

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO RECEIVE TESTIMONY ON
MATTERS RELATING TO THE BUDGET OF
THE NATIONAL NUCLEAR SECURITY
ADMINISTRATION

Thursday, September 17, 2020

Washington, D.C.

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7 U.S. Senate
8 Committee on Armed Services
9 Washington, D.C.
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11 The committee met, pursuant to notice, at 9:32 a.m. in
12 Room SD-G50, Dirksen Senate Office Building, Hon. James M.
13 Inhofe, chairman of the committee, presiding.

14 Committee Members Present: Senators Inhofe, Fischer,
15 Cotton, Rounds, Ernst, Tillis, Sullivan, Cramer, Scott,
16 Hawley, Reed, Shaheen, Blumenthal, Hirono, Kaine, King,
17 Heinrich, Peters, Manchin, and Jones.
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1 OPENING STATEMENT OF HON. JAMES M. INHOFE, U.S.
2 SENATOR FROM OKLAHOMA

3 Chairman Inhofe: Our meeting will come to order.

4 The committee meets today to receive testimony on the
5 National Nuclear Security Administration's fiscal year 2021
6 budget request and to address some concerning efforts to
7 undermine NNSA's relationship with the DOD. Arguably, this
8 could go down as one of the most significant hearings that
9 we have had, and we have had a lot of hearings.

10 I want to welcome our witnesses, including the first
11 two women ever to head up the nation's nuclear enterprise.
12 Our country is very fortunate to have your leadership in
13 these challenging times. So we have the Honorable Lisa
14 Gordon-Hagerty, the Administrator of the National Nuclear
15 Security Administration; and Honorable Ellen Lord, Under
16 Secretary of Defense for Acquisition and Sustainment and
17 Chair of the Nuclear Weapons Council; and Admiral Charles
18 Richard, Commander of the United States Strategic Command.

19 As this committee focuses on implementing the National
20 Defense Strategy -- that is this right here. We have
21 referred to this many times before, a great document that is
22 put together on a bipartisan -- and what we were attempting
23 to do is consistent with that.

24 And when asked about the priorities for dealing with
25 China and Russia, General Milley, the Chairman of the Joint

1 Chiefs of Staff, said -- and this is a quote -- I think the
2 very number one priority for me and number one priority
3 stated for the Department of Defense is the modernization,
4 recapitalization of the nation's nuclear triad. And I could
5 not agree more. General Milley is exactly right and on
6 target.

7 Thanks to President Trump's decisive leadership, we are
8 making great progress towards this goal. Unfortunately, we
9 are here today to address a very real threat to our nuclear
10 deterrent, but this threat is not from China or Russia. It
11 is one of our own making regretfully.

12 Coordination and transparency between DOD and NNSA is
13 critical to the modernization of the triad, but there are
14 those who are trying to weaken that coordination. And I
15 want to be clear. They are undermining our national
16 security in doing so.

17 Recently I have learned that individuals from the
18 Department of Energy have worked behind the scenes with
19 House Democrats on ill-advised legislation that would -- I
20 am going to mention four things here, very significant. I
21 hope you will take note of them.

22 That language that has been proposed from the House
23 would bury the Nuclear Weapons Council in unneeded
24 bureaucracy and bring its decision-making process to a
25 grinding halt.

1 It would, number two, prohibit all cooperation between
2 NNSA and the Nuclear Weapons Council for maintaining the
3 safety and security of our nuclear weapons.

4 Number three, it would destroy the NNSA's
5 congressionally mandated independence and drag us back to
6 the dysfunction back during the Clinton years.

7 And number four, it would do lasting and possibly
8 irreversible harm to the President's efforts to preserve and
9 improve our deterrent, an effort even former President Obama
10 understood was necessary. And we have heard our President
11 talk over and over again about the significance of this and
12 about the threat that is posed out there.

13 In fact, I have a letter from the Department of Defense
14 objecting to these provisions. The provisions that we are
15 referring to that are being proposed in the House. I would
16 like to enter into the record Secretary Esper -- and I am
17 going to go ahead and put his entire statement, without
18 objection, into this record.

19 [The information follows:]

20 [COMMITTEE INSERT]

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1 Chairman Inhofe: But a couple sentences out of it. He
2 said, after reviewing the recently House-passed fiscal year
3 2021 appropriations bill and the national defense
4 authorization bill, I would like to share with you my strong
5 concerns with several related aspects of these bills. If
6 left unaddressed, provisions affecting DOD, DOE, and NNSA
7 put modernization of the United States nuclear deterrent at
8 unacceptable risk. That is the Secretary of Defense.

