat ISIS, fully recover our readiness, address capacity
15 and capability shortfalls, and is a critical first step to
16 set the conditions for improving future readiness that will
17 be needed in an unforeseen contingency. If the BCA and the
18 CRs continue to define our resourcing, then we risk
19 reversing our readiness recovery that has just begun, and it
20 will result in a hollow Army. And that will show up in the
21 blood of our soldiers on some unknown future battlefield.

22 While I recognize the Code Pink protesters behind me
23 and I recognize their right to protest, everyone should be
24 mindful that the right to protest is purchased with a
25 soldier's blood.

1 Combat is unforgiving, and it is more unforgiving on
2 armies that are not manned, trained, equipped, or well led.
3 Advances by our adversaries are real. It is not fake news.
4 Their advances in capability, capacity, and their increasing
5 willingness to use that military instrument of power in
6 foreign adventures.

7 The cumulative effect of persistent and destructive
8 budget instability is increasing risk not only for the Army,
9 but for the Nation. Readiness, capacity, and capability to
10 deter or, if necessary, to fight and win wars is very, very
11 expensive. And we know that. But the cost of preparation
12 is always far less than the cost of sacrifice and the pain
13 of regret. The current battlefield against terrorists is
14 already very lethal, but a future battlefield against a
15 near-peer or regional threat will prove far more lethal.
16 Our adversaries study us and they are rapidly leveraging
17 technology, improving their capabilities, and are clearly
18 asserting themselves in many ways both seen and unseen. I
19 am telling you time is not our ally. Witness the almost
20 weekly provocations by North Korea, to cite just one
21 example.

22 We request your support for this budget, which we
23 recognize increases the defense caps imposed by the BCA, but
24 we need this and we need it now before it is too late.

25 Specifically, the Army requests congressional support

1 for our readiness and modernization priorities. In
2 readiness, we want to retain the end strength increases
3 authorized in the fiscal year 2017 bill to fill the force
4 structure to combat levels of manning. We want to continue
5 investment in high quality home station and combat training
6 center OPTEMPO and the operations and maintenance to support
7 that. We want to increase our aviation and ground maneuver
8 capacity, replenish critical ammunition stocks, and continue
9 supporting our efforts to maintain aging equipment. In
10 modernization, our future readiness by another term, we ask
11 for your support for air and missile defense, long-range
12 fires, preferred munitions, mobility and lethality
13 improvements for our brigade combat teams, active protection
14 systems for air and ground capabilities, assured mission
15 command electronic warfare, cyber, and vertical lift.

16 We recognize that the American taxpayer entrusts us
17 with a significant amount of money to meet those
18 requirements, and we will be diligent stewards of our
19 resources and enforce accountability to make effective use
20 of every dollar. And, Senator McCain, I commit to you that
21 we will not make the mistakes of the past in the acquisition
22 process.

23 Your support the fiscal year 2018 budget will ensure
24 our soldiers are ready for the missions of today, as we
25 prepare for the unforeseen conflicts of tomorrow.

1 I thank you for the opportunity to testify and look
2 forward to your questions.

3 Chairman McCain: Well, thank you, General Milley, and
4 thank you, Mr. Secretary.

5 Mr. Secretary, do you believe the return of the Budget
6 Control Act caps for 2018 is the most critical and immediate
7 threat that the Department of Defense is facing?

8 Mr. Speer: Mr. Chairman, I absolutely do. The Budget
9 Control Act caps for our defense puts us at tremendous risk.
10 If they return, we would lose \$15 billion of purchasing
11 power, which would degrade readiness, it would degrade our
12 modernization even further.

13 Chairman McCain: And OCO is a gimmick.

14 Mr. Speer: And the funding for OCO cannot be relied
15 upon for the long run, and we need that predictable funding.

16 Chairman McCain: General Milley, I was struck. You
17 mentioned the words "hollow Army." And this committee has
18 not heard that since General Shy Meyer came over and said it
19 back in the 1970s. How far away are we from a hollow Army?

20 General Milley: I believe, Senator, that if we
21 continue on the road and we execute the BCA and go back BCA
22 caps in fundings and continuous CRs, it will result in a
23 hollow Army.

24 How far away? I think right now what you did last year
25 was you stopped a downward trend. You halted it, stopped

1 the bleeding, so to speak. We turned the corner, and we
2 are, in fact, making slow but steady progress in readiness.
3 If that stops, we will eventually, in the not too distant
4 future, have a hollow Army and put soldiers at risk on the
5 battlefield.

6 Chairman McCain: And the trend as you see it right
7 now?

8 General Milley: For the Army's trend in terms of
9 readiness, I think we have stopped it, stopped the downward
10 trend, and I think we started to recover last year with the
11 monies that you gave us.

12 Chairman McCain: But --

13 General Milley: We have a long way to go.

14 Chairman McCain: But the fact is that this budget may,
15 at least as far as readiness is concerned, just stop the
16 bleeding. Right? It does not address the urgent need for
17 modernization. Is that a correct statement?

18 General Milley: There is modernization, obviously, in
19 the budget. We put about 26 percent or so into
20 modernization. But that is relative because in 2008, we had
21 roughly speaking three times that amount of money into
22 modernization. And if you go back 15 or 20 years, it is
23 significantly more. So your assessment is correct. Our
24 modernization has been sacrificed for current readiness.

25 Chairman McCain: Can I just, again, go back to this

1 acquisition? Future Combat System, \$20 billion; Comanche,
2 \$5.9 billion; Crusader, \$2.2 billion; helicopter, \$500
3 million; Ground Combat Vehicle, \$1 billion; Distributed
4 Common Ground System-Army, \$3 billion; Joint Tactical Radio
5 System, \$11 billion. And of course, now we are looking at
6 this WIN-T debacle. As you know, 2 years ago, we passed
7 legislation that gave you a lot more control over
8 acquisition. What has happened since then? And control and
9 input I guess is a better description.

10 General Milley: And I thank you for that, and we have
11 made actually quite a bit of reforms in the acquisition
12 system already. It is not 100 percent complete yet, but a
13 key thing that we have done is reinserted the commanders
14 into the acquisition process. For many years, it was staff-
15 centric.

16 I am personally inserted into it in a big way, along
17 with the Vice Chief of Staff of Army. We reenergized what
18 was called an AROC system which had gone fallow for a while,
19 and that is meeting weekly and it determines the
20 requirements of the systems. We have also initiated the
21 RCO, the Rapid Capabilities Office. The bottom line is what
22 we are trying to do is through insertion of the Chief and
23 others in uniform into the acquisition system, is to reduce
24 the time and speed up the procurement and get the taxpayer
25 the best bang for the buck, so to speak.

1 Chairman McCain: And yet, it still seems to take years
2 before --

3 General Milley: It does. It is frustrating.

4 Chairman McCain: You know, somebody told me the other
5 day that the aircraft that I flew, the A-4 -- when they put
6 out A-4 Skyhawk, that it took 4 weeks. 4 weeks and they
7 were ready to let a contract. Now we were just discussing a
8 new replacement for the incredibly failed LCS, and they said
9 we may be ready for an RFP by 2020.

10 What is the difference, General? And if some of us
11 feel frustrated, it is hard for us to continue to fight for
12 more money when we see \$6 billion wasted on one program. So
13 give me some comfort, either one of you?

14 Mr. Speer: Well, Chairman, I think you heard some of
15 it already in terms of that, and we thank you for what you
16 have allowed already to push it down, the role of the Chief
17 back into that pushing it back down to the services and more
18 rapid decisions. A lot of that \$40 billion plus you just
19 read off are a disgrace.

20 But at the same time, we are getting after -- we cannot
21 hold the future mortgage notes. So we do need to modernize.
22 The list the Chief gave you is a good start. We are working
23 on a regular basis to push those down, involving costing,
24 doing strategic portfolio analysis the Chief is heavily
25 involved in. We have got to get costing and quicker

1 decision-making processes and make informed rapid decisions
2 in fielding this equipment.

3 Chairman McCain: Is it of interest that 90 percent of
4 defense spending is in the hands of five companies?

5 Senator Reed?

6 Senator Reed: Thank you very much, Mr. Chairman.

7 General Milley, Army readiness -- the brigade combat
8 team is, as I understand, now roughly 30 percent. Is that a
9 fair judgment about the readiness status?

10 General Milley: Roger. That is correct. The exact
11 readiness I would be happy to brief you or your staffs in a
12 classified session, but as an order of magnitude, sure.

13 Senator Reed: We are in that ballpark.

14 General Milley: Right. And the goal, of course, is 66
15 percent.

16 Senator Reed: 66 percent. And what are the two or
17 three key steps that you have to take, you think, to get
18 from what it is today to that 66 percent?

19 General Milley: There are several of them, but the
20 most significant right now, the drag, if you will, is
21 manning. Many of these units are not at the full manning
22 level, and that drags down their readiness in terms of the
23 reporting system we have, but also in terms of going out to
24 training and/or deployment. We have a significant amount of
25 non-deployables still. We have dropped that number by two-

1 thirds over the last 5 years. But there is still a
2 significant amount of non-deployables. So if we fill units
3 at 95 percent and you have 10 percent non-deployables, it
4 takes you to 85 percent. You take away the day-to-day
5 grind. You are down to 80 percent or less that goes out to
6 training. That is not a good thing. You should at least be
7 90-95 percent when you go out to training, you go to the
8 Combat Training Center, JOTC. So manning is a critical drag
9 on the system.

10 We have made improvements because of the money you gave
11 us in terms of spare parts and making the equipment better.
12 So that is a good news story there. But the manning has
13 continued to drag.

14 So with the authorization in 2017 to take us to 476,
15 what we want to do is make the existing force structure
16 whole. There are some minor force structure increases in
17 this budget request. But we want to make the force
18 structure that does exist complete, whole, and fully ready
19 before we move on to the next step, which is expanding the
20 Army.

21 Senator Reed: In that regard, I understand 10 percent
22 of the non-deployable personnel are non-deployed for medical
23 reasons.

24 General Milley: About 85 to 90 percent actually are
25 medical. The rest of them are legal and other reasons.

1 Senator Reed: And how are you trying to get at that?
2 Is there something in terms of enhanced training or
3 lifestyle or anything else? That seems to be a significant
4 problem.

