

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

Nominations -- Shaffer - Daigle - McMahon - Wardynski - Beehler

Tuesday, August 21, 2018

Washington, D.C.

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1 HEARING TO CONSIDER THE NOMINATIONS OF:
2 ALAN R. SHAFFER TO BE DEPUTY UNDER SECRETARY OF DEFENSE FOR
3 ACQUISITION AND SUSTAINMENT;
4 VERONICA B. DAIGLE TO BE ASSISTANT SECRETARY OF DEFENSE FOR
5 READINESS AND FORCE MANAGEMENT;
6 HON. ROBERT H. MCMAHON TO BE ASSISTANT SECRETARY OF
7 DEFENSE FOR SUSTAINMENT;
8 DR. E. CASEY WARDYNSKI TO BE ASSISTANT SECRETARY OF THE
9 ARMY FOR MANPOWER AND RESERVE AFFAIRS; AND
10 ALEX A. BEEHLER TO BE ASSISTANT SECRETARY OF THE ARMY FOR
11 ENERGY, INSTALLATIONS, AND ENVIRONMENT

12
13 Tuesday, August 21, 2018

14
15 U.S. Senate
16 Committee on Armed Services
17 Washington, D.C.

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19 The committee met, pursuant to notice, at 9:34 a.m.,
20 in Room SD-G50, Dirksen Senate Office Building, Hon. James
21 M. Inhofe presiding.

22 Committee Members Present: Senators Inhofe
23 [presiding], Wicker, Fischer, Cotton, Rounds, Ernst,
24 Tillis, Sullivan, Perdue, Sasse, Reed, Nelson, McCaskill,
25 Shaheen, Gillibrand, Blumenthal, Donnelly, Hirono, Kaine,

1 King, Heinrich, Warren, and Peters.

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1 OPENING STATEMENT OF HON. JAMES M. INHOFE, U.S.
2 SENATOR FROM OKLAHOMA

3 Senator Inhofe: The meeting will come to order, and
4 we ask our witnesses to take your seats, which you have
5 already done.

6 The committee is considering the nomination of
7 Mr. Alan Shaffer to be Deputy Under Secretary of Defense
8 for Acquisition and Sustainment; Veronica Daigle to be
9 Assistant Secretary of Defense for Readiness; Robert
10 McMahon, who will have a more elaborate introduction
11 shortly, to be Assistant Secretary of Defense for
12 Sustainment; Dr. Casey Wardynski to be Assistant Secretary
13 of the Army for Manpower and Reserve Affairs; Mr. Alex
14 Beehler to be the Assistant Secretary of the Army for
15 Energy, Installations, and Environment.

16 We thank you for joining us this morning. We welcome
17 you to introduce your families as you are recognized to
18 speak.

19 And it is standard for the committee to ask certain
20 required questions, and so I am going to do that now. And
21 if you would just audibly say "yes" or "no," and then we
22 will get through it quickly.

23 To each one of you, have you adhered to applicable
24 laws and regulations governing conflicts of interest?

25 Mr. Shaffer: Yes.

1 Ms. Daigle: Yes.

2 Mr. McMahon: Yes.

3 Dr. Wardynski: Yes.

4 Mr. Beehler: Yes.

5 Senator Inhofe: All right. Will you ensure that your

6 staff complies with deadlines established for requested

7 communications, including questions for the record in

8 hearings?

9 Mr. Shaffer: Yes.

10 Ms. Daigle: Yes.

11 Mr. McMahon: Yes.

12 Dr. Wardynski: Yes.

13 Mr. Beehler: Yes.

14 Senator Inhofe: Will you cooperate in providing

15 witnesses and briefers in response to congressional

16 requests?

17 Mr. Shaffer: Yes.

18 Ms. Daigle: Yes.

19 Mr. McMahon: Yes.

20 Dr. Wardynski: Yes.

21 Mr. Beehler: Yes.

22 Senator Inhofe: Will those witnesses be protected

23 from reprisal for their testimony or briefings?

24 Mr. Shaffer: Yes.

25 Ms. Daigle: Yes.

1 Mr. McMahon: Yes.

2 Dr. Wardynski: Yes.

3 Mr. Beehler: Yes.

4 Senator Inhofe: Do you agree, if confirmed, to appear
5 and testify upon request before this committee?

6 Mr. Shaffer: Yes.

7 Ms. Daigle: Yes.

8 Mr. McMahon: Yes.

9 Dr. Wardynski: Yes.

10 Mr. Beehler: Yes.

11 Senator Inhofe: Do you agree to provide documents,
12 including copies of electronic forms of communication, in a
13 timely manner when requested by a duly constituted
14 committee or to consult with the committee regarding the
15 basis for any good faith delay or denial in providing such
16 documents?

17 Mr. Shaffer: Yes.

18 Ms. Daigle: Yes.

19 Mr. McMahon: Yes.

20 Dr. Wardynski: Yes.

21 Mr. Beehler: Yes.

22 Senator Inhofe: And lastly, have you assumed any
23 duties or undertaken any actions which would appear to
24 presume the outcome of the confirmation process?

25 Mr. Shaffer: No.

1 Ms. Daigle: No.

2 Mr. McMahon: No.

3 Dr. Wardynski: No.

4 Mr. Beehler: No.

5 Senator Inhofe: Okay. That is a good one.

6 You have all been nominated to serve in the Department
7 of Defense at a very important moment in our history. The
8 National Defense Strategy places focus on the great power
9 competition with China and Russia. This is something that
10 I will be asking specific questions about, something that
11 the American people are not aware of that has been
12 happening over the last 10 years.

13 So we have a lot to talk about, and I look forward to
14 it, and we recognize Senator Reed.

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

3 Senator Reed: Thank you very much, Senator Inhofe.

4 And I would like to join you in welcoming our nominees
5 and thank them for their willingness to serve in positions
6 of great responsibility in the Department of Defense.

7 I would also like to thank your family members, many
8 of whom are here today, for their support and their service
9 also.

10 Mr. Shaffer, if confirmed as the Deputy Under
11 Secretary of Defense for Acquisition and Sustainment, you
12 will be responsible for supporting Secretary Mattis and
13 Secretary Lord in their efforts to ensure that the
14 Department of Defense's acquisition and sustainment
15 processes and organizations are effectively buying and
16 fielding the equipment that our military needs in a way
17 that is manageable and sustainable within allocated
18 budgets.

19 DoD is challenged with keeping up with the near-peer
20 adversaries, rapidly changing technologies emerging from
21 the global commercial sector, and limited resources. I
22 look forward to hearing your thoughts on how you plan to
23 address these challenges, if confirmed, especially given
24 your extensive experience and leadership within DoD, NATO,
25 and advanced technology organizations.

1 Ms. Daigle, as the nominee for Assistant Secretary of
2 Defense for Readiness, if confirmed, you will assume the
3 role at a moment where the Department of Defense seeks to
4 make real progress on its long path to full-spectrum
5 readiness recovery. It is essential that the Department
6 ensures effective oversight over how the military services
7 plan and program their budget requests so that they are
8 truly aligned in restoring readiness.

9 For example, operation and maintenance is a core
10 readiness funding, yet too often O&M accounts are
11 sacrificed in order to increase funding for modernization
12 and research and development activities. If confirmed, I
13 hope you will ensure the Department's force-wide readiness
14 policies not only have benchmarks to restore readiness, but
15 that effective funding is requested as well.

16 Dr. Wardynski, if confirmed as the Assistant Secretary
17 of the Army for Manpower and Reserve Affairs, you will face
18 many challenges in ensuring, first and foremost, that the
19 Army grows responsibly while guaranteeing quality standards
20 are maintained to meet national defense objectives.

21 I have had the privilege of working and knowing
22 Dr. Wardynski for several decades, particularly his work at
23 the Office of Economic and Manpower Analysis at West Point.
24 I can think of no one more highly qualified for this job
25 than Dr. Wardynski. So I look forward, if confirmed, to

1 working with you.

2 Mr. McMahon, you have been nominated to serve as
3 Assistant Secretary of Defense for Sustainment, and Mr.
4 Beehler, you are nominated to oversee the portfolio for the
5 recently reorganized Assistant Secretary of Defense for
6 Energy, Installations, and the Environment. If confirmed,
7 both of you will be faced with significant challenges
8 regarding the Department's policy and programs related to
9 military construction, energy security, installation
10 resilience, mission assurance, climate change, and critical
11 environmental programs.

12 As the largest energy user in the Federal Government,
13 our deployed forces and domestic installations continue to
14 face significant vulnerability with respect to their
15 supplies of energy. It is critical that they be
16 diversified, distributed, and secured.

17 Furthermore, all of these challenges are exacerbated
18 by climate change. The GAO recently found that weather
19 effects associated with climate change posed operational
20 and budgetary risks to DoD. Notably, last year, hurricanes
21 alone cost DoD over \$1.1 billion in military construction
22 recovery.