9 I also have a letter from the chair of the NWC, who is
10 here with us right now, that objects to these provisions,
11 and I would like to enter that into the record. That is
12 this. And we will, of course, hear from him during the
13 course of this meeting.

14 [The information follows:]

15 [COMMITTEE INSERT]

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1 Chairman Inhofe: It is not surprising that opponents
2 of nuclear weapons support these efforts. We would expect
3 them to do that. What bothers me is that people who should
4 be doing all they can to support the critical work of the
5 NNSA are instead trying to undermine it. As chairman of
6 this committee, I will not stand by idly and allow this to
7 happen. The work is too important.

8 I suppose we should have expected this sort of
9 political maneuvering to continue after what happened
10 earlier this year with the fiscal year 2021 budget request.
11 We all remember that. Because of the certain individuals at
12 the Department of Energy, what they did, the cutting the DOD
13 out of the NNSA budget development process until the last
14 minute, the budget coordination process broke down
15 completely.

16 You know, I was in shock when that took place, and I
17 found out that during this process, that the DOD is not even
18 considered, not even consulted not in any way. And they
19 were not knowledgeable of what the budget was until after it
20 was already developed, and that is totally unacceptable. I
21 mean, they are the customer. And I was surprised. People
22 are surprised. Right now, the majority of people in the
23 United States Senate are probably not aware of that.

24 But in the process, these bad actors actively misled
25 the U.S. Congress. There was no misunderstanding. They

1 lied to us, and later they admitted it. One of the lies was
2 they were talking about a slush fund of \$6 billion to \$8
3 billion that is out there. There was not a slush fund, and
4 they knew it and they admitted it later.

5 As a result, we had to go to the White House and save
6 one of President Trump's top priorities. When we took our
7 case to the President, he agreed with this. He was
8 frustrated and annoyed that simple coordination could go so
9 wrong. I applaud the President's decisive action to resolve
10 that issue. We all thought that his clear direction would
11 solve the near-term problem.

12 Then to fix the longer-term problem, my friend, Senator
13 Reed, and I drafted legislation to help DOD and NNSA improve
14 their coordination efforts. These common sense provisions
15 passed easily in the committee. In our committee, they
16 passed 25 to 2, and the two who voted against it were
17 against the bill anyway. So you could say it was
18 unanimously accepted. That is the language that we are
19 talking about. These simple measures ensure that DOD and
20 NNSA officials have the information required to do their
21 jobs, keeping us safe and maximizing taxpayers' dollars.
22 These provisions were and should remain uncontroversial.

23 We know how this process should look. For example, DOD
24 and the intelligence community work very closely to ensure
25 intelligence programs meet the military needs. They are in

1 total agreement on these things. That is what should be
2 taking place in the other areas. It is a straightforward
3 matter of good governance and effective civilian oversight.

4 Our bill would do the same for the NNSA budget.
5 Keeping our nuclear modernization efforts moving forward
6 demands close cooperation between DOD and NNSA. The ability
7 to see each other's program and budget details is the
8 fundamental requirement for realistic future planning.
9 Without effective coordination, nuclear programs will face
10 unnecessary cost overruns and schedule delays. Dropping the
11 ball on nuclear modernization means that we are disarming
12 ourselves in slow motion, which puts us on a trajectory to
13 fall further behind our adversaries.

14 You know, there was a time that we did not have
15 adversaries that had that sophistication, this equipment,
16 this technology, the resources that they have today. Truly
17 they are ahead of us. We all know what happened and how
18 that happened. And they are there. It is not like it was.
19 I sometimes get criticized when I say I look back at the
20 good old days of the Cold War when we knew there were two
21 super powers. We knew what they had; they knew what we had.
22 That was easy. It is not the way it is today.

23 And that is why Congress legislated coordination
24 between DOD and DOE in the first place all those years ago,
25 and that is why the Nuclear Weapons Council exists today.

1 That is the reason for it.

2 All of you and all of DOD and NNSA want to work
3 together more closely to ensure that nuclear modernization
4 programs are correctly aligned and delivered on time, and we
5 need the Department of Energy to join in this effort. There
6 has been much talk, a lot of it of inaccurate, about this
7 issue. So we have three members of the Nuclear Weapons
8 Council here today to explain how we can improve DOD and
9 NNSA coordination.