5 General Milley: Yes. The majority of those are
6 orthopedic type injuries. Most are recoverable with some
7 extended profiles. So they are non-deployable in the short
8 term. Total Army, out of the 1 million-plus troops, about
9 20,000, about 2 percent or so, are hard down. They will
10 never be able to deploy. And those we are working through
11 the IDEF system. And the number of days it takes to process
12 them has come down from well over a year, in the 370s-390s
13 range of days. We got it down by 100 days to 270. So we
14 are trying to chip that away so that reduces the number of
15 permanent, non-deployables down, and the VA then picks up
16 their care. But there are several things we have to do
17 internal to the organization.

18 Senator Reed: One thing I assume you have to do is
19 improve recruitment and retention in order to just fill up
20 the current existing force structure. Is that accurate?

21 General Milley: Our recruitment and retention right
22 now at this point are meeting the goals. Last year, we had
23 100 percent across the board. To date this year, we are
24 about 80 percent or so for recruitment and we are about 75
25 percent to date -- of course, the year is not finished yet

1 -- on retention. With the increase in the end strength
2 authorization to 476, we significantly increased the
3 recruiting and retention missions. I think we will be
4 within 1 percent, plus or minus, of achieving that by 1
5 October.

6 Senator Reed: In terms of modernization, there is a
7 tendency to make incremental improvements in equipment. As
8 the chairman pointed out, when it takes so long to develop a
9 new system, that incremental improvement is, in many cases,
10 almost obsolete by the time it gets to the troops. If you
11 are looking for a leap-ahead system, is there one out there
12 that you think would make a huge difference?

13 General Milley: It depends on the category. In the
14 area of shoot, there are some technologies in laser,
15 electromagnetic guns. There are some things being done with
16 powders, et cetera that can reduce the footprint of powder.

17 So there are some significant enhancements in the S&T and
18 R&D world that we are exploring aggressively, and some of
19 those are already being employed by the Navy in quantities
20 but they are not sufficient yet for ground combat.

21 In terms of move, there are a lot of things that we are
22 looking at in terms of robotics and autonomous systems.

23 Chairman McCain mentioned the tank. I could not agree more.
24 The M1A1 Abrams tank was commissioned when I was a
25 lieutenant in 1980. That would be the equivalent of someone

1 coming in, when I was commissioned, training on the M4
2 Sherman from World War II. His comment about quoting H.R.
3 McMaster about outgunned and outranged is accurate. We need
4 a significant 10X level improvement in our ground combat
5 vehicle, in our tank, in Bradley.

6 Is there something on the horizon? We are going to
7 continue with incremental improvements to those two systems
8 in the near term while we explore the possibility for 10X
9 improvement. There are some bright lights out there. Look,
10 for example, at what Tesla just did. They have cars now
11 that were \$100,000 and \$40,000, and they just beat out GM
12 and Ford, and they do not have an engine. They are running
13 on a battery. There are some serious possibilities in there
14 for application to military use, and we are looking at that.

15 There are some exploratory studies being done in
16 materials, significant material development that can provide
17 the same protective power at a much significantly less
18 weight. So there are things in the area of move. You know,
19 move should communicate sort of binning.

20 For communications, Chairman McCain mentioned WIN-T and
21 the others. The communications architecture of the United
22 States Army -- and I would argue even the United States
23 Department of Defense -- is a critical capability and at the
24 same time, a critical vulnerability, as it is for most other
25 nation states. And there is some significant -- and I do

1 not want to go into too much on it for classification
2 purposes. But there are some significant changes and
3 improvements that must be made in the short term on our
4 ability to have assured communications. And I will just
5 leave it at that.

6 Senator Reed: Thank you very much.

7 Thank you, Mr. Chairman.

8 Chairman McCain: Senator Inhofe?

9 Senator Inhofe: Thank you, Mr. Chairman.

10 We have had hearing after hearing after hearing, and we
11 talk about the threat level that is there. And I think we
12 all agree. But I want to talk about that.

13 But on this acquisition thing, I was 8 years in the
14 House on the House Armed Services Committee before coming
15 over here 20 years ago. With a business background, it
16 drives you crazy to see these things happen. The FCS. We
17 went through this thing, and I guess the figure on that, the
18 chairman just talked about, is \$20 billion. That was from
19 2001 to 2010. And then along came the Crusader. I was here
20 during that time. That actually was terminated by Bush in
21 his administration.

22 So when you make the statement, General Milley, that
23 you do not want to make the mistakes of the past, how can
24 you do that unless we improve the acquisition system? You
25 were complimentary of the chairman that we have made last

1 year some changes where you have a greater impact on making
2 those decisions. But still they were made by the
3 administration. In fact, in the case of the Crusader, one
4 of the really outstanding guys on the House Armed Services
5 Committee resigned. He quit because of the fact that we
6 got-- you get that huge investment. Then you turned around
7 and abandoned it.

8 So I guess my question to you is, is what we did in
9 starting to give you more latitude and helping with those
10 decisions on acquisition and terminations -- do we need to
11 go further?

12 General Milley: I believe, yes, we do. But I do
13 appreciate the reforms that were made in the last cycle, and
14 they have made a difference. And I can see that in several
15 systems, small systems like the pistol -- you saw that -- up
16 to larger systems that we are doing for like the ITEP engine
17 for the UH-60 and several other programs that are out there,
18 the PIM program for the Paladin and others that are out
19 there. So there is a difference being made. In terms of
20 big ticket items like a brand new tank or a brand new
21 helicopter, no, not yet. And part of that is because of
22 limitations in current and existing technologies.

23 So I do think there has been progress made, and I do
24 think that the enhanced authorities that were given to the
25 chiefs has made a difference and I appreciate that.

1 Senator Reed: You mentioned the PIM program, which of
2 course was taking an old system and upgrading it as opposed
3 to a brand new system. Was that the right decision at that
4 time?

5 General Milley: I believe yes. Again, it goes back to
6 technologies. My assessment is we are on the cusp, within
7 10 years, of a fundamental change in the character of
8 warfare and the character of ground warfare.

9 Senator Inhofe: You also talked about in response to
10 the question -- I think it was Senator McCain -- about a
11 hollow Army. I chaired a committee of the Vices just 3
12 weeks ago, and at that time, it was Wilson with the Air
13 Force, and he had said we are already there in the Air Force
14 in terms of the hollow Air Force. A few of us up here are
15 old enough to remember the Carter administration and how we
16 tried to recover from that. I am sure we are trying to keep
17 from having that happen again.

18 Now, before Senator Sullivan starts talking because he
19 is going to penetrate this a lot more than I will because
20 there is not time, but when you look at all the threats that
21 are out there, a lot of us have come to the conclusion that
22 really North Korea is it for two primary reasons. One, it
23 is run by a mentally deranged guy that no one can predict.
24 And secondly, they are rapidly getting to the point, as came
25 out from the examination by Senator Sullivan yesterday or

1 the day before with that capability. I think they said it
2 is not a matter of if but when.

3 So just concentrate, if you would, just on North Korea
4 for the remainder of my last 45 seconds here if you agree
5 with us in terms of that being the greatest threat.

6 General Milley: Well, Senator, we are in a current war
7 against ISIS and probably the greatest capability out there
8 remains Russia. But clearly North Korea is probably the
9 most dangerous, close, in terms of time, threat in my view
10 that the United States faces. And they are rapidly
11 developing an intercontinental ballistic missile with a
12 nuclear weapon attached that can range the continental
13 United States. And I do not think that we should allow
14 that, and I do not think that is the policy of this Nation.
15 And I believe the President of the United States, when he
16 says that if China does not solve it, the United States
17 will. So I think that is the right approach, but I do think
18 it is increasingly dangerous. There is no question the path
19 they are on. I do not want to go into things that we would
20 do, but it is dangerous.

21 Senator Inhofe: I do believe in the hearings that we
22 have had, both the civilians and uniforms alike have talked
23 about how great the threat is. And I appreciate the fact
24 that you are doing it. We do not have the credibility out
25 on the stump to talk about this, and particularly when you

1 have a media who does not believe you. But with the
2 military talking about it, I think that is significant. So
3 I do applaud you and the others for not veering away from
4 the threat that is out there and it is very real.

5 Thank you, Mr. Chairman.

6 Chairman McCain: Senator Blumenthal?

7 Senator Blumenthal: Thank you, Mr. Chairman.

8 Thank you both for your distinguished service to our
9 Nation.

10 I want to pursue the questioning on North Korea. You
11 said close in terms of time to developing an
12 intercontinental ballistic missile. How close?

13 General Milley: I would rather take that into a
14 classified session, Senator, with all due respect. And
15 there is a variety of analyses out there, and there are
16 ranges. And I would be happy to walk you through at least
17 what I know from my perspective, and we can get some experts
18 in to brief you as well, if you would like.

19 Senator Blumenthal: Would the American people be well
20 served by more information about this threat so that they do
21 appreciate what the facts are?

22 General Milley: I think that is probably an accurate
23 statement, sure.

24 Senator Blumenthal: And in terms of the troops that
25 the United States Army has at potential risk from

1 conventional artillery, how many would you estimate are in
2 harm's way?

3 General Milley: Well, the United States has publicly
4 28,500 troops of all branches in Korea. Roughly speaking,
5 about 20,000 of those are Army. And North Korea tube,
6 conventional tube, and rocket artillery has extensive range.
7 It can range all Seoul. It can range most of the military
8 compounds. So our troops are at risk in Korea.

9 Senator Blumenthal: In your testimony, you mentioned
10 the importance of vertical lift in the Army's modernization
11 priorities. And as you know better than any of us, the
12 Blackhawk has served the United States Army for some 35
13 years. It continues to be the aviation backbone of the
14 Army. Could you tell us what the state of negotiations are
15 for the next procurement of Blackhawks?

16 General Milley: We have got -- I want to say -- 48
17 that we have put into this budget. We are also working on
18 the ITEP engine which is equally as important as the
19 airframe in order to enhance the capability of the Blackhawk
20 to fly at high altitude, around 6,000 feet or so, and at
21 high temperatures around 95 degrees. So both the
22 procurement of additional helicopters and the modernization
23 of an improved engine are significant for the lift
24 capability of the Army.

25 Senator Blumenthal: Was the expectation from the

1 future years defense program projected for fiscal year 2018
2 not that there would be 60 not 48 helicopters in the budget?