23 If DoD is going to ensure taxpayer-funded facilities
24 will survive for 40 or 50 years or more, as intended, the
25 Department must do more to adapt and mitigate the effects

1 of environmental changes.

2 Thank you again to all the nominees for their
3 willingness to be here today and to serve the country, and
4 I look forward to hearing your ideas.

5 Thank you, Mr. Chairman.

6 Senator Inhofe: Thank you, Senator Reed.

7 And we have a personal introduction that would be by
8 Senator Perdue. Senator Perdue?

9 Senator Perdue: Thank you, Mr. Chairman.

10 It is an honor this morning, a high honor to introduce
11 a friend of mine, the Honorable Robert "Bob" McMahon to
12 serve as first Assistant Secretary of Defense for
13 Sustainment.

14 Assistant Secretary McMahon has honorably served as
15 the Assistant Secretary of Defense in Logistics and
16 Materiel Readiness since November of last year and, if
17 confirmed, will soon be taking on an expanded role.
18 General McMahon brings to the table 39 years of proven
19 leadership while in uniform, in business, and in nonprofit
20 service to his country and his community, which happens to
21 be my hometown of Warner Robins, Georgia.

22 I have known the general for a number of years, and he
23 has distinguished himself as a true servant leader and
24 pillar of support for the local base, our community, and
25 the entire military. Before retiring from the Air Force,

1 General McMahon served as commander of Warner Robins Air
2 Logistics Center. His time in the Air Force shows a track
3 record of proven leadership and mission-impacting success.

4 For the past 9 months, he has been in charge in
5 Logistics and Materiel Readiness and served as the
6 principal logistics officer for the Department of Defense.
7 Due to a reorganization of this role, he will now serve, if
8 confirmed, as the principal adviser on all sustainment
9 issues for the DoD.

10 Strong leadership is needed, obviously, in this role
11 as we face the significant readiness crisis, aging
12 facilities in need of modernization, and operations across
13 the globe requiring logistics and strategic sustainment in
14 a world of forward deployment.

15 General McMahon is ready to tackle this challenge, and
16 I have confidence he will work to reshape the Pentagon's
17 policies to ensure that our warfighters are properly
18 supplied and have their equipment and materiel readily
19 available and maintained when needed.

20 Given his passion for the military, his service to his
21 country, and his patriotism, I know that General McMahon
22 will continue to serve the Department and the Nation well,
23 and I look forward to confirming him for this expanded
24 responsibility.

25 Thank you, Mr. Chairman.

1 Senator Inhofe: Thank you, Senator Perdue.

2 And I would add to that, General McMahon, that we have
3 been working together with you through another air
4 logistics center called Tinker Air Force Base for quite a
5 number of years, and it has always been enjoyable, and it
6 has been a great relationship. I remember when we knocked
7 down the number of air logistics centers from five to
8 three, and you and I and Utah were survivors of that.

9 We will now hear from our witnesses, and your entire
10 statement will be made a part of the record. We would like
11 to have you try to confine it to about not more than
12 5 minutes.

13 And we recognize you, Mr. Shaffer, and move across the
14 table.

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1 STATEMENT OF ALAN R. SHAFFER TO BE DEPUTY UNDER
2 SECRETARY OF DEFENSE FOR ACQUISITION AND SUSTAINMENT

3 Mr. Shaffer: Thank you, Mr. Chairman, Ranking Member
4 Reed, distinguished members of the committee. Thank you
5 for the opportunity to appear before you today for the
6 consideration of my nomination to be Deputy Under Secretary
7 of Defense for Acquisition and Sustainment.

8 I must also thank President Trump, Secretary Mattis,
9 and Under Secretary Lord for their confidence in my
10 nomination.

11 I look at this as a great opportunity. I have spent
12 my entire adult career and adult life in service to our
13 Nation and can think of no greater honor, if confirmed,
14 than being allowed to serve one more time to do everything
15 possible to speed the delivery of capability to the young
16 men and women that we put into harm's way. They deserve
17 this from us.

18 I also have to acknowledge my family members who are
19 with me today. First, my wife of 32 years, Jackie. And
20 except for one year after she graduated from high school,
21 she has always had a DoD identification card, growing up
22 the daughter of an Army warrant officer, then being an Air
23 Force officer herself, and then supporting my career as an
24 Air Force officer and then career civil servant.

25 Whatever success I am today, it is because she has

1 given me every bit of support and allowed me to do what I
2 can do and taken care of all the other things that I do not
3 want to take care of. But it is a really wonderful
4 experience.

5 I also recognize her father, Vietnam War veteran, Mr.
6 Warrant Officer Fred Sklenar. Fred is behind us. You
7 learn an awful lot about people when they have fought for
8 your country and then gone off and done the right thing.

9 I will also acknowledge my son Eric, who continues in
10 the family business. He is an intelligence officer with
11 the Defense Intelligence Agency. And his wife, Renee, who
12 is a survey statistician with the Census Bureau.

13 Service to our Nation is very important in our family.

14 I think there are two questions that you should think
15 about asking me. First, why do I want this job? And if
16 confirmed, why am I qualified?

17 The easy one is why do I want the job? As I said, I
18 have had 42 years' service to our country. I went into the
19 Air Force when I was a 17-year-old freshman at the
20 University of Vermont. I saw a sign on the wall that said
21 we will pay you \$100 a month to go to class.

22 I was going to do my 4 years as an Air Force officer,
23 but a funny thing happened. I found that it was an
24 incredible, incredible way to spend your life. I had a
25 career. My friends who I went to university with had a

1 job. I found that service to your country is more than
2 yourself.

3 But when I went on active duty, I entered a hollow
4 force. I went -- my first duty location was Mather Air
5 Force Base, where we had a double bomb wing. The first
6 thing briefed every day was cannibalization rate. We were
7 taking parts off of perfectly good airplanes so other
8 airplanes could fly. I vowed at that point to do
9 everything I could never to let us have a hollow force
10 again.

11 Because of the amount of money Congress has given to
12 the Department, we have a chance to recapitalize and not
13 have a hollow force. I can think of no better way to spend
14 the end of my career.

15 The second questions is, if confirmed, why am I
16 qualified? I have never been a program manager of an
17 ACAT I program. I have never been a PEO. I have never
18 commanded a logistics center. But I have had the honor of
19 serving for a number of incredibly talented bosses who
20 called on me to do things, and I think the highlight of my
21 civilian career, after my Air Force career, was being the
22 Executive Director of the MRAP Task Force.

23 We fielded 28,000 vehicles in 4 years, and I say "we,"
24 it was a team of myself, the program manager, and the PEO.
25 I got to brief Secretary Gates every week for about

1 2 years. What a tremendous experience in how we can move,
2 how the Department can move fast to field capability when
3 needed. Congress has given the Department a tremendous
4 number of new authorities over the last 3 years to allow us
5 to field the right capability more quickly.

6 I think I have the experience, both with MRAP and
7 other things. I have 5 years -- 5 of my last 8 years in
8 the Pentagon. I was filling in for a congressionally
9 confirmed Assistant Secretary position in research and
10 engineering, and I believe in bringing the power of
11 technology to our forces.

12 So, again, if confirmed, I look forward to doing this
13 again, and thank you for your consideration.

14 [The prepared statement of Mr. Shaffer follows:]

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1 Senator Inhofe: Thank you, Mr. Shaffer.

2 Ms. Daigle?

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1 STATEMENT OF VERONICA B. DAIGLE TO BE ASSISTANT
2 SECRETARY OF DEFENSE FOR READINESS AND FORCE MANAGEMENT

3 Ms. Daigle: Thank you.

4 Mr. Chairman, Ranking Member Reed, and distinguished
5 members of this committee, it is truly an honor and a
6 privilege to appear before you this morning as the
7 President's nominee for the Assistant Secretary of Defense
8 for Readiness. Thank you for considering my nomination.

9 I am grateful to the President and to Secretary Mattis
10 for this opportunity and for their confidence in me to
11 assume this very critical position.

12 On a personal note, I would like to thank my husband,
13 Bob, who is behind me, and my two sons, Mitchell and
14 Justin, for their steadfast support and encouragement over
15 the years. I simply would not be here today without them.
16 Unfortunately, my son Mitchell could not be here today
17 because he started as a freshman in college last week, and
18 I really hope he is in class.

19 [Laughter.]

20 Ms. Daigle: I would also like to recognize my mother,
21 Margaret, who taught me the value of hard work and always
22 encouraged me to pursue my goals.

23 If confirmed, it would be an honor to serve as the
24 Assistant Secretary of Defense for Readiness, and I want to
25 thank the committee for preserving this position in the

1 Fiscal Year 2019 National Defense Authorization Act. It is
2 clear to me that this position is going to play a vital
3 role in the Department's implementation of the National
4 Defense Strategy, and I commit to you that, if confirmed, I
5 will focus my full attention on building the readiness of
6 the military services and ensuring they have the resources
7 they need to man, train, and equip to meet current missions
8 and future threats.