10 I want to commend the three of you, all three of you,
11 for the work in modernization in the nation's nuclear
12 deterrent. Your efforts in the Nuclear Weapons Council have
13 been some of the most productive I have seen, maybe the most
14 productive that I have seen, in the years that I have been
15 here. Our nuclear forces are absolutely critical to our
16 nation's security, and I would hate to see all of your hard
17 work undone by rogue actors who do not support our shared
18 efforts. We cannot let personal agendas distract us from
19 this critical mission.

20 So I thank you for appearing here today in a very
21 difficult and very significant, perhaps the most
22 significant, meeting that we have had in a long time.

23 Senator Reed?
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1 STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE
2 ISLAND

3 Senator Reed: Thank you, Mr. Chairman.

4 Let me welcome the witnesses and also commend them for
5 their extraordinary service.

6 The President's fiscal year 2021 budget request for
7 defense-related activities at the Department of Energy is
8 approximately \$26 billion, which is an 8 percent increase
9 over last year's enacted level. And this \$26 billion
10 represents approximately 73 percent of the \$35 billion
11 budget request for the entire Department of Energy.

12 Within the defense portions of the DOE budget, the
13 fiscal year 2021 budget request of the National Nuclear
14 Security Administration, or NNSA, is \$19.8 billion, which is
15 an increase of \$3 billion, or 18.3 percent over last year.

16 Within the NNSA, the weapons activities account has
17 been increased by \$3.1 billion, or 25 percent, from fiscal
18 year 2020 to fiscal year 2021.

19 While I understand the NNSA has facilities
20 recapitalization and weapons modernization underway, we need
21 to understand whether the NNSA can adequately execute such
22 large increases to their budget.

23 The Nuclear Weapons Council, or the NWC, has served
24 since 1946 as the forum where the Defense Department sets
25 requirements for the production of nuclear weapons for the

1 NNSA. Under Secretary Lord serves as the chair of the NWC.

2 The fiscal year 2014 National Defense Authorization Act
3 required that the council certify to Congress that the NNSA
4 budget meets DOD's requirements when the President's budget
5 is submitted. This year for the first time, the Nuclear
6 Weapons Council could not make that certification. My
7 understanding is that the \$3 billion increase in NNSA's
8 budget came too late in the process to allow the NWC to
9 review it. I understand that the Nuclear Weapons Council
10 has now developed planning guidance for review of NNSA
11 budgets to avoid a repeat of last year. Under Secretary
12 Lord, I am interested in hearing details of the guidance and
13 whether this process has been followed for the fiscal year
14 2022 budget.

15 Under Secretary Lord, while you are to be commended,
16 indeed highly commended, for putting such guidance in place,
17 I have concerns that because it is only a directive, it will
18 not necessarily carry forward through future
19 administrations. I would like to hear your thoughts on how
20 this guidance can be institutionalized.

21 A second concern I have is that while NNSA and DOD have
22 worked through their process, OMB will remain a wild card in
23 the final budget deliberations. OMB sits in the NWC
24 meetings but are not formally members of the council. I
25 understand that no one is likely to have an answer to that

1 dilemma, but the interaction among DOD, DOE, and OMB
2 certainly caused much turmoil this year.

3 Administrator Gordon-Hagerty, last year's OMB budget
4 process revealed to us that you carry as much as \$8 billion,
5 or 40 percent of your budget, at your plants and labs as so-
6 called costed or committed but not expended funds. The
7 other term is "no-year money." I would note that the DOE
8 Office of Environmental Management is being cut \$1.2 billion
9 this year and being told to use their carryover to offset
10 this cut. Has this \$8 billion been clarified with OMB since
11 it contributed to much of last year's confusion? And I will
12 ask you that when we get the opportunity.

13 The NNSA is working to meet the requirements of both
14 the 2010 and 2018 Nuclear Posture Reviews. This mission
15 means a very high workload and many competing demands all at
16 the same time. For example, NNSA plans to overhaul five
17 weapon systems over the next 30 years. All of these
18 programs will concurrently require nuclear and non-nuclear
19 parts from NNSA's plants and labs that in many cases were
20 built to accommodate maybe one or two programs, not four or
21 five.

22 In addition, I worry that there are concurrency
23 problems given the recent issue of defective capacitors
24 impacting multiple warhead programs with delays and costing
25 more than \$800 million.