3 General Milley: I would have to go back and check that
4 number, Senator.

5 Senator Blumenthal: Do you believe that more than 48
6 are necessary?

7 General Milley: Yes. I mean, in order to flesh out
8 and replace existing aircraft. Sure. When we get past
9 2018, we have plans to do that.

10 Senator Blumenthal: A number of your colleagues, heads
11 of services, have said that the greatest threat or perhaps
12 one of the greatest threats, if not the greatest threat, to
13 our Nation is cyber. And I have noted in your testimony
14 that relatively little analysis has been included about
15 cyber.

16 General Milley: Cyber is a very serious threat.
17 Others have testified openly that the opening shots of a
18 large-scale conflict are likely to begin with cyber, and
19 various people have testified to that and you see that in
20 writings. And I would probably concur with that. Cyber is
21 a very serious capability out there.

22 What we in the Army are doing is fielding 61 what we
23 call cyber protection teams, and 41 of those are in the
24 regular Army and 21 -- or correction -- 20 are in the -- 41
25 and 21, 62 -- for the National Guard and the United States

1 Army Reserve. Of the ones in the regular Army, they should
2 all reach full operating capability by the end of 2018.

3 Senator Blumenthal: The chairman and I have noted --
4 and I apologize for interrupting you, but I am limited in
5 terms of time -- that there really is no cyber strategy.
6 Without a cyber strategy, there can be no cyber policy. I
7 think I am quoting almost directly what the chairman said
8 yesterday. And that has been a failing, to be very blunt,
9 under a number of administrations. Would you agree that we
10 need a cyber strategy to determine, for example, what is an
11 act of cyber war? How do we respond to a cyber attack in
12 the cyber domain?

13 General Milley: A fair question. And I think that
14 that needs to be debated. It is a question that needs to be
15 asked and answered. It is not asked and answered right now.
16 Well, what constitutes an act of war in cyberspace? And I
17 am certainly not in a position to answer that.

18 But in terms of capability, the Army does have a cyber
19 strategy for capabilities, capability development. And our
20 emphasis is on defense for the Army. The national part does
21 offense. The service is doing defense. And what is
22 important for us is to protect our network, protect our
23 ability in the electromagnetic spectrum from everything from
24 degraded operations or a complete shutdown, all the way to
25 spoofing and mimicking and so on and so forth.

1 We have set up, as far as I know, in the world live
2 cyber range at the National Training Center. So all of our
3 tactical units now are cycling through the training center
4 where they are being exposed to an enemy, free thinking up
5 for out at the training center, that executes high end cyber
6 operations against our own units. And our soldiers are
7 learning to come to grips with that. It is a very
8 interesting thing to go watch to see how our forces operate
9 with the WIN-T or any of the other communications systems we
10 have where they are under constant attack from the enemy.
11 And they are getting degraded, and we have to relearn how to
12 operate with limited degraded communications and our
13 connectivity to higher headquarters and the JC units.

14 So we do have a strategy for capability development,
15 but the national strategy you are talking about -- I think
16 that is fair.

17 Mr. Speer: I would like to also add to that. When it
18 comes also to the individuals and the people we are
19 assessing and training, of the 41 active components, cyber
20 teams, 33 of them are already mission capable, fully mission
21 capable. Another eight are initial capabilities. The Cyber
22 Center of Excellence, as well as private industry, are
23 working out on a regular basis to incorporate additional
24 capabilities and understanding. And we are assessing
25 individuals on training and development into the reserve

1 components as well.

2 Senator Blumenthal: Thank you, Secretary Speer. Thank
3 you, General.

4 Chairman McCain: Senator Wicker?

5 Senator Wicker: Secretary Speer and General Milley,
6 let me start off by asking about the Lakota, the Army's
7 primary training helicopter and how the situation currently
8 affects the industrial base. The last production contract
9 was awarded in 2015. There is an ongoing legal dispute
10 which is expected to remain in the courts until late this
11 year. Absent new orders soon, the manufacturing plant may
12 be forced to lay off workers.

13 The fiscal year 2017 omnibus appropriated \$198 million
14 to purchase 28 Lakotas. And there is a clear directive in
15 the language the Army must obligate the funds to buy
16 Lakotas, although this has not happened.

17 I know this is an important program because the Army
18 requested \$100 million in fiscal year 2018 for 13 additional
19 Lakotas.

20 But how are we coming on the directive to obligate the
21 funds to buy the 28 Lakotas from the fiscal year 2017
22 omnibus bill, and where are our prospects for moving along
23 on the 2015 contract?

24 Mr. Speer: Senator, I think you hit it initially. We
25 need the Lakotas in terms of the training base and get them

1 down there in terms of Rucker to go. The 2017 funding is
2 held up in that same protest. So we need to buy against
3 that contract to be able to deliver on a timely basis, and
4 that current contract is under protest, and we hope that
5 will be resolved next quarter of this year. Then we will be
6 able to put the additional funds on contract and request an
7 additional 28.

8 Senator Wicker: So that would be July, August, or
9 September.

10 Mr. Speer: We are hoping so, later this summer, yes.

11 Senator Wicker: And, General, you do agree that this
12 is a very important program?

13 General Milley: I will be candid, Senator. It is
14 important. It has utility. But a Lakota aircraft will not
15 survive a nanosecond in combat. It is good for
16 administrative use. It is good for running soldiers around
17 at home station, and it is very good for training.

18 Senator Wicker: It is a training --

19 General Milley: It is a training platform. So I do
20 not want to overstate its importance. What we need to
21 invest our aviation dollars into primarily are combat
22 utility aircraft and attack aircraft. The Lakota has a
23 purpose. It has a place in the system. That is why we put
24 the money in there, but I do not want to overstate or
25 elevate its importance within the pantheon of aviation.

1 Senator Wicker: Well, let me shift to one other thing
2 in the time I have remaining. I want to ask about MRAPs.
3 In 2013, the Army decided to divest a large portion of
4 MRAPs. Things are different now than they were in 2013. We
5 are ramping back up in Afghanistan. ISIS is more of a
6 threat than it was then. Is it time to take a fresh look at
7 the MRAP program?

8 Mr. Speer: I think in terms of the MRAPs, we did
9 retain a set of MRAPs for this kind of operation and
10 contingency, and I believe we have sufficient MRAPs of
11 different varieties and variants to support. Now, I can go
12 back and look and come back to you in terms of the latest
13 review on MRAPs, but the current threat in terms of decisive
14 action, training, and obligation is where the biggest risk
15 is for the longer term. We do, I believe, have sufficient
16 variants of MRAPs to do operations against ISIS or
17 counterterrorism.

18 Senator Wicker: Thank you.

19 And thank you, Mr. Chairman.

20 Chairman McCain: Senator King?

21 Senator King: Thank you, Mr. Chairman.

22 I want to talk a bit about procurement to either or
23 both. What lessons has the Army learned from the
24 procurement problems that we have had in the past with the
25 Comanche, the Crusader, Future Combat System? Are there

1 lessons learned that we can apply to future acquisitions?

2 Mr. Speer: We could spend all day on the lessons
3 learned on those. And I think we got after a lot of them.
4 First of all, we took the decision-maker --

5 Senator King: I only have 5 minutes.

6 Mr. Speer: I got it, Senator. Part of the decision,
7 if you look at the laundry list, was we removed the
8 decision-maker from where the functional decision of the
9 requirement was. We have built in layers and layers of
10 decision-making processes that took too long. Cost was not
11 an informed cost. We made decisions at the end of the
12 requirements after we spent a lot of money when we could
13 have made discoveries much earlier on.

14 So that is part of what the Chief is getting at and I
15 am getting at in terms of this. We have got to get cost
16 early in front. We have got a decision allowed to fail up
17 front. We got to be able to prototype on those things. And
18 we have got to put the warfighter back into the decision
19 process down where the execution of that program goes.

20 Senator King: Was one of the problems expansion of
21 requirements and complexity of requirements?

22 Mr. Speer: I think the complexity of the requirements
23 expanded and it had always been there technology-wise. But,
24 again, the requirement was best understood by the
25 individuals who were building the requirement and have to

1 provide feedback on how well they are doing with the
2 requirement on the delivery of the capability.

3 Senator King: Well, General Milley, on this point, we
4 had a very interesting hearing in the Airland Subcommittee a
5 couple weeks ago on a new rifle for the Army to replace the
6 M-4. One of the things we learned was that the current M-4
7 caliber ammunition will not penetrate the newly developed
8 body armor of our adversaries, which is to me a disaster in
9 waiting.

10 Your thoughts on a new weapon and how do we do the
11 procurement in a timely and cost effective way and avoid
12 some of these problems that we have had in the past. First,
13 do you think this is an important area of attention? And
14 second, can we pull it off in a reasonable amount of time at
15 a reasonable cost?

16 General Milley: I think yes and yes. I think it is
17 critically important. 70 percent of American casualties are
18 ground forces, typically infantry, special forces type
19 units, or units performing infantry missions. And the small
20 arm and the other equipment, to include body armor, SAPI
21 plates, and so on is critical, and we ought to be providing
22 the very, very best for our soldiers that our Nation can
23 provide.

24 The 5.56 round -- we recognize that there is a type of
25 body armor out there that it does not penetrate -- we also

1 have that body armor ourselves -- and that adversarial
2 states are actually selling that stuff on the Internet for
3 about 250 bucks.

4 So, yes, there is a need and there is an operational
5 need, and we think we can do it relatively quickly.

6 The key on any of these things is not so much the
7 rifle. It is the bullet. It is the ballistics of the
8 bullet. And down at Fort Benning, we have done some
9 experiment and developmental work. We think we have a
10 solution. We know we have developed a bullet that can
11 penetrate these new plates.

12 Senator King: Does this bullet require a new rifle?

13 General Milley: It might but probably not. It could.
14 The bullet can be chambered in various calibers. I do not
15 want to get into the technicals of ballistics, but it can be
16 modified to 5.56, 7.62 or --

17 Senator King: Is there a possibility of an off-the-
18 shelf, an existing rifle that could be an upgrade to the
19 M-4?

20 General Milley: Yes. There are several options out
21 there.

22 Senator King: And that would be an option.

23 General Milley: There are absolutely options.

24 Senator King: I commend that option to you.

25 The fiscal year budget request holds the Army end

1 strength at 476,000, 343,000 National Guard, 199,000
2 Reserve. Are those numbers sufficient in your professional
3 judgment to meet the challenges that we have in terms of
4 readiness and assuming a higher level of training and
5 readiness? And secondly, how long does it take? If we
6 decide we need 10,000 more or 20,000 more end strength, how
7 long does it take to get from decision to troops in the
8 field?