9 To this end, if confirmed, some of my priorities would
10 include establishing the readiness requirements to meet the
11 National Defense Strategy objectives and associated
12 recovery goals; two, better aligning how the Department
13 programs resources with how it measures readiness outcomes
14 in order to ensure that we are meeting the Secretary's
15 stated direction to be responsible stewards of taxpayer
16 dollars; and pursuing readiness-related reforms, such as
17 improving the Department's readiness reporting system.

18 I have a decade of Federal Government experience
19 analyzing readiness and as a program examiner at the Office
20 of Management and Budget for the Army's readiness account
21 and for the Defense Health Program, which funds military
22 medical readiness. I have also served as the Division
23 Director for the Readiness Division within the Office of
24 Cost Assessment and Program Evaluation within the
25 Department of Defense, and I currently serve as the

1 Principal Deputy Assistant Secretary of Defense for
2 Readiness.

3 If confirmed, I will leverage the experience I have in
4 program assessment and resource allocation to support the
5 Secretary of Defense in his efforts to build readiness.

6 Speaking as the daughter of a former Marine Corps
7 pilot and the sister of a former Marine Corps officer, if
8 confirmed, this position would not only be a professional
9 honor, but a deeply personal one as well.

10 Thank you again for your time and consideration. I
11 look forward to your questions.

12 [The prepared statement of Ms. Daigle follows:]

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1 Senator Inhofe: Thank you, Ms. Daigle.
2 Mr. McMahon?
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1 STATEMENT OF HON. ROBERT H. MCMAHON TO BE ASSISTANT
2 SECRETARY OF DEFENSE FOR SUSTAINMENT

3 Mr. McMahon: Thank you, Mr. Chairman, Ranking Member
4 Reed, and members of the committee, for your consideration
5 of my nomination to be Assistant Secretary of Defense for
6 Sustainment.

7 Senator Perdue, thank you very much for the kind words
8 this morning. More importantly, thank you for your
9 friendship.

10 I am honored that President Trump, Secretary Mattis,
11 and Under Secretary Lord have asked me to remain with the
12 administration in this new role, and I thank them for their
13 confidence in me.

14 In addition, I am blessed to be joined today by my
15 wife, Hope, who honorably served this Nation for over 32
16 years as a career Department of Defense civilian.

17 Today, our Nation faces a growing threat to our
18 security, highlighted by a return to great power
19 competition and the very real possibility of fighting our
20 next conflict in a highly contested environment. In
21 response to these challenges, the Department has created a
22 well-defined road map for what is needed in this new
23 reality.

24 The National Defense Strategy lays out three specific
25 lines of effort -- enhancing readiness and lethality,

1 strengthening alliances, and reforming the Department of
2 Defense's business practices. All three lines of effort
3 are clearly applicable to the portfolio for which I am
4 being considered today. And if confirmed, my focus, very
5 simply, will be to executive on these three lines of
6 effort.

7 Again, thank you very much for the opportunity to be
8 here today, and I look forward to your questions.

9 [The prepared statement of Mr. McMahon follows:]

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1 Senator Inhofe: Thank you, Mr. McMahon.
2 Dr. Wardynski?
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1 STATEMENT OF DR. E. CASEY WARDYNSKI TO BE ASSISTANT
2 SECRETARY OF THE ARMY FOR MANPOWER AND RESERVE AFFAIRS

3 Dr. Wardynski: Mr. Chairman, Ranking Member Reed, and
4 distinguished members of the Senate Armed Services
5 Committee, thank you for the opportunity to appear before
6 you today as the President's nominee to be the Assistant
7 Secretary of the Army for Manpower and Reserve Affairs, and
8 thank you for considering my nomination.

9 I am deeply honored and humbled by your consideration
10 of my nomination and by the trust and confidence placed in
11 me by the President, by Secretary Mattis, Secretary Esper,
12 and my ability to serve the soldiers and civilians of our
13 Army and the people of our great country.

14 If confirmed, I will bring to my duties a heart for
15 soldiers, their families, and our Army civilians tempered
16 by my experiences and the inspiration and encouragement of
17 loved ones and friends. During 11 Army assignments, my
18 wife Sue and I raised our 3 children to value military
19 service. Today, Casey serves in the Coast Guard Miami,
20 Jennifer with the Infantry Division at Fort Campbell in
21 Kentucky, and Christian in the Engineer Corps, soon to be
22 headed to North Carolina and the 82nd Airborne Division.

23 Now throughout her life, Sue loved the Army. She
24 raised a very fine Army family. Today, I enjoy the
25 encouragement and support of my wonderful wife Karen, who

1 is here with me.

2 In my youth, I was also inspired by the actions of my
3 father -- he had answered the Nation's call in World War II
4 -- and my grandfather, who answered the Nation's call in
5 the Mexican border campaign, World War I, World War II, and
6 Korea.

7 If confirmed, I plan to put my knowledge and
8 experiences to work in key areas. For example, while in
9 the Army, I led award-winning programs to further Army
10 marketing and recruiting. As CEO of FISH Technologies in
11 Dallas, my firm is at the cutting edge of marketing in the
12 live event space.

13 I plan to bring practical insights from these
14 experiences to further Army recruiting and Army marketing
15 efforts. If confirmed, I also plan to build upon the
16 talent management work that I began in the Office of
17 Economic and Manpower Analysis with the support of some in
18 this room back as far as 2004.

19 I know this committee has identified the need for a
20 robust cyber workforce. I see that need as well. As
21 superintendent of Huntsville City Schools most recently, I
22 created a partnership with Army Cyber Command when it was
23 stood up to help it with its workforce requirements.

24 We built a curriculum to be exported across school
25 systems. That curriculum allowed my school system to

1 become a National Center of Excellence in cyber education
2 and several of my students to be nationally recognized. I
3 look forward to building on that experience to help the
4 United States with its cyber challenges.

5 I look forward to bringing my experiences to bear in
6 other areas as well. Military spouses. When my wife Sue
7 was with me, she faced a constant challenge with employment
8 opportunities as we moved. That led me to write my
9 dissertation on the challenges spouses face with their
10 careers and seeking employment.

11 If confirmed, I look forward to addressing these sorts
12 of challenges that our military families face so that they
13 can have a full and rewarding experiencing in the military
14 and that detractors do not lead them to depart the
15 military.

16 I want to thank you again for considering my
17 nomination. If confirmed, I pledge to respond to
18 information requirements from this committee, members of
19 your staff, members of Congress, and other staff members.

20 The system that I have planned to be part of I believe
21 needs to be in the business, as we go forward with the
22 great power challenges, of placing the right soldiers and
23 civilians in the right assignments at the right time to
24 dominate the military threats and challenges we confront.
25 If confirmed, I look very much forward to fulfilling that

1 role.

2 Thank you.

3 [The prepared statement of Dr. Wardynski follows:]

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1 Senator Inhofe: Thank you, Dr. Wardynski.
2 Mr. Beehler?
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1 STATEMENT OF ALEX A. BEEHLER TO BE ASSISTANT
2 SECRETARY OF THE ARMY FOR ENERGY, INSTALLATIONS, AND
3 ENVIRONMENT

4 Mr. Beehler: Thank you. Mr. Chairman, Ranking Member
5 Reed, and distinguished members of the Senate Armed
6 Services Committee, thank you for providing me the
7 opportunity to appear before your committee today as you
8 consider my nomination to serve as the Assistant Secretary
9 of the Army for Installations, Energy, and Environment.

10 I also thank President Trump and Secretary Mattis for
11 their faith and support in nominating me for the position.
12 It is a great honor and privilege.

13 I also thank and recognize my wonderful wife,
14 Stephanie, who is here today, for her lifetime of support,
15 and our two wonderful children, Alexandra and Abigail, who
16 are watching the hearing online.

17 As my background reflects, I believe in public
18 service, and I believe the highest form of public service
19 is that provided by uniformed military who voluntarily
20 place themselves in harm's way, defending our country so
21 that the rest of us can lead lives out of harm's way.

22 If confirmed as Assistant Secretary of the Army, IE&E,
23 I will do my part in supporting the well-being of our
24 soldiers and their families, ensuring that necessary
25 mission testing and training capabilities on our

1 installations are not compromised and helping enhance the
2 resiliency and modernization of military operations through
3 innovative, effective approaches and public-private
4 partnerships. If confirmed, I will synchronize these goals
5 with the priorities established by Secretary Mattis,
6 Secretary Esper, and Lieutenant General Dahl and his
7 successor, achieving IE&E's mission with integrity and
8 collaboration.

9 If confirmed, I also will draw upon my 5-year
10 experience with the Office of the Under Secretary of
11 Defense for Installations and Environment, where I
12 encountered many of the same issues and processes I likely
13 would face as the Army IE&E ASA. In addressing issues, I
14 will seek to draw upon both the breadth and depth of our
15 civilian and military personnel and foster a cooperative
16 team atmosphere as much as possible.