1 NNSA also has several complex construction projects
2 underway. They are preparing to produce 30 pits per year at
3 Los Alamos by 2026, which will require extensive new
4 equipment, while at the same time constructing a \$6.5
5 billion facility at Oak Ridge to handle uranium. In
6 addition, the NNSA is repurposing the Savannah River site to
7 produce additional pits. Administrator Gordon-Hagerty, I am
8 interested in NNSA's approach to ensuring all these projects
9 are accomplished on budget and on time.

10 And again, I thank the witnesses and look forward to
11 the testimony.

12 Chairman Inhofe: Thank you, Senator Reed. That is a
13 great statement. And we are working so well together on
14 this critical issue.

15 So we will go ahead and we will start with opening
16 statements, and we will start with Lisa Hagerty.

17 I have an apology to make to the committee. I had an
18 accident last week, and I cannot see out of my left eye. It
19 is all going to be all right, but it sure is a difficult
20 thing to deal with right now.

21 So we will begin with you, Lisa Gordon-Hagerty, for
22 your opening statement.

23 He commented that I could only see to the right. Well,
24 really nothing has changed.

25 [Laughter.]

1 Chairman Inhofe: You are recognized for your opening
2 statement.

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1 STATEMENT OF HON. LISA E. GORDON-HAGERTY,
2 ADMINISTRATOR, NATIONAL NUCLEAR SECURITY ADMINISTRATION

3 Ms. Gordon-Hagerty: Thank you. Chairman Inhofe,
4 Ranking Member Reed, and members of the committee, thank you
5 for the opportunity to testify before you today representing
6 the extraordinary men and women of the National Nuclear
7 Security Administration.

8 I want to begin by stating that 2020 is an important
9 year for NNSA as we celebrate our 20th anniversary. As a
10 semi-autonomous agency within DOE, the NNSA continues to
11 achieve outstanding results in support of the nation's
12 nuclear deterrent. We are grateful for your strong
13 bipartisan support of NNSA's national security missions and
14 the people who execute them every day.

15 Chairman Inhofe, a written statement has been provided
16 to the committee, and I respectfully request that it be
17 submitted for the record.

18 Chairman Inhofe: Without objection.

19 Ms. Gordon-Hagerty: Thank you.

20 Despite the challenges associated with the COVID-19
21 pandemic, I appreciate the bipartisan support and effort
22 with the passage of the NDAA fully supporting the
23 President's fiscal year 2021 budget for NNSA. The budget
24 represents President Trump and this administration's
25 commitment to restoring NNSA's infrastructure and

1 modernization programs to ensure that America has a safe,
2 secure, and effective nuclear deterrent for many decades
3 ahead, including recapitalization of the nation's plutonium
4 pit manufacturing capability that was shuttered 30 years
5 ago.

6 This funding also affirms the administration's
7 continued work to provide militarily effective nuclear
8 propulsion for the United States Navy's fleet of aircraft
9 carriers and submarines and to reduce threats posed by
10 nuclear proliferation and nuclear terrorism.

11 This funding enables NNSA to use its scientific and
12 technical expertise to verify and monitor treaty compliance
13 and support international arms control initiatives. And to
14 be clear, this administration is committed to arms control
15 efforts that advance U.S. and allied partner security, are
16 verifiable and enforceable, and include partners that comply
17 responsibly with their obligations.

18 During the COVID-19 pandemic, we have all faced many
19 firsts, many challenges, and many tests to our resiliency.
20 Although NNSA's top priority remains the safety and health
21 of our workforce, our unique set of responsibilities meant
22 that we could not rely solely on teleworking to achieve our
23 vital nuclear security missions. At the outset of this
24 crisis, we identified several mission-critical operations
25 that could not be performed remotely and have continued this

1 work on site while always following national health and
2 safety guidelines. Consequently, I am proud that throughout
3 this pandemic, NNSA has not missed a single major
4 deliverable or milestone.

5 We have continued to achieve our missions while
6 successfully maintaining as safe a working environment as
7 possible. This success is the direct result of the
8 adaptability and the dedication of the 50,000 men and women
9 in the NNSA's workforce. I believe our response to the
10 current environment demonstrates why we as NNSA and as a
11 nation are so very strong.

12 Although I am beyond proud of the nuclear security
13 enterprise's workforce resiliency and innovativeness
14 throughout this crisis, I am conscious of the reality that
15 many of our critical activities are on borrowed time due to
16 the challenges of recapitalizing the enterprise's aging
17 infrastructure and rebuilding our unique industrial base.