9 General Milley: The first part of that question, is it
10 enough, so to speak. That depends on what we are asked to
11 do. Secretary Mattis is leading a very rigorous and
12 detailed strategic review of the defense planning guide into
13 the national military strategy. That review will be done
14 probably sometime in the fall. When that review is done,
15 that will give us our baseline of how big and what
16 capabilities we will need across the board as a military,
17 not just the Army.

18 In the meantime, we do already have a national military
19 strategy and a defense planning guidance. As I testified
20 last year, I thought that the capacity and the size of the
21 force and the capability and the modernization of the
22 weapons systems did not meet that. And 476 improves it, but
23 no, it still does not meet the worst case requirements that
24 are outlined in the national military strategy and the
25 defense planning guide.

1 Senator King: Second question. How long does it take
2 to build up?

3 General Milley: Well, to build units -- to put a
4 brigade together from scratch I would say would take about 3
5 years to get them at a reasonable level of training. But
6 soldiers coming through basic training and AIT, individual
7 replacements -- they are falling in on existing force
8 structure and existing units, and that takes considerably
9 less time. And then one of the things we are introducing in
10 this bill is security force assistance brigades which are
11 essentially chains of command of an infantry chain of
12 command, for example, an infantry brigade. They will be
13 used for deployment overseas to do advise and assist
14 missions, like what you see in Iraq and Afghanistan today.
15 That will free up the brigades that are there. We will put
16 those back together again. And then it will shorten the
17 timeline for rapid expansion. We plan on introducing five
18 of those. We have got two in this particular budget for the
19 request.

20 So it varies by type unit, but on average I would say
21 between 1 and 3 years, 3 years being the outside to put
22 together enough of the force and the collective training
23 assuming you had the people and the money to support that.

24 Senator King: Thank you.

25 Thank you, Mr. Chairman.

1 Chairman McCain: Senator Cotton?

2 Senator Cotton: Gentlemen, thank you for your
3 appearance this morning.

4 I want to return to an issue that Senator McCain foot
5 stomped in his opening statement, WIN-T, the Warfighter
6 Information Network-Tactical. It is the way the soldiers
7 communicate on the battlefield. In 2003, the Army planned
8 for future combat systems that would, among other things,
9 network together soldiers and vehicles. That program was
10 canceled in 2009 at the cost of approximately \$18 billion.
11 WIN-T was part of the Future Combat Systems program. After
12 Future Combat Systems was canceled, it was another attempt
13 by the Army to conduct secure battlefield communications and
14 networking.

15 General Milley, I have seen credible reports that WIN-T
16 has ineffective line-of-sight communications, is not
17 survivable. It is too fragile to survive in a contested
18 environment, and has an electromagnetic signature so loud
19 that it particularly would call for enemy artillery on the
20 top of its users' heads. Have you seen similar reports?

21 General Milley: Yes. And what we have done is, with
22 the authorities the chairman and the committee and the
23 Congress gave us a couple years ago, I and the Vice Chief of
24 the Army, along with a small group of people are driving a
25 rigorous, thorough, and painful review of the entire

1 communication electromagnetic capabilities of the U.S. Army,
2 which WIN-T is one part of, because we have the same
3 concerns.

4 Frankly, my concern is these systems may or may not
5 work in the conditions of combat that I envision in the
6 future with this changing character of warfare because of
7 what you just cited, line-of-sight, electromagnetic
8 spectrum, the inability to operate on the move, the
9 inability to operate in large, dense, complex urban areas or
10 complex terrain. And there is a whole series of other
11 things. And it is fragile and it is vulnerable.

12 So we are taking a very, very, very deep, hard, and
13 wide look. We have probably got about 6 weeks or so because
14 what I want to do is make sure I can get it into any changes
15 to this cycle, the markups that we can, if we need to.
16 There are piece parts of it that work very well. There are
17 others that are not so good. And we are taking a hard look.

18 And as you may or may not be aware, I have received a
19 letter from the House with 176 signatures on it and a letter
20 from the Senate with several signatures on it asking me to
21 accelerate that program. I am not going to accelerate it
22 until I am convinced it will work in combat against the
23 enemies of our country that may be coming in the future.

24 So that is kind of where we stand right now. But I owe
25 you and this committee and others a rigorous review within

1 about 4 to 6 weeks or so.

2 Senator Cotton: Thank you, General. I am aware of
3 those letters. My first priority is delivering functional
4 systems to our warfighters on the front lines. My second
5 priority is good value for our taxpayers. The political
6 implications of these contracts in members' districts are a
7 very low priority compared to those for me, as I am sure
8 they are for you as well. We have spent about \$6 billion so
9 far on WIN-T. Have we not?

10 General Milley: That is correct.

11 Senator Cotton: If the program is not working, it does
12 not seem, like you say, that we should be accelerating more
13 money into that program until we can get it to work or we
14 can find a replacement. Is that a fair assessment?

15 General Milley: Correct. And that is where we are at.
16 And I am trying to figure out exactly what parts of it could
17 be accelerated or brought online, others that we need to not
18 continue to put good money after bad, and make sure that the
19 system as a whole -- a holistic review of the system -- is
20 something that is going to be effective in what we think
21 will be a dynamic, combined arms maneuver fight on a very,
22 very highly contested and lethal battlefield.

23 Senator Cotton: Well, I appreciate that and I
24 appreciate the effort you have put into not just these kind
25 of communications programs. We have discussed before the

1 Distributed Common Ground System and its problems. You were
2 discussing earlier some of the issues with small arms that
3 the Army has had. I want to encourage you to continue to
4 use those authorities. Most of these problems arose long
5 before you took office. But I want to encourage you to
6 continue to try to address them and resolve them at the
7 speed that our warfighters need, not the speed of
8 bureaucrats in Washington.

9 I want to turn briefly to the European Reassurance
10 Initiative. I know you have taken it very seriously. I am
11 encouraged by the heel-to-toe deployments we have seen of
12 armored BCTs as part of the initiative. Do you think a
13 permanent armored BCT presence would be preferable, though,
14 to a perpetual state of deployment?

15 General Milley: My recommendation, my preference for a
16 lot of reasons is a rotational schedule, heel-to-toe
17 rotational schedule, which has the effect of a permanent
18 unit in there in terms of battlefield effect, but it does
19 not come with the cost and overhead of a permanently
20 stationed force. I know Chairman Thornberry in the House
21 has asked us to take a look and cost that out. Others are
22 interested in permanent stationing.

23 At this point, my recommendation is continued
24 rotational forces vice permanent station. What that gets
25 you is flexibility when you are over there where you can

1 move from one country to another because these forces will
2 not be pinned down to a single installation. You will not
3 have to resurrect all the commissaries, the PXs, and the
4 schools, et cetera. Families will not be put into a
5 potential conflict zone, and you will get battle focused
6 training and increased unit cohesion for the unit training.
7 I think the way to go is rotational for the brigade combat
8 team, but I am willing to take a good look at it.

9 Senator Cotton: Thank you.

10 Mr. Speer: Senator, could I add to that? When I
11 visited the ERI operations currently in Europe, I would add
12 that the brigade commander said the same thing in terms of
13 units. It is the best training he has had, how well he was
14 spread across the theater of operations. If he were
15 stationed in one location, he would have to go across and
16 spread his organization anyhow on a recurring basis.

17 The combat aviation brigade may be a different
18 situation. There were challenges there, but I think we are
19 working through this. There were tremendous lessons learned
20 coming out of that kind of rotation for readiness.

21 Senator Cotton: Well, thank you. And I have heard
22 similar things on my trips to the Baltics, an important
23 reminder for the American people that we are not just
24 deploying troops there for the benefit of those nations but
25 for the very good training that our troops receive there as

1 well. Thank you, gentlemen.

2 Chairman McCain: General, the WIN-T program has been
3 in existence for over a decade. Is that correct?

4 General Milley: That is correct. Yes, Senator.

5 Chairman McCain: So should we expect a decision on
6 WIN-T on the part of the administration at some point after
7 we have spent \$6 billion?

8 General Milley: Yes.

9 Chairman McCain: Do the taxpayers of America not
10 deserve something better than that?

11 General Milley: Absolutely. And that is why we began
12 4 months ago -- the Vice and I and others --

13 Chairman McCain: So it took 9 and a half years before
14 we undertake an extensive review.

15 Senator Heinrich?

16 Senator Heinrich: Thank you, Chairman.

17 Secretary Speer, yesterday the Army's budget was
18 released, and again there were no military construction
19 projects to support the testing and evaluation missions at
20 White Sands Missile Range. That actually makes 18 years in
21 a row now, and certainly White Sands is not alone. So I am
22 concerned that the Army is not currently prioritizing
23 testing infrastructure, nor are the other services. I know
24 that others share my concern that the Pentagon is not doing
25 enough to upgrade our testing capabilities, which would

1 ultimately allow us to keep our competitive edge over our
2 adversaries.

3 So, Secretary, do you believe that the Department is
4 effectively managing and allocating resources for military
5 construction projects at our test ranges?

6 Mr. Speer: I think broadly as part of the overall
7 situation within military construction, we still continue to
8 take a little bit of risk in the military construction.
9 What we do find -- and I believe -- and I can go back and
10 confirm this -- within is we put additional restoration and
11 modernization to upgrade facilities within the budget, which
12 included the test range. We doubled that amount this year
13 for restoration and modernization. We have a \$10.8 billion
14 backlog in such restoration and modernization requirements.

15 Senator Heinrich: I would just urge you to look really
16 closely at test ranges generally. I think you are taking a
17 lot more risk there than you are in other places, and it is
18 just absolutely critical in terms of developing the
19 technologies that are going to pay off for our warfighters
20 in the future.

21 In a related issue, as you are aware, White Sands is
22 managed by the Army, but it is a test range that the Air
23 Force uses as well, the Navy uses, obviously, the Army uses.
24 Does it make sense for the Army to be the only service
25 responsible for funding major military construction projects

1 on what is a tri-service testing range?