17 I also will strive for substantive results,
18 eliminating unnecessary processes and bureaucracy when
19 within my authority so that IE&E activities do not waste
20 time or money.

21 In sum, if confirmed, I will work closely with the
22 Department and Army leadership, my counterparts in the
23 other services, and this committee to support our fighting
24 men and women.

25 I look forward to responding to your questions.

1 Thank you.

2 [The prepared statement of Mr. Beehler follows:]

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1 Senator Inhofe: Thank you, Mr. Beehler.

2 Senator Reed and I feel that a 5-minute round is
3 appropriate, and I do not think I recall seeing 5 people
4 coming to the table who are more qualified, particularly
5 with the military background that many of you enjoyed.

6 Let me -- I will have questions for the record for all
7 five, but I have three questions for three of you, starting
8 with you, Mr. Shaffer. You know, when I am out on the
9 stump and I am talking to people, there is an assumption
10 that the United States has the best of everything.

11 We have gone through the last 10 years of underfunding
12 the defense, and we are paying for it now. I think that
13 the National Defense Strategy highlights the great power
14 competition. That is China and Russia. In areas such as
15 artillery, hypersonics, nuclear modernization -- that is
16 the triad -- those countries have actually passed us up.

17 So, Mr. Shaffer, when you -- I recall our Chairman of
18 the Joint Chiefs of Staff not long ago said that we have
19 lost our qualitative and quantitative advantages. So, Mr.
20 Shaffer, you are kind of an expert in this area. What are
21 you going to be doing to try to regain the superior
22 position that we have lost?

23 Mr. Shaffer: Thank you, Senator.

24 I will start by saying that I very much agree with the
25 chairman and with the assessment that we have seen our

1 strategic advantage eroded. I think it is an imperative
2 that we do everything we can, we use all of the various
3 tools that Congress has given us over the last couple of
4 years to accelerate fielding of capabilities. And most
5 notably, even though we have had a restructure of what used
6 to be the Under Secretary for Acquisition, Technology, and
7 Logistics, we have to continue to prototype, bring about
8 new capabilities very quickly, and then figure out how to
9 put those into an acquisition train where you can field a
10 number of them.

11 We simply have to use every tool you have given us,
12 and I think we have to work on the workforce. Acquisition
13 is not something that someone can walk in off the street
14 and do well. We have got to really focus on giving every
15 bit of training to our young program managers and empower
16 them to make a mistake. Not a big mistake, but empower
17 them to do everything they can to get capability to the
18 field.

19 Senator Inhofe: That is good.

20 Mr. Shaffer: That is what I plan to do, if confirmed,
21 sir.

22 Senator Inhofe: Very good, Mr. Shaffer.

23 Dr. Wardynski, you are particularly qualified to
24 answer this question. You know, we -- in our defense
25 authorization bill, we dramatically increased end strength,

1 particularly in the Army, some 4,000. And yet when we look
2 at this, we know with the threats that are out there, that
3 is just the beginning. We are going to be continuing to go
4 out and recruit and retain.

5 Now how do you propose to do this without lowering
6 standards? How optimistic are you that you can accomplish
7 this?

8 Dr. Wardynski: Senator, thank you.

9 If confirmed, I think with regard to recruiting, it is
10 really a multifold effort. The Army has been very focused,
11 as you know, for many, many years on recruiting directly
12 out of high school, 17-, 18-, 19-year-olds. The economy
13 has evolved a great bit, and more and more kids today are
14 going straight into college, and they see college as among
15 their first, best choice. They may not see the Army in
16 that domain.

17 So as part of putting the Army in that domain, I think
18 we have to market the Army effectively before they get to
19 17. We have to put the Army in the set of things young
20 adults are thinking about when they are thinking about
21 them, which begins actually much earlier. To do that, I
22 think we have to use new technologies, new approaches that
23 meet these young adults in an environment which is relevant
24 to them.

25 Having done that and laid the foundation for

1 subsequent recruiting efforts, I think we need to pay
2 attention to the fact that a great number of young adults
3 are now going into college, but they are not completing.
4 Either for financial reasons or for improper fit or for
5 other circumstances, there is about 400,000 that leave
6 junior colleges each year without completing and about
7 400,000 leave college. That is a market that the Army
8 could approach, and the approach of that market could be
9 very beneficial both to the United States, the Army, and
10 those young adults.

11 Senator Inhofe: That is good.

12 Dr. Wardynski: And so that would be a start.

13 Senator Inhofe: I think you thought that out. And
14 the last question I would have would be for Ms. Daigle.
15 You know, we dodged a bullet at the end of a couple of
16 years ago with the Budget Control Act and the levels that
17 we were operating in. And you know, we have to remind
18 people that that is the aggressive attitude and what we
19 have done with the military. That is something that ends
20 at the end of Fiscal Year 2019 because that does not apply
21 to Fiscal Years 2020 and thereafter.

22 So I would just like to have you get on record saying
23 how devastating would it be if we were to return to the
24 sequestration for the Department, and how bad would that
25 be? We are going to have to start talking about it now.

1 Ms. Daigle: Yes, I agree, Senator, and I agree it
2 would be extremely harmful, especially for readiness, which
3 is funded out of the O&M accounts.

4 And if you were to cut funding from the levels where
5 we would be in 2019 down to where the BCA would take us, my
6 concern, if confirmed as the ASD for Readiness, is that it
7 would come out of readiness accounts, the O&M accounts.
8 And so I would bring all of my experience in budget and
9 programming to bear.

10 Senator Inhofe: Good. We will make sure that does
11 not happen.

12 Senator Reed?

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

14 Mr. Shaffer, you are aware that the Department of
15 Defense is undertaking a major effort to procure commercial
16 cloud computing servers, about \$10 billion. And the effort
17 is being led by the Pentagon Chief Information Officer, but
18 your role will be absolutely critical since you will be
19 involved in acquisition, procurement contracted technology,
20 testing, and many of the programs you will oversee will be
21 customers. In fact, I cannot -- given the nature of the
22 cloud, everyone in the Pentagon will be a customer.

23 Can you give us your insights of what role you think
24 you can play or should play in this process?

25 Mr. Shaffer: Thank you, Senator.

1 With the reorganization and the way acquisition is
2 going about, the job and the role of acquisition and
3 sustainment is to set standards, set guidelines, and then
4 have metrics where we can measure performance. As you
5 mentioned, the CIO is, in fact, responsible for the
6 contract, but at the end of the day, Ms. Lord, as the Under
7 Secretary, is responsible for everything the Department
8 buys.

9 So we have got to set very clear guidance as to how do
10 we use some of the new tools for acquisition? I mean, the
11 concept of a \$10 billion cloud contract is something we
12 have not tried before. We have to make sure that
13 everything is done in accordance with statute, and we have
14 to have a way to measure -- we have to make sure that there
15 is a fair competition, and we have to measure how the
16 performance is going so that we can have and bring about
17 the right people if anything starts to deviate.

18 So it really is, it is trust, but verify, and verify
19 through metrics, sir.

20 Senator Reed: Thank you very much.

21 Ms. Daigle, if confirmed, one of your major
22 responsibilities is the financial readiness of individuals
23 -- soldiers, sailors, Marines, airmen, members of the
24 Department of Defense. The Military Lending Act provides
25 certain protections, but there is a movement afoot to

1 weaken that.

2 I wrote to Secretary Mattis months ago, urging that he
3 adopt the strongest provisions possible. MLA, the Military
4 Lending Act. And he replied that they will do so. In
5 fact, they will make changes only when necessary and in a
6 manner as to not weaken existing MLA protections.

7 If confirmed, do you commit to making financial
8 readiness a top priority, including thorough and vigorous
9 implementation of the full effect of the MLA?

10 Ms. Daigle: Yes, Senator. The financial readiness of
11 our service members is critical to readiness. When they
12 get into a cycle of debt, that can be detrimental to their
13 ability to serve. So I believe the Military Lending Act is
14 very important to helping to secure their financial
15 readiness.

16 Senator Reed: And there are additional aspects, I
17 think, of financial readiness that you should pursue. The
18 MLA, we are very proud of what we did, but it is not
19 completely adequate. So I would urge you to look at other
20 things that we can do and, more importantly, you can do
21 directly to ensure the financial well-being of military
22 families. Will you do that?

23 Ms. Daigle: Yes. If confirmed, I will -- I would
24 look forward to working on that.

25 Senator Reed: Thank you.

1 Colonel Wardynski, the chairman asked a question I was
2 going to ask, and you gave a good answer. So I do not want
3 to jinx you. So just good luck in your efforts.