18 Additionally, with more than one-third of our workforce
19 eligible for retirement over the next 5 years, our ability
20 to recruit and retain the next generation of highly skilled
21 scientists and engineers is vital to our national security.
22 To address this challenge, NNSA is pursuing an aggressive
23 hiring strategy with the goal of adding an estimated 4,000
24 to 6,000 employees annually across the enterprise. To meet
25 this goal, we have broken the paradigm of traditional

1 government hiring practices to reflect a more corporate
2 approach working enterprise-wide. As a result of this new
3 approach, we succeeded in hiring nearly 7,000 employees in
4 fiscal year 2019 and are on track to meet our fiscal year
5 2020 goal despite COVID.

6 In addition to executing short-term requirements,
7 however, we must be focused on setting the conditions today
8 for a resilient, responsive enterprise for the next 50 years
9 and beyond. Key to this effort is adequate and sustained
10 funding that will allow for long-term budgeting and
11 planning. Again, we are grateful to Congress for your
12 strong bipartisan support for our nuclear security missions.

13 Finally, one area I would like to address in particular
14 is our alignment with our customer, the Department of
15 Defense. In May, DOD and NNSA signed the NWC Planning
16 Guidance and Budget Certification Process, which was
17 undertaken within existing statutory authorities and further
18 strengthens our alignment. I have forwarded NNSA's budget
19 proposal for fiscal year 2022 to the NWC describing how NNSA
20 will continue to execute our critical strategic deterrent
21 missions.

22 NNSA is deeply committed to our national security
23 missions and continued collaboration with DOD who is not
24 only our customer but is also our partner in this critical
25 endeavor. I would like to personally thank Admiral Richard

1 and Under Secretary Ellen Lord and the members of the NWC
2 for their continued support, professionalism, for their
3 collegiality, and for their service to our great nation.

4 Thank you again for the strong support of this
5 committee and the opportunity to testify before you today.
6 I stand ready to answer any questions you may have. Thank
7 you.

8 [The prepared statement of Ms. Gordon-Hagerty follows:]

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1 Chairman Inhofe: Thank you so much. Excellent
2 statement.

3 We will now hear from Ellen Lord.
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1 STATEMENT OF HON. ELLEN M. LORD, UNDER SECRETARY OF
2 DEFENSE FOR ACQUISITION AND SUSTAINMENT

3 Ms. Lord: Thank you. Chairman Inhofe, Ranking Member
4 Reed, and distinguished members of the committee, thank you
5 for the opportunity to testify today.

6 I am pleased to be joined by colleagues, Administrator
7 Ms. Gordon-Hagerty and Admiral Richard, to discuss what four
8 successive Secretaries of Defense have called the Department
9 of Defense's highest priority mission: ensuring that the
10 United States has a safe, secure, reliable, and credible
11 nuclear deterrent now and in the future.

12 I would like to frame my remarks around three key
13 points.

14 One, despite actions by the United States to lead the
15 world in reducing reliance on nuclear weapons, potential
16 U.S. adversaries have gone in the other direction.

17 Two, although effective today, the U.S. nuclear
18 deterrent remains dependent on aging weapons, platforms,
19 delivery systems, infrastructure, and nuclear command,
20 control, and communications, or NC3, systems built during
21 the Cold War.

22 Three, DOD has embarked upon the first recapitalization
23 of our triad since the end of the Cold War, and we cannot do
24 it alone. The partnership between DOD and DOE and NNSA
25 continues to thrive through the interagency Nuclear Weapons

1 Council, or NWC.

2 Today we face a stark reality. The longstanding and
3 repeated warnings about the need to modernize and
4 recapitalize the U.S. nuclear deterrent is no longer a
5 warning about the future. The tipping point in
6 recapitalization that we have long tried to avoid is here.
7 And we believe the condition of the nuclear enterprise now
8 poses possibly the greatest risk to deterrence.

9 As the Under Secretary of Acquisition and Sustainment,
10 I serve as the chairwoman of the NWC, which oversees
11 sustainment and modernization of our nuclear weapons and
12 supporting infrastructure and ensures their alignment with
13 DOD programs. The NWC convenes every month to synchronize
14 efforts between DOD and NNSA. The NWC also reviews costs
15 and schedules for options related to the nuclear stockpile
16 driving NNSA and the services to meet requirements in ways
17 that are both cost effective and timely. As a result, the
18 NWC's mission requires unprecedented levels of cooperation
19 and coordination between two independent cabinet agencies to
20 ensure that budget requests for nuclear modernization are
21 aligned and that Admiral Richard's requirements are met.