2 Mr. Speer: Well, Senator, much like other
3 installations, we are the executive agent or we are the
4 owner of it. That is the way we prioritize. We work
5 together with our sister services to identify requirements
6 across the joint community, and I think we will continue to
7 do so. I think it has been in the past predictable funding
8 and level of funding to get at the stability to take care of
9 things on a recurring basis, and we took risk over time on
10 those things. You have my commitment. I will go back and
11 review those things because I would agree, as part of what
12 we talked about earlier in the acquisition process, earlier
13 testing and the ability to look at things earlier in the
14 testing cycle is very important.

15 Senator Heinrich: I appreciate your commitment on
16 that.

17 And I want to just highlight one military construction
18 project at White Sands in particular because it sort of
19 tells the story of what is being passed up over the course
20 of the last 2 decades. The network communications center
21 for the range was built in 1962. It actually caught fire a
22 couple years ago, but it has not been a priority in recent
23 years. And I think in the era of big data and technology, a
24 modern information facility is pretty critical for
25 transmitting the vast amounts of data that pass through

1 White Sands at this point for the data that is being
2 generated during those tests. So that is just one
3 particular example.

4 General Milley, I really appreciated your comments
5 earlier about some of the things that are on the horizon in
6 terms of emerging technologies and some of the things that
7 are really right in front of us. And in April, Admiral
8 Harris testified before this committee and stated several
9 times that we have no defense against North Korean rockets,
10 North Korea artillery, North Korean mortar rounds. From a
11 defensive standpoint, does the Army have an effective
12 indirect fire protection capability at this time?

13 General Milley: Against what type of indirect fire?
14 Rockets, missiles?

15 Senator Heinrich: Rockets, artillery, mortar rounds.

16 General Milley: We have capabilities that can shoot
17 down incoming missiles. That is THAAD Patriot.

18 In terms of bullets, tube artillery, or close-range
19 rockets, we are experimenting right now with hyper velocity
20 capabilities. We think we can field those pretty shortly.
21 I think you have seen some of that both in the media and
22 have been briefed on it by Will Roper at DOD. That is an
23 Army program he is working on and we are funding that. And
24 that will be important if we can make that happen, and that
25 will increase significantly our capability to shoot down

1 incoming rounds.

2 Senator Heinrich: In addition to kinetics, which tend
3 to be incredibly expensive on a per round basis, I was very
4 pleased to see that the Army budgeted for next generation
5 weapons systems by funding the 50 kilowatt high energy laser
6 on a Stryker vehicle. And I think that shows enormous
7 potential, not just potential. I think we are at a place
8 now where we have shown that we can shoot down mortars with
9 realistically funded lasers and do it on a very low cost per
10 shot capability. So I would urge you to continue to focus
11 on that.

12 General Milley: But I do not want to mislead you.
13 These programs are not ready for prime time yet in the
14 fielded force. So you are talking several years there of
15 consistent, predictable funding to make those real,
16 developed, and distributed to the force -- several years.
17 If an event happens prior to then, there is significant risk
18 to those enemy weapons systems that you talked about.

19 Senator Heinrich: I think we may differ on just how
20 far out that timeline is.

21 General Milley: Okay.

22 Chairman McCain: But the fact is the situation today
23 is that they literally have the capability to set Seoul on
24 fire. Is that correct?

25 General Milley: I think that North Korean capability

1 that is arrayed north of the DMZ is very significant, and it
2 would do unbelievable damage. It would be a tragedy of
3 immense proportions on the City of Seoul with 27 million
4 people and a population density of four times that of New
5 York City. It would be huge. And their tube and rocket
6 artillery alone can pump in a quarter of a million rounds a
7 day into that city. It would be huge. It would be
8 enormous.

9 Chairman McCain: Thank you.

10 Senator Sullivan?

11 Senator Sullivan: Thank you, Mr. Chairman.

12 And, General Milley, Mr. Secretary, good to see you.
13 General and Mr. Secretary, I appreciated the opportunity to
14 visit yesterday.

15 I wanted to follow up on Senator Inhofe's questions
16 with regard to North Korea. So it has been stated a number
17 of times in this committee by military experts that it is no
18 longer a matter of if but when North Korea is going to have
19 an intercontinental ballistic nuclear missile that can range
20 the entire United States of America. Do you agree with that
21 assessment? If but when.

22 General Milley: Well, I would say it depends on what
23 we do, Senator.

24 Senator Sullivan: Well, let me actually get to that.

25 And by the way, I actually agree with Senator

1 Blumenthal's point about allowing the American people to
2 have a sense of when that may or may not be approaching. Of
3 course, there are estimates, both classified and
4 unclassified, but I think getting it out there will prepare
5 the U.S. public for a really challenging national security
6 issue that I do not think a lot of people are paying
7 attention to.

8 Yesterday in testimony or 2 days ago in testimony,
9 Director Coats stated it was the policy of the United States
10 to prevent that capability from ever being realized. Is
11 that your understanding of the policy, General?

12 General Milley: Absolutely. My understanding of the
13 current United States Government's policy is to prevent
14 North Korea from fielding an intercontinental ballistic
15 missile with a nuclear weapon to strike the continental
16 United States.

17 Senator Sullivan: So that is a red line in some ways.

18 General Milley: I would not use that word. I do not
19 use any words like that. But I believe that is the U.S.
20 policy, is to prevent that capability from being fielded by
21 North Korea.

22 Senator Sullivan: So if we had to take action against
23 North Korea to prevent that from happening, would your U.S.
24 Army forces and the entire weight and power of the U.S.
25 military dominate the battlefield to make sure we achieve

1 that goal, if we had to?

2 General Milley: I believe yes, but I do not go much
3 beyond that. Absolutely yes. Us and the ROK Army would
4 dominate the battlefield. North Korea would not succeed,
5 and North Korea would lose. The cost would be huge, but
6 North Korea would lose.

7 Senator Sullivan: Let me -- actually two questions.
8 Do you need anything more? What do you need from this
9 committee or the Congress to ensure that we would dominate
10 and prevail if that day, God forbid, ever came?

11 General Milley: I think the priorities that we laid
12 out in our opening statements and are in the budget -- that
13 is what I think we need. And most importantly, we need
14 predictable funding over time.

15 Senator Sullivan: Let me ask. General, you and I have
16 both talked about the book, T.R. Fehrenbach's "This Kind of
17 War," a number of times, the whole issue of no more Task
18 Force Smiths. Could you describe what a war with North
19 Korea would look like and would it be similar to what we
20 have seen over the last 15 years in Iraq and Afghanistan?

21 General Milley: No, it would not look anything like
22 the war in Iraq and Afghanistan.

23 Senator Sullivan: What would it look like?

24 General Milley: Well, it depends on, you know, our
25 actions, action, reaction, counteraction. There are several

1 different possibilities. And I do not want to go into any
2 great detail on any of them.

3 Senator Sullivan: What would it likely look like?

4 General Milley: If there was a full-blown on the
5 Korean Peninsula, just as Secretary of Defense Mattis said
6 the other day, it would be tragic on an unbelievable scale,
7 and the levels of violence would be immense and it would be
8 the likes of which the world has not seen since the Second
9 World War. It would be huge, and there would be huge
10 amounts of casualties.

11 Senator Sullivan: On both sides.

12 General Milley: On both sides, yes. It would be
13 horrific. I do not want to go into the details of what that
14 would look like, and that would get into the realm of
15 speculation of our contingency plans, and that would be
16 inappropriate in an open hearing.

17 Senator Sullivan: You emphasized in a recent interview
18 that our soldiers through their training need to be able to
19 be miserable again to -- I do not think you used the term,
20 but it was mentioned in an article in the "On the Rocks"
21 magazine -- embrace the suck, as they say in the Marine
22 Corps and the Army. Are we conducting that kind of rigorous
23 training right now, do you believe, that would prepare for
24 that kind of T.R. Fehrenbach like "This Kind of War" where
25 we do not have logistics bases? We have miserable,

1 miserable conditions. People are suffering. Are we
2 conducting that kind of training to prepare our forces.

3 General Milley: Yes. We have shifted back to combined
4 arms maneuver on a dynamic battlefield against a high end,
5 near-peer threat. And we have shifted away from fixed
6 sites, constant flows of -- in our training constant flows
7 of logistics. And we have gone through 16 years of war
8 where we conditioned as an institution COPs and FOBs, and
9 some of those had pretty significant quality of life
10 capabilities. Others were very austere. There were many
11 COPs up in Afghanistan or Iraq that were not very well
12 outfitted at all.

13 By my point in saying what I said about being miserable
14 is that we have got to train ourselves and condition
15 ourselves for a type of war in which you are unlikely to
16 have this steady stream of continued logistics beyond
17 perhaps water, ammunition, food, and some medical. But all
18 these other things, you know, chew huts, hot showers every
19 day, sleeping in a bed, so on and so forth -- those will
20 probably not be available if we fight against a highly
21 competitive dynamic regional or near-peer power. The land
22 battle will be unbelievably violent and units will have to
23 move every hour or 2 just to survive. And logistics and
24 lines of communications will be cut off, and units are going
25 to have to be able to be independent of thought and mind.

1 Your communications are going to be degraded. It is going
2 to be significant, and we need to train to that. And that
3 is exactly how we have shifted our training in the last
4 couple of years.

5 Senator Sullivan: Thank you.

6 Thank you, Mr. Chairman.

7 Chairman McCain: Senator Warren?

8 Senator Warren: Thank you, Mr. Chairman.

9 And thank you for being here today.

10 I want to quickly ask about the importance of our non-
11 military agencies' programs to the Army's mission. I have
12 asked every combatant commander the following question, and
13 to a person, they have almost all given the same answer.
14 General Milley, would a significant reduction in funding to
15 the State Department and other non-defense security agencies
16 and programs make the Army's job of defending America easier
17 or harder?

18 General Milley: Well, Senator, I am not going to
19 comment on funding levels for other agencies.

20 Senator Warren: I am not asking you to.

21 General Milley: I would just say that we in the Army
22 or we in the military -- armies do not go to wars. Nations
23 go to wars, and we need and require in combat operations and
24 most importantly to secure the gains of combat operations,
25 secure the peace, so to speak -- we need the State

1 Department, USAID, FBI, Commerce, CIA, all these other
2 agencies because the military does not do things alone. We
3 do it as part of an interagency and joint team and an allied
4 team.