4 To both -- to Mr. McMahon and Mr. Shaffer and Mr.
5 Beehler, I mentioned before that the GAO has done a study
6 that has indicated that the Department of Defense spent
7 over \$1 billion simply in military construction recovery
8 from hurricanes and other climate effects. Do you agree
9 with Secretary Mattis' views that climate effects have an
10 impact not only on the institutional forces, but also
11 national security -- droughts in Somalia?

12 Start with Mr. McMahon.

13 Mr. McMahon: Senator, our military has faced weather
14 extremes throughout its history, and the adverse impact of
15 that we saw last year, but we have seen it as a military
16 officer in the Southeast a number of times. Each year, we
17 prepared for the hurricanes that would come through.

18 So, yes, I agree with Secretary Mattis is that weather
19 can and does have an adverse effect in our ability to
20 accomplish our mission. Risk mitigation is the preparation
21 to ensure that we are ready for that, and if confirmed, I
22 will continue to ensure that we are as ready as possible.

23 Senator Reed: Thank you. Mr. Beehler?

24 Mr. Beehler: Absolutely. Echoing what General
25 McMahon just said, and if confirmed, from my position, I

1 will do everything to encourage installations to -- and
2 help direct installations to properly prepare on a case-by-
3 case basis for both adverse weather and effects long term
4 from climate.

5 I understand that there is a report obligation coming
6 out of the NDAA that was just passed that requires each of
7 the services to do an assessment and a master plan impact.
8 And if confirmed, I will make sure that that effort of
9 assessment and master plan impact is complete,
10 comprehensive, and delivered on time.

11 Senator Reed: Thank you very much.

12 Mr. Shaffer, I will direct a written question to you
13 so you can respond.

14 Thank you all very, very much, and good luck.

15 Thank you, Mr. Chairman.

16 Senator Inhofe: Thank you, Senator Reed.

17 Senator Ernst?

18 Senator Ernst: Thank you, Mr. Chair, and to our
19 witnesses today, it is nice to have you in front of us.

20 Mr. Shaffer, I really enjoyed our conversation last
21 week. It was very enlightening and going through the
22 challenges and the opportunities that we will have in DoD's
23 acquisition process. I think we all agree in this room
24 that we need to find ways to streamline and be much more
25 efficient about the way we do that.

1 China and Russia have both put such an emphasis on
2 increasing their military and their space capabilities in
3 recent years. And at the same time, as we have talked
4 earlier, through sequestration, continuing resolutions, we
5 have really hampered our ability to keep up with this type
6 of continuing technology.

7 In the event that you are confirmed, what will be your
8 top two priorities, one or two priorities, and how do you
9 plan on addressing them to make sure that we can deliver
10 those technologies to our service members as quickly as
11 possible?

12 Mr. Shaffer: Thank you, Senator, and I enjoyed our
13 conversation also.

14 Top priorities, and the most important one to me is
15 speed to field, getting capabilities to the field as
16 quickly as possible. And I will point out that as part of
17 this process -- we do this anyways -- we read the paper.
18 But in the last 3 days, we have had reports of the Chinese
19 bomber pilots practicing bombing runs on U.S.
20 installations. We also see this morning that Moscow is
21 heading the largest military exercise in I think it was 20,
22 30 years with the inclusion of China and Mongolia, and it
23 is kicking off now.

24 So we are in near-peer competition. We have to get
25 capabilities to the field. So that is priority one.

1 Priority two, I already mentioned this to Senator
2 Inhofe, making sure we have the right people. I want to
3 increase the quality of the people, increase the training
4 so that they can, again, get capabilities in the hands of
5 the warfighter. Nothing used to bother me more when I was
6 in research and engineering than when we would have a very
7 good capability, but it would take us so long to get to the
8 field.

9 Our young men and women deserve the capabilities we
10 can give them. If all we can give them is 80 percent of
11 perfect, that is still is pretty darned good. So speed to
12 field.

13 And then, finally, my third priority, doing everything
14 I can to support the Under Secretary in bringing her vision
15 about to the Department. I interviewed for the job. I
16 thought she had a great vision. The job as Deputy is to
17 free her up to implement that vision.

18 Senator Ernst: I appreciate it very much. Thank you.

19 And Dr. Wardynski, a question for you, please. We do
20 have over 24,000 active duty service members that are
21 married to other active duty service members. And a lot of
22 those folks are -- those dual military couples are
23 separated. We have a lot of geo bachelors out there. I
24 have a friend who is at 29 Palms, and his family is on the
25 East Coast.

1 What are ways that we can help these folks to continue
2 serving?

3 Dr. Wardynski: Senator, thank you for that question.
4 God willing, my daughter will be one of those facing that
5 challenge. She has got a sweetheart at Fort Bragg, and she
6 is at Fort Campbell.

7 And this has been an enduring challenge for the Army.
8 My class at West Point was one of the first with women.

9 Senator Ernst: Right.

10 Dr. Wardynski: And the classmates married classmates,
11 and so I have seen this throughout my career.

12 I think it goes a bit towards the talent management
13 framework to begin with. Being able to put people in the
14 in the right place at the right time entails also that
15 family, entertaining systems where the soldier has more
16 voice.

17 You have given us in this coming NDAA more authority
18 to be flexible. Those flexibilities pertain to promotion
19 and assignment. There is no reason we cannot be equally
20 flexible when we think about the needs of our dual military
21 couples. And keeping them both in the service and keeping
22 that investment in the service I think should be one of our
23 top priorities.

24 So I think within the framework of flexibility and
25 talent management systems, that would be one of the things

1 that would be way up my list.

2 Senator Ernst: I appreciate that very much, and we
3 have so many great folks serving in our services today, and
4 we need to to find a way to encourage them and retain them.
5 So I appreciate your thoughts on that.

6 I will yield back my time.

7 Senator Inhofe: Thank you, Senator Ernst.

8 Senator Blumenthal?

9 Senator Blumenthal: Thanks, Mr. Chairman.

10 Thank each of you for your service and your families
11 and your support for our men and women in uniform.

12 I want to begin by focusing on an area that no one has
13 mentioned, which, in my view, is as important as our men
14 and women in uniform, which is the men and women who work
15 at our defense contractors -- Electric Boat, Pratt &
16 Whitney, Sikorsky in my home State -- and the literally
17 thousands of men and women who work in the supply chain.

18 There has been a lot of talk about providing our
19 warfighters with what they need so they will not have a
20 fair fight. In my view, this Nation is failing, abjectly,
21 utterly failing to invest in the skill training and
22 education that is necessary for us to produce the weapons
23 platforms, the aircraft, the submarines, the helicopters
24 that they need in the field.

25 The NDAA, which we have just passed, provides

1 literally billions of dollars to build more submarines and
2 other warfighting equipment that is vital to the future of
3 our national defense. There will be thousands of jobs
4 created, just in Connecticut. There will be openings that
5 those contractors and suppliers and contractors will be
6 hard-put to fill, and the major challenge is to train and
7 provide skills to those individuals who will come to work
8 every day.

9 Welders, electricians, pipefitters, designers,
10 engineers -- we are failing to provide them. They are
11 every bit as important as any of the issues that you have
12 raised today. So I want to know what you will do to make
13 sure that we are doing the skill training for those men and
14 women who not only deserve those opportunities, but are
15 needed by the Nation to fill those jobs?

16 I will open it to whoever has thoughts about how we
17 commit resources to community colleges, to vo-tech, high
18 schools. We are talking here about readiness, sustainment,
19 capability to meet our national defense needs not just this
20 month, but 5, 10 years into the future.

21 Mr. McMahon: Senator, if it is okay with you, I will
22 take the first stab at this. Having been a commander of an
23 air logistics center, which is a large industrial complex,
24 the situation that you just described was something that I
25 faced each and every day.

1 What I have seen and what I will do, if confirmed, is
2 continue with responsibility over our organic industrial
3 base, is continue to find partnerships between our large
4 depots in our communities, to find those opportunities, to
5 draw those folks not going to college, but into technical
6 skills into those opportunities at those installations. To
7 be able to grow them, give them the opportunities and
8 expand not only the job afterward, but also the in-turn
9 opportunities to be able to grow that.

10 That takes care of part of the issue with our organic
11 facilities. It does not necessarily address what the
12 challenges that our private sector industrial base is
13 failing to be able to achieve today, but this at least gets
14 us in the direction to be able to continue to grow that
15 workforce that is so essential for sustaining the weapon
16 systems we have today.

17 Senator Blumenthal: Ms. Daigle?

18 Ms. Daigle: Yes, Senator, I would agree with Mr.
19 McMahon. I would also just add I have seen this myself,
20 going down to shipyards and hearing that they had to let go
21 people due to unpredictability. So I would just add to
22 that that having stable, predictable funding on time helps
23 give that predictability to industry, I think, as well.

24 Mr. Shaffer: Senator, I think our Nation is in crisis
25 in both STEM fields and technical -- technician fields. I

1 believe that the Department has a number of authorities
2 already. I am not sure that we are working as effectively
3 with industry and other people to implement them. But I
4 believe that as part of the contracting process, industry
5 can charge back training costs to the Government as long as
6 it is in direct support of the contract.

7 If confirmed, I will be more than willing, and I would
8 actually be eager to look at are we using the authorities
9 that have been granted effectively? And if not, what else
10 can we do to increase the technical talent in our Nation?
11 We do not have a choice.

12 Senator Blumenthal: We have no choice, and my time
13 has expired. It is a big topic, but I just urge each of
14 you to keep in mind the importance of these men and women
15 who may not wear a uniform, but they are as important as
16 the men and women who do. And our warfighters simply will
17 be unable to do their jobs if we cannot provide the skills
18 and training to these very dedicated men and women.

19 Thank you, Mr. Chairman.

20 Senator Inhofe: Thank you, Senator Blumenthal.

21 Senator Sullivan?

22 Senator Sullivan: Thank you, Mr. Chairman.

23 And I want to congratulate each member of the panel
24 here on your nomination, and congratulations. And
25 congratulations to your families. I know it is not easy

1 work, and your willingness to serve your country, continue
2 to serve your country is very admirable. We appreciate it,
3 and I look forward to meeting with everybody before the
4 votes to have a more in-depth discussion.

5 You know, the father of the U.S. Air Force, Billy
6 Mitchell, was testifying before this committee in the mid-
7 1930s, and he called Alaska, which happens to be my State,
8 the most strategic place in the world. I agree with that.
9 So did Billy Mitchell.

10 And I like to say Alaska constitutes three pillars of
11 America's military might. We are the cornerstone of our
12 Nation's missile defense, literally protect every city in
13 the country with the assets in Alaska -- radar, missile
14 fields. We are the hub of air combat power for the Asia-
15 Pacific and the Arctic. When the F-35s come in Alaska, we
16 will have over 100 fifth-gen fighters, combat-coded fifth-
17 gen fighters. There is no place on Earth that will have
18 that kind of combat power.

19 And we are a platform for expeditionary forces, like
20 the First Stryker Brigade 425. Because of the strategic
21 airlift we have and how close we are to anywhere in the
22 Northern Hemisphere, that is a critical element of what we
23 bring to the fight.

24 Recently, Secretary Mattis and all three service
25 secretaries have come up to our State. I think they agree

1 with all this. So I would like to get your commitment to
2 come up to Alaska sometime early in your tenure with me or
3 without me, but to get up there.

4 Some members of the military, because of our distance
5 from capitals like this, do not always get up to Alaska to
6 see it. So can I get each of your commitment to come to my
7 State and see these three pillars that make up the military
8 might of our Nation, each one of you?

9 Ms. Daigle: Absolutely.

10 Dr. Wardynski: Yes, Senator.

11 Mr. Shaffer: Yes, Senator. It will be a pleasure to
12 go back to Alaska.

13 Senator Sullivan: Great.

14 Mr. McMahon: Yes, Senator.

15 Mr. Beehler: Yes, Senator.

16 Senator Sullivan: Thank you.

17 Mr. Shaffer, I agree completely with your speed to
18 field idea. I think, you know, the issue of 17 years to
19 develop the F-35 not only was a disaster for acquisition,
20 but our adversaries love that. They love it. They watch
21 it. They see where this giant that cannot do anything.

22 I just want to encourage you, a lot of the challenges
23 I think from the acquisition process come from this body.
24 I want to really encourage you to take a look at the laws,
25 take a look at the regs, and literally, if you think we

1 need to throw them out and start over, to do that and come
2 to this body with your recommendations.

3 I think Secretary Mattis has put together probably one
4 of the top teams that the Pentagon has seen, starting with
5 the Deputy Secretary, who understand how to do this. But
6 you are going to need our help, and I think you need to be
7 bold here. It is a great opportunity. So can I get your
8 commitment, if you guys have good ideas that would require
9 change in the law, come to this body and ask for that?

10 I think most of us, on a bipartisan basis, would be
11 very amenable to that, but we just do not always know what
12 the roadblocks, many of which we have created ourselves
13 through laws and regs. Can I get your commitment on that?

14 Mr. Shaffer: Senator, absolutely, you have my
15 commitment. And I look forward to working the members --
16 yourself and members of the committee and with the
17 professional staff.

18 Senator Sullivan: Great. Ms. Daigle, one of the
19 other things about Alaska, we have a training area called
20 the JPARC, the Joint Pacific -- Joint Area Pacific Range
21 Complex. It is the biggest training area in the country by
22 far. The airspace is the size of Florida. The ground
23 maneuver element is bigger than Delaware, and the Navy
24 space is bigger than Virginia.

25 We are trying to expand that, actually, and there is

1 very little pushback because we have the room. Unlike
2 other ranges in the lower 48, there is very little urban
3 encroachment.

4 Can I get your commitment to work with me and others,
5 this committee, on expanding and modernizing the JPARC,
6 which, particularly when it comes to fifth-gen fighters, we
7 have three red flags. One is going on right now in Alaska.
8 The fifth-gen fighter element is really, really important.
9 Can I get your commitment on that?

10 Ms. Daigle: If confirmed, I would be very interested
11 in learning more about this and working with you.

12 Senator Sullivan: Great. Unfortunately, again, a lot
13 of people do not even understand what JPARC is because they
14 never get to Alaska. It is the best training probably on
15 the planet.

16 Let me ask one final question. You know, readiness.
17 I think sometimes this body, well intentioned, but
18 oftentimes puts requirements on our military that take away
19 from readiness, take away from the basic idea that the core
20 mission of the armed services is to close with and destroy
21 the enemies of our Nation. Sometimes people do not like
22 talking like that, but it is actually true.

23 And sometimes I think this body is the problem. Can I
24 get each of your commitment to focus on warfighting,
25 readiness, to destroy the enemies of our Nation as the

1 number-one priority of the U.S. military, which it is. And
2 again, sometimes people do not like saying that, but it is.
3 But can I get your commitment to get back to that focus on
4 warfighting that we need and in some ways have lost, each
5 of you?

6 Dr. Wardynski: Yes, Senator.

7 Mr. Beehler: Yes, Senator.

8 Mr. McMahon: Yes, Senator.

9 Senator Sullivan: Great. Thank you.

10 Thank you, Mr. Chairman.

11 Senator Inhofe: Thank you, Senator Sullivan.

12 Senator Peters?

13 Senator Peters: Thank you, Mr. Chairman. And each of
14 the nominees, thank you for your willingness to serve.

15 Mr. Beehler, if confirmed, you will be responsible for
16 policy, strategic direction, and oversight of all matters
17 relating to U.S. Army infrastructure, installations,
18 energy, and environmental programs. So in that role, I
19 would like to strongly encourage you to provide all due
20 consideration to a proposed project, if confirmed, for
21 constructing an electrical substation at the Detroit
22 Arsenal in Warren, Michigan.

23 The Detroit Arsenal hosts TACOM and TARDEC, which are
24 critical organizations for lifecycle sustainment of Army
25 assets, as well as the research and development for future

1 vehicles, including hosting the Army's next-generation
2 combat vehicle cross-functional team.

3 This is a project that the Army's Future Years Defense
4 Plan for Fiscal Year 2020, and it is urgently needed. In
5 fact, Lieutenant General Bingham, the Assistant Chief of
6 Staff for Installation Management, knows this firsthand
7 from her prior assignment as commanding general of TACOM at
8 the Detroit Arsenal.

9 In 2016, an electrical cable failure at the arsenal
10 shut down operations for 2 days, and prior to that, there
11 was a power outage over the Fourth of July weekend. And as
12 you know, conducting research and development, as well as
13 prototyping work, imposes substantial and unique power
14 demands. And losing work hours to a power failure is
15 simply unacceptable, which is why the Army has included the
16 substation project in the plan for 2020.

17 Again, if confirmed, I would encourage you to look
18 into the need for this project and ensure that it
19 materializes in the budget request for Fiscal Year 2020,
20 and I hope you also have the opportunity to visit the
21 Detroit Arsenal and see firsthand how important that work
22 is.

23 So with this in mind, the statement that I made, I
24 would like you to please discuss your view towards how you
25 would prioritize military construction investments at Army

1 installations, if confirmed, and what role will essential
2 power needs and energy efficiency play in that process?

3 Mr. Beehler: Thank you, Senator.

4 So, if confirmed, as far as the specific project that
5 you just discussed with the substation, I will certainly
6 make that a priority to look into, carefully study, and
7 work with you and other Senators on the committee,
8 hopefully visit, and give this top review and
9 consideration.

10 As for the general point, if confirmed, certainly one
11 of my priorities is to do everything I can within the
12 authority of the Assistant Secretary-ship to make sure that
13 the Army has the best and most secure capability dealing
14 with the microgrid situation so that we do have energy
15 resilience at all of our bases. And I would -- I know that
16 there are various studies under way dealing with this. I
17 will make sure, if confirmed, that these studies are
18 comprehensive, completed, shared appropriately with the
19 committee, discussed, and acted upon so that we are not
20 made vulnerable by outages that will obviously directly
21 affect our mission capabilities and readiness.