5 Senator Warren: Thank you very much, General. You
6 know, I agree. The administration is seeking nearly a 30
7 percent reduction in the Department of State and USAID. Our
8 military is critically important to our security, but we
9 cannot forget that non-military programs are also critical
10 enablers of our military so that you can do your job and so
11 America can do its job.

12 I want to ask you another question, and that is about
13 the WIN-T system. I understand there has already been some
14 conversation about it. I know that there were significant
15 problems with the first version, delays, but that those
16 seemed to be solved in the 2.0 version of this. And more to
17 the point, there is no obvious substitute. This is the only
18 communications program that is available for the Army that
19 works on the move.

20 And so the question I have relates to this. General,
21 you said several times that on the future battlefield, it is
22 imperative that soldiers keep moving. And you told the
23 Association of U.S. Army at their annual meeting last year
24 that in the Army of the future, if you stay in one place
25 longer than 2 or 3 hours, you will be dead.

1 But as I understand it, under the current timeline, it
2 is going to take the Army about 20 years to fully field the
3 upgraded WIN-T system. And in 20 years, that upgraded
4 system is likely to be obsolete.

5 So given your comments about the importance of constant
6 mobility, the fact that this is our communications in a
7 circumstance where we have got to have a lot of mobility,
8 why is the Army taking so long to field this piece of
9 equipment?

10 General Milley: Well, I mean, you missed some previous
11 comments. But right now, it is under a rigorous review that
12 is being led by senior leadership of the Army, the Secretary
13 and the Vice Chief of Staff of the Army. And I have
14 concerns about not only WIN-T, but WIN-T is a subset of a
15 larger network of systems. And I have concerns about its
16 interoperability, line of sight to operate in complex
17 terrain, its survivability and vulnerability to enemy
18 systems, its ability to operate on the move.

19 The bottom line is I have some serious hard questions
20 that have not yet been satisfactorily answered as to whether
21 this is going to work. And I believe I will come to that
22 resolution within the next 6 weeks or so. And like I told
23 Senator McCain, I will be happy to and I intend to report
24 out to you on the status of that. So I am reluctant to
25 accelerate anything unless I know this thing is going to

1 work.

2 On the second part of it as to why has it taken so
3 long, I mean, that is one of my concerns. A system that is
4 not going to get fielded -- it has already been in
5 development for 10 years. A lot of this stuff is already
6 out of date. So the entire acquisition approach, especially
7 in information technologies -- we need to review that. It
8 is one thing to build rolled homogenous steel and guns and
9 tanks and vehicle systems. But the technological speed of
10 advance in the commercial sector on information technologies
11 is far more rapid than anything that the government's
12 acquisition system is capable of handling. So by the time
13 we even come up with the requirements and start doing
14 prototyping and experiments and tests, these systems are
15 already out of date.

16 So there is a fundamental issue in the IT world -- it
17 is not just WIN-T -- it is much broader than that causes me
18 to be skeptical from an acquisition and procurement
19 standpoint on WIN-T in particular but other systems involved
20 in it as well.

21 Senator Warren: Well, I appreciate that, General, and
22 I appreciate our responsibility to try to make the
23 procurement system work better and work better for you,
24 particularly in an area where there is a lot of innovation
25 and change over time.

1 I also assume -- and I am glad you are looking at this
2 -- that if the WIN-T system is working and we do not have
3 another substitute, that we will make a decision and then
4 try to move quickly on it one way or the other.

5 General Milley: Right.

6 Senator Warren: Thank you, General.

7 Thank you, Mr. Chairman.

8 Chairman McCain: Senator Ernst?

9 Senator Ernst: Thank you, Mr. Chairman.

10 Thank you, gentlemen, for being here today.

11 I appreciated Senator King's comments talking about
12 small arms and the need for modernization and the fact that
13 our 5.56 does not penetrate Russian body armor. I think
14 that was a really important point that was brought out at my
15 subcommittee hearing and one of the reasons I think many of
16 us will agree on the need to prioritize small arms
17 modernization in this year's NDAA.

18 So, General Milley, once the Army does settle on a
19 caliber, then would you rather have something that could be
20 specifically built for infantry forces and the Army at
21 large, or would you accept something that could be purchased
22 off the shelf?

23 General Milley: I do not know that the two of those
24 are mutually exclusive. There are systems out there today
25 on the shelf that, with some very minor modifications, could

1 be adapted to munitions that we are developing at Fort
2 Benning that could be used to penetrate these SAPI plates
3 that our adversaries are developing. So it is not
4 necessarily an either/or proposition on that one. I think
5 there are weapons out there that we can get in the right
6 caliber that can enhance the capability of the infantry
7 soldier.

8 Senator Ernst: That is good and I am glad to hear you
9 say that because I think there could be some potential
10 savings if we are looking at systems that could be modified,
11 taken off the shelf and used for our soldiers. I think that
12 would be something that would be very beneficial to our
13 forces.

14 Retired General Scales testified at that subcommittee
15 hearing, and he spoke about a weapon that could fill the
16 role of both the machine gun and the rifle, a light machine
17 gun and the basic rifle. So is the need for the machine gun
18 -- would that be a higher priority than that of just a basic
19 rifle, or would they be at the same level of priority?

20 General Milley: I mean, they are both very important.
21 They complement each other. I think what he is talking
22 about is what the Marines are adopting is the M-27. We are
23 taking a hard look at that and are probably going to go in
24 that direction as well, but we have not made a final
25 decision on it.

1 But infantry squads, infantry platoons -- they got to
2 have an automatic weapon for suppression. They got to have
3 the individual weapon as well. So you need both. It is not
4 one or the other. You have to have both in order to be
5 effective in ground combat.

6 Senator Ernst: Absolutely. Thank you, General, very
7 much.

8 Today I am introducing a bill with Senator Gillibrand
9 that would require each branch of the military to educate
10 service members on sexual assault prevention before they
11 actually leave for boot camp and if they choose to do the
12 delayed entry program, which many of our young men and women
13 do. The bill also states that those classes should be
14 conducted in person and cover the proper use of social
15 media. So we would actually have a live human being
16 standing in front of those young men and women presenting
17 that class rather than taking a computer course or just
18 reviewing PowerPoint slides on their own.

19 Sexual assault really is a societal problem, and we
20 really do need to have continuous education on that. And we
21 do do that once we have members in the service. But we
22 really do need to start as soon as possible. And what more
23 can we do to curb military sexual assault in the Army?

24 Mr. Speer: Well, Senator, I think we are doing a lot
25 and we are continuing to adapt more. We are working with

1 private/public partnerships with folks within the national
2 colleges. I think you may have heard already from Bob
3 Caslen at West Point. He is doing the same thing to the
4 TRADOC schools.

5 I saw something I was very excited about. I know you
6 talk about personal people in terms of teaching, but I saw
7 some very immersive type leader training using synthetic
8 training environments providing very real individuals who
9 provide input through those systems of their life story and
10 how to combat, how they respond, and what happened to them.

11 So there are a lot of things that will cross either
12 through individual training incorporating into the
13 schoolhouses that we continually try to educate leaders on
14 how to handle, to educate individuals that they need to come
15 forth and provide that they have been assaulted or harassed.
16 But anything that we find that we find useful and improves
17 the situation is definitely welcome to look at.

18 Senator Ernst: Very good. I am glad to hear that. I
19 just think there is more that we can do. The point is to
20 prevent the problem before it ever happens. And so that is
21 the intent of this bill is to get the message out before
22 they even enter into the service. And I have often thought
23 that it should be one of their peers rather than like the
24 old lady of the battalion standing in front of them and
25 lecturing them. So just having that human face-to-face

1 contact I think will be very important in moving this
2 forward.

3 So thank you, gentlemen, very much for being here
4 today.

5 Thank you, Mr. Chair.

6 Chairman McCain: Senator Peters?

7 Senator Peters: Thank you, Mr. Chairman.

8 And, gentlemen, thank you for your excellent testimony
9 here today. It has been fascinating.

10 Earlier this month, Major General William Hicks, the
11 Director of Strategy, Plans and Policy in the Office of the
12 Deputy Chief of Staff, indicated that the Army is -- and I
13 will quote him -- thickening our armor posture going forward
14 and plans to create a 16th armored brigade team through
15 conversion. And this is on top of plans to create a 15th
16 armored battalion next year.

17 So with that, I would be interested to better
18 understand the Army's plan for additional armored brigades
19 and to equip those brigades with some more modern versions
20 of both the Abrams tank and the Bradley fighting vehicles.

21 General Milley: In short, over the last 15-16 years of
22 combat, we rewickered the Army and created a highly dense
23 infantry force, and we reduced our armored capability, as
24 our air defense, our artillery, et cetera. As we come out
25 of a war against terrorists and insurgents or we shift gears

1 a little bit and start looking at near-peer regional
2 competitors, it is clear to us that we need to rebalance the
3 force structure with additional armored capability. So that
4 is the logic behind it.

5 Our armored brigade combat teams right now are at a
6 less than a 1-to-2 deployment-dwell ratio. So we need
7 additional armored capabilities. So we made a decision to
8 go ahead and convert an infantry brigade combat team at Fort
9 Stewart and put that back into tanks and make that an
10 armored brigade combat team. We intend to do the same thing
11 in the coming year.

12 As far as equipping that, we have had to do a pretty
13 sophisticated set of logistics moves that AMC and General
14 Gus Perna are doing that with Forces Command and General
15 Abrams, but I think we will be successful in making that
16 transition and equipping those armored forces. But that is
17 a critical capability that we need to do to rebalance the
18 force.

19 Senator Peters: Well, having said that, General -- and
20 I agree that that is a critical capability particularly with
21 the changing nature of some of the threats particularly in
22 Europe. And I appreciated your earlier comments about
23 having a forward presence in Europe to help our allies as
24 part of the European Reassurance Initiative. And I know
25 both of you mentioned -- Secretary Speer you mentioned this

1 as well in your written testimony about the growth of Army
2 prepositioned stocks in Europe, which include both, at
3 division headquarters, two armored brigade combat teams and
4 a field artillery brigade.

5 So my question is how are we doing when it comes to
6 prepositioning some of this vital heavy equipment in Europe,
7 and is there anything else that you may need from Congress?

8 Mr. Speer: You know, I got the chance to go see that,
9 and they are doing extremely well. As a matter of fact,
10 there is an emergency deployment readiness exercise where we
11 used the enhanced systems sets out of the prepositioned
12 stock to train and show deployment capability of those.
13 They are loading, bringing it between the 2017 and 2018
14 funding that we have received and are requesting, fills
15 those position stocks that you just laid out. In addition
16 to that, NATO is adding at Povitz a NATO-funded location to
17 add that part of the prepositioned stock in Poland.

18 We are not fully up in terms of, I think if I recall
19 right, four of the nine prepositioned stocks are fully 90
20 percent capable. But some of the funding -- we need
21 predictable, long-term funding to make sure we can continue
22 to field those prepositioned stocks and then, in addition to
23 that, make sure that we upgrade and get the most current
24 systems being fielded traded out.

25 Senator Peters: General, do we need additional armor

1 prepositioned in Europe?

2 General Milley: We are planning to do that and that is
3 the update that Secretary Speer just gave, was the equipment
4 sets that are over there, armored equipment sets, as far as
5 in addition to a rotational brigade, so you will end up with
6 one Stryker, one airborne, one armored brigade, and then
7 there is a division headquarters over there, along with the
8 enablers of artillery and aviation and so on.

9 Is there a requirement for more? That is really a
10 geopolitical question. What does it take to deter further
11 aggression from the Russians? How much American ground
12 forces are required in combination with air and naval forces
13 in order to deter any more aggression, say, into the Baltics
14 or anywhere else beyond the Ukraine? And those are under
15 study and analysis. We think that is an adequate amount of
16 force right this minute, but conditions can change. So I
17 would have to update you later if conditions change. We
18 think our plan right now for ERI is adequate to the need.

19 Senator Peters: Thank you.

20 Chairman McCain: Senator Rounds?

21 Senator Rounds: Thank you, Mr. Chairman.

22 Gentlemen, thank you for your service to our country.

23 When we first envisioned the cyber force nearly 7 years
24 ago, the threat was far different than what it is today. As
25 the role of cyber in military operations has matured and as

1 we look towards the need to develop a cyber deterrence
2 strategy, I am curious as to whether or not we should be
3 evaluating whether the size or composition of the force is
4 sufficient to meet the growing demand. Is there a process
5 underway to determine if 62 Army cyber teams is sufficient,
6 and if not, should there be one?

7 General Milley: There is a process. It is led by
8 Lieutenant General Nakasone. He is the commander of our
9 cyber. And as you recall Army cyber is a subordinate
10 component headquarters or organization to USCYBERCOM led by
11 Admiral Rogers.

12 There is a continuous evaluation in terms of need. I
13 expect, frankly, in the coming years it to grow. We just
14 made it a branch a short while ago. We have established an
15 Army Cyber Center of Excellence down at Fort Gordon. We
16 brought in a couple of thousand young soldiers that joined
17 that branch. It is one of the more popular branches coming
18 out of the military academy and ROTC to seek commission in.
19 I frankly think we are in the very early stages of the
20 growth, significant growth, of a cyber branch within the
21 United States Army and more broadly across all of the
22 services within DOD. So I fully expect to grow in the
23 coming years in the cyber realm.

24 Senator Rounds: Section 1647 of the fiscal year 2016
25 NDAA required the cyber vulnerability assessment of all

1 major weapons systems by the end of 2019. How is the Army
2 supporting these assessments, and what, if anything, can you
3 share in what I recognize as being an unclassified forum
4 about the work that is being completed?

5 General Milley: I would actually like not to do that
6 in an open hearing other than to say we are actively
7 participating in the vulnerability assessment and to say
8 that Army systems, like every other system, in both civil
9 society and the military -- most of them have cyber
10 vulnerabilities, and we are working very, very, very hard
11 and as fast as humanly possible to put in protective
12 measures both organizational, training, doctrine, but also
13 equipment, software and hardware. It is an area of big
14 focus. And I would like to stop there in terms of the
15 specifics.

16 Senator Rounds: Let me just ask. You have had a
17 number of questions and comments today about WIN-T. Is that
18 system WIN-T considered a major weapons system with regard
19 to a determination of cyber vulnerability?

20 General Milley: Yes.

21 Senator Rounds: So the WIN-T is also undergoing the
22 same cyber vulnerability tests as the other major weapons
23 system.

24 General Milley: Yes.

25 Senator Rounds: Thank you.

1 Let me ask. Section 1650 of the fiscal year 2017 NDAA
2 required the cyber vulnerability assessment of Department of
3 Defense critical infrastructure by the end of 2020. How is
4 the Army supporting those assessments, and what, if
5 anything, can you share in this, once again, unclassified
6 forum about the work?

7 General Milley: I would let the Secretary answer that,
8 but I would give you the same answer.

9 Mr. Speer: I would give you the same answer. But I
10 think you have seen some anecdotal stuff, for instance,
11 where both the Pentagon is using Hack the Pentagon. You
12 have seen us doing Hack the Army and some cyber assessments
13 to see how well the software and some of the things that we
14 have the capabilities and the infrastructure to protect.
15 But I think the rest is left unsaid.

16 Senator Rounds: Thank you.

17 General Milley, you indicated earlier in your
18 conversations today that -- and I am going to paraphrase
19 somewhat -- within 10 years, there will be a fundamental
20 change in the way that we conduct warfare. Could you just
21 elaborate on that a little bit, please, for us?

22 General Milley: Sure. I separate it into two.

23 One is the nature of war, which I think is immutable
24 and is unlikely to change, and that has to do with war is a
25 form politics by violent means. It is fog and friction and

1 fear and confusion and so on and so forth. Those sort of
2 human things that are out there -- that is probably not
3 going to change. It has not changed in 10,000 years. It is
4 probably not going to change in the future.

5 But the character of war does change on occasion, and
6 one of the drivers -- not the only driver -- is technology.
7 Other drivers are social change, et cetera. So one of the
8 things that led, for example, to Napoleon's success was a
9 political change in France, a revolution, that allowed him
10 to have a levee en masse, that allowed him to have an Army
11 of the people, so to speak. And he was fighting against
12 other armies of monarchs whose soldiers were either
13 mercenaries or draftees. They did not have a choice. But
14 the French people of Napoleon's army thought they were
15 fighting for a country and a cause, and they bought into
16 this thing. So that was an example of a political change
17 that changed the character, and that enabled Napoleon to
18 conquer Europe.

19 Other technological changes or things like the rifle or
20 the barbed wire or the introduction of the airplane, tracked
21 vehicles, mechanization, the radio -- and they were very
22 significant in between World War I and World War II.

23 Today what I perceive happening is the confluence of
24 societal changes that are rapidly happening. We are moving
25 beyond 6 billion people in the world, getting to 8 billion

1 people in the world, and roughly speaking about 90 percent
2 of them are going to be living in highly dense, complex
3 urban areas. And if war is about politics and politics is
4 about people, wars and armed conflict, especially on the
5 ground part of it -- they are going to be fought in urban
6 areas, highly complex, dense urban areas. That is a
7 significant fundamental societal change to change how the
8 American Army fights, where we fight, what the doctrine is,
9 how we train the leaders, things like the communications
10 systems and so on and so forth. We are going to have to
11 adapt to that change, and that is coming within, for sure,
12 10 years.

13 The other technological things like the introduction of
14 lasers, rail guns, robotics, autonomous systems, artificial
15 intelligence -- they are fast approaching very, very
16 quickly. And they will be, I believe, a significant
17 introduction into both air, maritime, space, cyber, and
18 ground warfare. If you combine all of those things together
19 -- and there are many, many more -- I think you end up with
20 a fundamental change in the character of war. And what will
21 be important is that country which connects those dots and
22 applies those new technologies and those societal changes
23 and adapts the best -- those countries will prevail. Those
24 countries that do not -- they will fail. They will lose a
25 war. And there is nothing more expensive than that. So

1 when I said time is not on our side, that is part of what I
2 meant.

3 We have got to urgently move out because our
4 adversaries are moving out. Russia and China are moving
5 out. And North Korea -- we see it every week. They are
6 moving towards the development of nuclear weapons. The
7 United States of America needs to step up our game when it
8 comes to these changes because we are facing a fundamental
9 change, and we need to end up on the other end of that
10 change in a better position than we are right now.

11 Senator Rounds: Thank you, Mr. Chairman.

12 Chairman McCain: Senator Perdue?

13 Senator Perdue: Thank you, Chair.

14 Thank you both for being here and for your service.

15 General Milley, back in February -- and first of all, I
16 am embarrassed and I want to apologize that we are sitting
17 here having to have this type of conversation. We are
18 sitting here at a time when the U.S. Army is the smallest it
19 has been since World War II. And the disinvestment,
20 particularly in the last 8 years, threatens the security of
21 our country. General Mattis said it best, that the national
22 debt is the greatest threat to our national security. And
23 here we see why.

24 I want to talk about readiness first. I have one
25 question quickly after that.

1 General Allen just in February before the Subcommittee
2 on Readiness told us that one-third of our BCTs, one-fourth
3 of our combat aviation brigades, and half of our division
4 headquarters -- only half -- were deemed ready at that
5 point. He also went on to say that only three of our, I
6 think it is, 58 BCTs in total, including Guard and Reserves
7 could be called upon to fight tonight.

8 How does this budget proposal allow you to address
9 that? And by the end of 2018, if you were to get the
10 amounts in this request, how many of our BCTs would be ready
11 to fight? And how would you assess the readiness that we
12 just described here?

13 General Milley: Our readiness objective for the
14 regular Army is 66 percent of the formations are at the
15 highest level of combat readiness, and our objective for the
16 reserve component, both National Guard and U.S. Army
17 Reserve, is 60 percent of their enabling capabilities.

18 Right now, that comment about a third -- that is still
19 relatively true. I would rather give you a detailed -- it
20 has changed since General Allen has testified, and it has
21 gotten a little bit better. But as I briefed earlier, it is
22 slow progress, not the level that I would like to see.

23 With this budget, with the completion of the 2017
24 budget, we still have part of that year to go. And the
25 enactment of the 2018 budget -- I think we will see

1 significant improvement because readiness is cumulative, and
2 I think based on our current projections, assuming we hold
3 constant things like OPTEMPO and we get steady, predictable
4 funding, then I think you will see significant improvement
5 in readiness by the end of 2018 for sure. It will not
6 necessarily be at the objective level, but it will be a
7 significant improvement over what it is today.