22 Senator Peters: Well, I appreciate that, and I will
23 look forward to working with you, if confirmed.

24 Mr. Beehler, I also believe that one of the most
25 pressing environmental problems facing the Department of

1 Defense and the Army at this moment are the harmful effects
2 of the chemical PFAS. I can tell you that communities in
3 Michigan are growing increasingly frustrated dealing with
4 the Department of Defense on this issue and see a need for
5 the Department and the services to pay to clean up a
6 problem that was caused by the services, particularly in
7 communities around legacy military installations that only
8 have consequences and the cost of the PFAS without any
9 remaining military mission at those bases.

10 The recently enacted NDAA for Fiscal Year 2019 calls
11 on the DoD and the services to "seek to reduce the
12 financial burden on State and local governments who are
13 bearing significant cost for clean-up." So, Mr. Beehler,
14 my question is, if confirmed, how would you work to engage
15 with communities impacted by PFAS contamination and seek to
16 reduce that financial burden, which is significant, on our
17 State and local governments?

18 Mr. Beehler: Senator, if confirmed, I will, as
19 anything involving emerging contaminant issues, which this,
20 the PFAS and PFO certainly are, and they are currently top
21 importance and generally in the public mind. My
22 understanding is that the Army to date has conducted a
23 pretty comprehensive review of problem wells, and where
24 these wells have shown to have chemicals have taken
25 measures to correct the problem various different ways.

1 I will make sure, if confirmed, that that review is
2 completed and make sure that these problems are addressed
3 and resolved. And in order to do that, I believe I would
4 have to work closely with the other services, whom I know
5 are dealing with this issue substantially, as well as with
6 the State and local authorities to make sure that the
7 matter is resolved wherever the testing reveals that there
8 is a problem.

9 Senator Peters: Well, I appreciate that. I look
10 forward to working with you, and we need to resolve these
11 problems as quickly as possible. These are significant,
12 they are spreading, and believe me, the concern is great.

13 I appreciate it.

14 Mr. Beehler: Thank you.

15 Senator Inhofe: Thank you, Senator Peters.

16 Senator Tillis?

17 Senator Tillis: Thank you, Chairman.

18 Thank you all for being here. Mr. Wardynski, thank
19 you for being in the office yesterday. I am looking
20 forward to supporting your nomination, as I am with all the
21 group before us. But I would like for you to talk a little
22 bit about what we discussed yesterday in the office, your
23 view of some of the provisions that made its way into the
24 National Defense Authorization Act around DOPMA.

25 And I know in your opening statements, you made

1 comments around talent management. So tell me a little bit
2 about what you believe your first-year priorities are going
3 to be, and with this new enabling language, how that may or
4 may not play into it.

5 Dr. Wardynski: Yes, sir. Yes, Senator. Thank you
6 for that.

7 With regard to the flexibilities from the new NDAA, I
8 think they will go a long way in helping move the Army
9 forward in the area of talent management. The ability to
10 move officers between air groups, the ability to bring in
11 experts and appropriate grades, I think they are going to
12 help us in some key fields where the Army has struggled to
13 man the force with the right folks.

14 It will build in the ability to retain individuals we
15 might otherwise have lost with the ability to perhaps take
16 a break in service and come back, particularly in the
17 Reserves and some fields that are again critical -- cyber,
18 STEM fields. I think these, paired with talent management,
19 will give the Army the ability to put the right person in
20 the right place at the right time.

21 I think that ability is going to help give us that
22 match, an overmatch we need in this new defense paradigm.
23 I do not believe our enemies will be doing that, and I
24 believe to my core that the American soldier and the
25 American people, if properly employed within the military,

1 will bring forth solutions that will allow us to maintain
2 our dominance over enemies, bring forth solutions that will
3 allow us to prevail if war comes.

4 And so having those people in the force, having the
5 flexibility to put them to work, and then the tools and the
6 information technology systems to know what they are best
7 at so we can put them where we can best use those talents.
8 I think that those will meld well.

9 Senator Tillis: Well, thank you. And I think as we
10 move forward to next year, there were some provisions that
11 I think there were some differences between the Department
12 and our committee that I would like to look at and see if
13 we can scrub those and get to a point to where you think
14 they would be helpful.

15 I do believe you are about to be confirmed for a far
16 less political job than when you were a superintendent of a
17 school system. So I wish you the very best of luck.

18 [Laughter.]

19 Senator Tillis: Mr. Shaffer, I had a question for
20 you. Normally, if I was not jumping back from the Banking
21 Committee meeting, I would have my 680-page RFP for the
22 next-generation handgun with 39 pages of specs in it and a
23 10-year history to actually get it selected. And by the
24 time it gets deployed, at some level, it is already going
25 to be out of date. It is a very good example of a sort of

1 a "one size fits all" acquisition process that is not
2 working.

3 It is costly, and it is taking resources away from
4 actually a number of the areas that would -- I think that
5 would benefit from it. So what kind of role do you see
6 yourself playing in trying to modernize the acquisition
7 system and getting the lines of service in a consistent
8 approach?

9 The handgun started with the Air Force, ended with the
10 Army. Who knows where it went in between? But what kinds
11 of -- how does your past experience and what kind of
12 insights can you give on what we can expect to be different
13 in acquisitions moving forward?

14 Mr. Shaffer: Senator, thank you.

15 I will start by saying that a number of the
16 authorities that the Senate has given us and starting in
17 Fiscal Year 2016 through 2019 for authorities, NDAA gives
18 us the opportunity to move fast. I will cite my own
19 personal experience.

20 I was very much involved in fielding the MRAP vehicle,
21 mine-resistant ambush protection vehicle. We fielded
22 28,000 vehicles in 4 years. That vehicle, the initial
23 requirement set was about two pages long. What I learned
24 is if you have good engineers, either military or, to
25 Senator Blumenthal's point, in commercial industry, and let

1 the engineers make trades, you can get a very good
2 capability much, much faster.

3 So, if confirmed, I will work with the uniformed
4 members and critically review requirements and get rid of
5 the requirements that add no value. There are some things
6 that we have to require, but the more requirements you put
7 on the trade space and constrain the trade space, the
8 harder it is to field.

9 So that is my answer, sir.

10 Senator Tillis: Thank you. And thank you, Mr. Chair.

11 Just as a closing comment, I will not expect a
12 response in the interest of time, but over the next year
13 and a half, you are going to have a false sense of security
14 in terms of the funding stream that is coming in to the
15 DoD. But I think each and every one of you in your new
16 roles are going to have to look at how you are potentially
17 going to have to deal with funding the bubble, should we
18 come up short in the follow-up to our next defense
19 appropriation.

20 I know, in speaking with the Secretary of the Army,
21 they are already taking a look at how they can free up
22 resources so that they can take care of manpower, for
23 example, continue to sustain key acquisitions systems.

24 But I would encourage all of you to make sure that
25 you, anticipating a bad outcome, be highly instructive to

1 your priorities to produce efficiencies and to send the
2 message to DoD leadership and to the Senate what you need
3 to do to actually deal with what I think, if Congress fails
4 to act, will be a significant downturn in funding just a
5 couple years out.

6 Thank you all, and congratulations for your
7 nominations. I look forward to supporting all of you.

8 Senator Inhofe: Thank you, Senator Tillis.

9 Senator King?

10 Senator King: Thank you, Mr. Chairman.

11 Mr. Shaffer, you mentioned the changes in procurement
12 that have been in the National Defense Act over the last
13 several years. I think it would be helpful for the record,
14 not today, to give us some assessment after you get into
15 the saddle over there, assuming you are confirmed, of those
16 changes and how they are working and not working, and are
17 there further changes necessary? I think that would be
18 very helpful to the committee as we continue the process of
19 trying to improve the procurement program.

20 I recently met with an executive of one of the large
21 defense firms, and the point he made was that the large
22 defense firms have stables of lawyers and accountants and
23 regulatory folks that can deal with the regulatory
24 requirements of contracting with the Defense Department,
25 but smaller companies do not.

1 A small company in Silicon Valley may have a really
2 valuable product, a bright idea, they get something in the
3 mail that looks like this that says here are the forms. I
4 wish you would pay some attention to that. We have had
5 testimony before this committee that smaller companies in
6 Silicon Valley simply have given up contracting with the
7 Defense Department because of those barriers.

8 Is that something you could comment on?

9 Mr. Shaffer: Senator, I will comment on it briefly,
10 but I will also make a pledge to you. You asked after I
11 get in the saddle for a while and can assess how well the
12 various authorities are playing out, I am very happy to do
13 that. That will take some time.