8 Senator Perdue: How much would you need to get the
9 objective level?

10 General Milley: Steady, predictable funding for
11 several years in a row and a growth in the size of the
12 force. We chose in this particular budget to flat line the
13 end strength growth. If more money became available, I
14 certainly would like to see that --

15 Senator Perdue: So if you were to get a CR at any
16 point in that 4- or 5-year period you are talking about that
17 would tie your hands to redivert or to divert money from one
18 area to another to address this readiness, how would that
19 impact your ability to do what you are talking about doing?

20 General Milley: CRs hurt. I will let Secretary Speer
21 -- he is a finance guy. He knows more about how they hurt
22 than I do, but I can tell you they hurt.

23 Mr. Speer: One thing about the CRs, especially the
24 longer term they go, but any CR -- they have a cumulative
25 effect, and that is part of what we are coming out of from

1 2013, 2014, 2015 on not only in terms of the ability for a
2 commander to know and sustain predictability for training
3 and what they are going to do, they are by nature
4 conservative. So when they see the funding may run out,
5 they react differently. They can be risk-averse to that.
6 But also you start making bad purchasing decisions. And
7 those types of things go on.

8 Senator Perdue: You make shorter-term decisions is
9 what you are saying.

10 Mr. Speer: Correct.

11 Senator Perdue: Less optimal decisions than you would
12 make if you had a steady runway of dependable funding.

13 General Milley: They are more expensive.

14 Mr. Speer: More expensive too. I mean, they hold
15 things to the very end, and you have a whole bunch of
16 purchases at the end of the year that you do not get the
17 best bargain for.

18 General Milley: It is a crazy way to do it. This CR
19 thing is -- just one man's opinion I suppose, but I would
20 say it is a crazy way to do it.

21 Senator Perdue: Sir, I come from a different world
22 too. I come from the business world. I have never seen
23 this done anywhere else in the world. It is absolutely
24 absurd that we are going to do that and tie your hands about
25 allowing you to move money from one department to another,

1 to even adapt to reduce levels of spending.

2 And our procurement program -- I think you mentioned
3 just now. One of the competitive issues that I believe --
4 and you just said it -- that will make winners and losers in
5 the future is how quickly we can adapt technology to the
6 battlefield. It sounds to me like with what we have been
7 doing compared to what China is doing particularly with the
8 rise of their investment -- they are spending about \$826
9 billion a year in comparable terms on their military today.
10 That compares to our \$600 billion, just to put that in
11 perspective. In addition, they can bring things to market
12 so much quicker. Would you elaborate on that just a little
13 bit and how China is outpacing us in terms of bringing new
14 technologies to the battlefield?

15 General Milley: Your assessment is accurate. They
16 have made significant advances. We are in the 38th year I
17 guess since Deng Xiaoping and the 1979 reforms. So they
18 have made a massive economic improvement in their society
19 for 37 consecutive years. It is the largest economic shift
20 in global power in 5 centuries. And when that happens,
21 inevitably throughout history, significant military
22 capability follows. That is what we are seeing. We are
23 seeing a significant development of Chinese military
24 capability, and it is relatively rapid. They are not at 100
25 percent of our levels yet in some areas, but in other areas

1 they have developed capabilities that are quite challenging.
2 The specific capabilities -- I would prefer not to talk
3 about them in open session. But it is a significant
4 capability that they are developing.

5 Senator Perdue: Thank you both.

6 Chairman McCain: Senator Reed?

7 Senator Reed: Thank you, Mr. Chairman.

8 Just one quick follow-up question with respect to small
9 arms. To what extent, if we adopted a new round, would it
10 impact the interoperability of our relationship with NATO
11 countries, the rounds that they have? And related to that
12 is, what would it cost us to refurbish the worldwide
13 stockpile, which exists now, 5.56 and 7.62?

14 General Milley: And those are all part of the analysis
15 that we are doing down at Benning. But just to put your
16 mind at ease a little bit, what we have developed is a 7.62
17 bullet. So it is not like something that is not in the
18 inventory anywhere. We have developed a pretty effective
19 round down at Fort Benning. We think that we can get that
20 into production here in a year or 2 and get that fielded out
21 to the force. It is 7.62, not 5.56.

22 But not everybody necessarily needs -- this idea that
23 the entire Army -- everybody needs the same thing all the
24 time -- is not necessarily true. There are some units, some
25 infantry units, that are much more highly likely to rapidly

1 deploy than others and conduct close quarters combat that we
2 would probably want to field them with a better grade weapon
3 that can penetrate this body armor that we are talking
4 about.

5 Senator Reed: But would this round be interoperable
6 with NATO allies?

7 General Milley: I probably should owe you a specific
8 answer. I think yes. It is a 7.62 round. So I think the
9 answer is yes. But let me get you a specific ballistics
10 answer.

11 [The information follows:]

12 [COMMITTEE INSERT]

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1 Senator Reed: Thank you, sir.

2 Chairman McCain: Senator Cruz?

3 Senator Cruz: Thank you, Mr. Chairman.

4 Good morning, gentlemen. Welcome. Thank you for your
5 service to our Nation particularly at this time of great
6 challenges abroad and rising perils. I want to thank you
7 both for your work particularly on the fiscal year 2018
8 defense budget and your commitment to rebuilding our
9 military capability to keep this Nation safe, to restore our
10 readiness, and make sure we are in a position to defeat our
11 enemies and to defend the homeland.

12 I want to talk about several aspects of the budget.
13 The first concerns Fort Hood and other Texas bases, which is
14 we visited the barracks and other facilities at Fort Hood
15 and other Texas bases. And the bachelor enlisted quarters
16 are currently at unacceptable habitable levels. And I
17 understand that MILCON spending has been limited due to the
18 operational challenges causing the services to make
19 difficult budget decisions. But can you share with this
20 committee your commitment to providing the necessary
21 sustainment and restoration and modernization of these
22 facilities to keep them functioning at a habitable level?

23 Mr. Speer: So, Senator, I would agree with you. The
24 past non-predictable funding, the problems of lower funding
25 we had has created some strain which generates some

1 readiness from the institutional base of the installations.
2 We have -- and thank you so much for the fiscal year 2017
3 budget -- added additional resources to sustaining those
4 installations, to include Fort Hood. We have asked for,
5 inside the fiscal year 2018 budget, double the restoration
6 and modernization previously. We got over \$1 billion more
7 than we had in fiscal year 2017. So we will get after both
8 not only Fort Hood but other installations in terms of
9 improving modernization and readiness of the facilities.
10 MILCON has not been plused up as much. We are still taking
11 some risk, and we will have to look at that in terms of the
12 total infrastructure of the installations in the future.

13 Senator Cruz: Thank you.

14 Let me turn, General Milley, to a different topic,
15 which is that prepositioned stocks in South Korea are
16 planning to move back to the continental United States to
17 equip a new armored brigade combat team. Could you expand
18 on the reasons why the prepositioned stock has to be
19 relocated from a forward-deployed location supporting
20 rotational units to outfit an ABCT that will be stationed in
21 the U.S.?

22 General Milley: Thanks, Senator. Two things. One is
23 that equipment is over there prepositioned for a force to
24 arrive for training or otherwise. The intent is that the
25 armored units that deploy there will deploy with their

1 equipment. As I mentioned earlier to one of the Senators,
2 for the last 15-16 years, our force -- we restructured
3 ourselves to fight an insurgency and counterterrorist fight,
4 and we went with infantry heavy, which is appropriate for
5 that type of fight. As we look at the world ahead, we need
6 to rebalance a little bit. So we need to increase our
7 armored brigade combat team capability. So we want to
8 convert one infantry to an armored to create a 15th and then
9 create a 16th after that. That equipment -- the key set you
10 are talking about -- will be necessary to create that 16th
11 armored brigade. Absent that, we will not be able to do it
12 given the money that we have and the vehicle inventory that
13 we have. So that is the logic behind it. It is an element
14 of risk, but we think it is acceptable level of risk because
15 that particular unit would be the one going anyway.

16 Senator Cruz: Let me turn to a different question,
17 which is that the President's budget keeps regular Army BCTs
18 at 31, without any increases across the active duty National
19 Guard or Reserve forces. Does this budget contain any
20 provisions that would aid in the future reactivations of new
21 BCTs?

22 General Milley: Yes. It was 30, and this budget
23 request keeps 31. That one is the airborne brigade up in
24 Alaska. So that is where you get your 31st one.

25 There are modest increases in force structure built

1 into this budget. One of the ones that relates to your
2 question is the security force assistance brigades. They
3 are the chains of command. Think of them as the chain of
4 command from staff sergeant on up of an infantry brigade.
5 They will train together. They will work together, and they
6 will deploy as advisors to places like Iraq, Afghanistan,
7 and other places where we think advisory help for indigenous
8 forces.

9 They will not have soldiers in them, though. They will
10 not have the privates and the sergeants and the corporals,
11 et cetera. So if we need to expand rapidly, they do form
12 the basis, the nucleus, the leadership piece of a brigade
13 combat team that we could bring soldiers through basic
14 training and AIT and fold them underneath that chain of
15 command, and you could very quickly have an additional
16 brigade must faster than building one from scratch. We plan
17 on building five of those, four in the regular Army, one in
18 the Guard. And that would be an expansion there.

19 The other part of that is what we are trying to do with
20 this budget is fill the holes of the existing force
21 structure, and then we are going to want to come back to you
22 in the 2019 budget with what we think is the optimal force
23 structure for the national military strategy and the defense
24 planning guidance that Secretary Mattis is currently leading
25 us through a very rigorous review of that, which we expect

1 the results -- we will be finished with it probably in the
2 fall. Once we are done with that, we come back in 2019 with
3 here is how we think we make ourselves right-sized for the
4 challenges we think we face.

5 This budget is designed -- the last budget stopped the
6 bleeding. This budget is to steady the ship and start the
7 increase, as slight as it is, in readiness and modernization
8 and modest increases in capacity. I hope that answers the
9 question.

10 Senator Cruz: Thank you, General.

11 Senator Reed [presiding]: Thank you, Senator Cruz.

12 Gentlemen, thank you for your testimony, for your
13 service. And on behalf of Chairman McCain, let me call the
14 hearing adjourned.

15 [Whereupon, at 11:31 a.m., the hearing was adjourned.]

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