14 As to small business, we have a number of outreach
15 units that are helping, defense experimental or defense
16 innovation unit, no longer experimental, who are working
17 with small businesses. We also have the small business
18 program that is within the acquisition and sustainment
19 portfolio, and one of the primary purposes of that office
20 is to help small businesses get through the process of
21 contracting with the Government without all of the
22 paperwork.

23 Congress has given us the authority for other
24 transactions, which is a very good authority for prototypes
25 and small-scale limited development.

1 Senator King: Well, I would like to follow up on my
2 prior request that we have some assessment of how that is
3 actually working in the field.

4 Mr. Shaffer: Yes, sir. Yes, sir. Yes, Senator.

5 Senator King: Ms. Daigle, a question for you is to
6 help us determine how we measure readiness. We can talk
7 about readiness, but how do we -- what are the criteria?
8 And I think, again, for the record that would be helpful to
9 help us define what it is we are trying to get at.

10 And one of the areas that I am concerned with about
11 readiness is aircraft. A recent assessment is that in the
12 Air Force, 70 percent of the aircraft are ready at any
13 given time. Some particular aircraft, it is 50 percent or
14 below. I do not remember the exactly figures, but I think
15 in commercial aviation, it is in the 90s.

16 The question is what is the differential, and how can
17 we improve that? There are enormous ramifications of the
18 difference between 70 percent and 95 percent. Could you
19 give me some thoughts on that?

20 Ms. Daigle: Yes, and you are --

21 Senator King: Often, they are the same airframe.

22 Ms. Daigle: Yes. You are actually touching on one of
23 the areas that I think we need to do a lot of work in the
24 readiness arena. And so, if confirmed, this is one of my
25 top priorities is defining this.

1 But to your point, when we measure mission capable
2 rates, so a percentage -- and this is where you can have
3 differences -- you can measure it as the percentage of your
4 total inventory or as a percentage of your combat-coded
5 inventory. There are different ways to measure it.

6 And so --

7 Senator King: We are counting on you to find measures
8 that really tell us what the reality is.

9 Ms. Daigle: Yes, yes.

10 Senator King: And I hope that you will do some
11 benchmarking because I think benchmarking, for example,
12 aircraft against commercial would be instructive.

13 Dr. Wardynski, virtually all of our witnesses today,
14 not all, but many of you have testified about your military
15 bloodlines -- parents, brothers, children, spouses. We
16 recently had testimony that 84 percent of the current
17 members of the military come from military bloodlines.

18 I have had members of the military express concern to
19 me about this, that we are developing a military caste that
20 is separate from the rest of the society. I hope in your
21 recruitment and manpower thinking, you will think about
22 reaching outside of this category for reasons, for a host
23 of reasons in terms of public support, public
24 understanding, all of those kinds of things. Are you aware
25 of this issue?

1 Dr. Wardynski: Yes, Senator. And I think what would
2 be instructive from looking at the children of military who
3 enlist is why did they enlist at such higher rates than
4 children who were not of military? So we can help those
5 kids that were not in the military to understand those
6 reasons.

7 Those that know the military best feel very
8 comfortable joining. So how can we have other kids feel
9 that comfortable about joining our service, too?

10 Senator King: But I think as a society, it is
11 important for us to broaden the pool of those who serve in
12 the military.

13 Dr. Wardynski: I agree, Senator. And so I fully
14 support expanding that pool.

15 Senator King: Thank you. Thank you, Mr. Chairman.

16 Senator Inhofe: Thank you, Senator King.

17 Senator Kaine?

18 Senator Kaine: Thank you, Mr. Chair.

19 And congratulations to the witnesses for your
20 nominations.

21 Mr. Beehler, let me start with you. Reuters reported
22 last week about lead exposure on on-base housing at a
23 number of Army facilities, and there were some real
24 concerns. Not just the exposure, but some of the reports
25 indicated significant unwillingness or inability to conduct

1 adequate clean-up operations when problems were identified
2 and even deterring families from reporting or retaliating
3 against families who did report.

4 In the days since the report came out for Reuters, our
5 office has been made aware of additional families spanning
6 all of the services -- this is not just an Army issue --
7 and military bases echoing similar claims. So what I would
8 first like to ask you, as you get settled in your position,
9 if confirmed, that you might come back and help us
10 understand how the Army intends to immediately resolve the
11 known discrepancies, but also have a long-lasting solution
12 for our on-base housing so that it remains safe for
13 occupants.

14 Would you make that commitment to me, should you be
15 confirmed?

16 Mr. Beehler: Yes, Senator. If confirmed, I will
17 welcome the opportunity to work with you and other members
18 of the committee to address this issue. I have read some
19 of the stories, and I find it personally unacceptable that
20 this has developed to the extent and in so many tentacles,
21 as assuming all the press accounts are accurate.

22 And certainly, my role as Assistant Secretary in
23 Installations, Environment, you have two of the three key
24 pillars that I want to make sure that as you have said,
25 that military families feel absolutely safe and healthy in

1 military housing on the bases and that, obviously, all
2 environmental laws and regulations are carried out to the
3 fullest extent. So I view this as a top priority. If
4 confirmed, I would welcome the opportunity to come back and
5 work with you and other members on the committee.

6 Senator Kaine: Thank you, Mr. Beehler.

7 And you said it best when you said that, you know,
8 families and your soldiers should feel safe in on-base
9 housing. I mean, they sacrifice enough and they volunteer
10 for a lot of things that are not safe. But when they are
11 in on-base housing that is provided by us, they should not
12 have to fear for their safety and the safety of their
13 families.

14 So I appreciate your commitment on that. Senators
15 Warner, Perdue, Isakson, and I sent a letter about that,
16 when we saw the Reuters report, to the Secretary of
17 Defense, and we look forward to following up.

18 Dr. Wardynski, first, I appreciate your comments about
19 military spouses. I have a boy in the Marines who is
20 married and am starting to get used to the, you know,
21 military spouse issues from a very different standpoint. I
22 was with a number of military spouses this morning, talking
23 about childcare issues.

24 And you will be pleased to know that they were spouses
25 from different service branches, and the Army spouses

1 tended to be happier than the others. So I will give you
2 that little compliment up front.

3 But I do think a whole series of issues, the NDAA that
4 was signed at Fort Drum two Mondays ago had some
5 significant issues to help military spouses deal with
6 unemployment. But the discussion I was having this morning
7 was heavily about availability of affordable childcare on
8 or near military bases, and I would love to follow up with
9 you on that.

10 But my question is a little bit different. Your firm,
11 FISH Technologies, is very much involved in data analytics,
12 and here is a data point that you know well, we talk about
13 a lot in this committee, that will become kind of an
14 immovable object for national security. Over 70 percent
15 of the target recruit population is unable to serve in the
16 military due to a range of issues, the primary two being
17 obesity or other physical/medical issues.

18 Sixty-one percent of those disqualified, by the Army's
19 estimate September 2016, were for those two reasons. The
20 causes of that statistic are not likely to be addressed
21 just by the defense budget or just by this committee, but I
22 would like to hear how you might approach that issue,
23 should you be confirmed?

24 Dr. Wardynski: Senator, the available pool for
25 enlisting is obviously a very important consideration in

1 the recruiting of a volunteer force. And so, earlier, I
2 mentioned broadening that pool, that when we look at that,
3 typically, the Army is looking at the high school graduates
4 who have yet to go to college or are not college bound. I
5 think we need to expand to looking at the college dropout
6 and noncompleting population, which is very large as well.

7 Those folks tend to do very, very well in the military
8 and make it much farther and successfully so. That would
9 be one approach.

10 Senator Kaine: And often their military service
11 awakens in them a desire to complete their education. I
12 have a number of staffers who followed that path.

13 Dr. Wardynski: Yes, Senator. And of course, thanks
14 to the work of the Congress and the taxpayers, we have the
15 resources to help them do that, too.

16 I think Junior ROTC is a very valuable resource. It
17 has got components across many, many of our 12,000 school
18 systems. Embedded in that are things like civics and
19 fitness and healthy lifestyle programs. I believe those
20 can be areas where we can help even those that do not join
21 the military. Should the Nation at some point ever have to
22 call on them, they would be available. And if it does not,
23 they would be obviously in much better shape either way.

24 So I think there are tools at hand, and the Army needs
25 to think a bit more broadly about how to employ those. And

1 if confirmed, I would look forward to doing that.

2 Senator Kaine: Mr. Chair, thanks so much. Appreciate
3 all of you.

4 Senator Inhofe: Thank you, Senator Kaine.

5 Senator Reed, do you have any further comments or --

6 Senator Reed: No, I do not.

7 Senator Inhofe: First of all, it is a great team. I
8 am just very proud. I have never seen a panel of more
9 qualified people. I look forward to working with all of
10 you, and it is my wish that all of you will be confirmed,
11 and I believe that will take place.

12 We are adjourned.

13 [Whereupon, at 10:53 a.m., the hearing was adjourned.]

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