22 Through our coordination in the NWC, NNSA's fiscal year
23 2021 budget request reflects the necessary funding needed to
24 meet DOD's requirements. The NWC recently convened to
25 review the House of Representatives' appropriations marks

1 that will affect the NWC's entire program of record,
2 including the ongoing B-61-12 bomb, the W88 warhead, and
3 W80-4 warhead refurbishment efforts, as well as the longer-
4 term modernization programs.

5 On behalf of the NWC, I strongly urge full support for
6 the NNSA's budget request, as well as successful resolution
7 of the language in various fiscal year 2021 congressional
8 bills that would prevent the NWC from carrying out its
9 statutorily mandated responsibilities.

10 I want to thank this committee for its longstanding
11 bipartisan support to our nuclear deterrent mission and the
12 men and women in uniform who are its backbone.

13 I look forward to answering your questions. Thank you.

14 [The prepared statement of Ms. Lord and Admiral Richard
15 follows:]

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1 Chairman Inhofe: Thank you very much.

2 And, Admiral Richard, let me, first of all, thank you
3 for your long, enduring service to our country. We
4 appreciate and love you very much. You are recognized for
5 your opening statement.

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1 STATEMENT OF ADMIRAL CHARLES A. RICHARD, USN,
2 COMMANDER, UNITED STATES STRATEGIC COMMAND

3 Admiral Richard: Well, thank you for that, Chairman
4 Inhofe. And good morning to you, Ranking Member Reed,
5 distinguished members of the committee. It is an honor to
6 be here today alongside Ms. Lord and Ms. Gordon-Hagerty and
7 a privilege to represent the 150,000 men and women
8 performing U.S. Strategic Command's missions every day. I
9 am constantly reminded by the dedication of our soldiers,
10 sailors, airmen, marines and civilians who maintain the
11 watch particularly in these COVID operating environments we
12 are now. But the people of U.S. Strategic Command have a
13 can-do attitude that I have rarely seen elsewhere.

14 I want to thank the President and the Secretary of
15 Defense, Chairmen for their continued leadership and
16 confidence.

17 I want to thank Congress and particularly this
18 committee for your support in ensuring the Department,
19 STRATCOM, and our interagency partners, particularly the
20 Department of Energy, have the required resources necessary
21 to execute our mission to deter strategic attacks and
22 guarantee the security of our nation and our allies.
23 Congressional support, budget stability, and on-time
24 appropriations are essential requirements for a long-term
25 view approach to defense, allowing my command to realize

1 presidential guidance, interagency goals.

2 The President's fiscal year 2021 budget supports
3 implementation of the National Security Strategy, meets my
4 operational requirements, and responds to evolving
5 existential threats we face.

6 First, what I would like to do is offer that these
7 commitments are necessary because our country, our allies,
8 partners, and the current world order continues to confront
9 existential threats. Both China and Russia are investing
10 considerable resources to advance and expand their nuclear
11 arsenals, conventional forces, and they are adopting an
12 increasingly assertive posture threatening the use of force
13 to fundamentally alter the accepted international norms and
14 rules at the expense of our nation and allies. North Korea
15 and Iran continue to conduct harmful activities regionally,
16 causing instability and threatening the United States, our
17 allies, and partners.

18 As a global combatant command, STRATCOM forces, my
19 forces, are prepared to respond to any contingency, and
20 should strategic deterrence fail, we stand ready to deliver
21 a decisive response. A powerful, ready triad, survivable
22 nuclear command, control, and communications with supporting
23 infrastructure are foundational to our strategic deterrence
24 and assurance strategies. They are fundamental to national
25 survival. And this part is important. This is my job is to

1 set the conditions strategic deterrence is holding that
2 allow the rest of the joint force to accomplish its mission.

3 Our nation is at a critical juncture regarding the
4 future of our nuclear forces. We have led the world in
5 reducing the numbers and types of nuclear weapons in our
6 arsenal while our adversaries, potential adversaries,
7 continue expanding their strategic capabilities across
8 multiple domains. It is now our generation's turn to make
9 the same wise investments required to deter nuclear or other
10 strategic attacks and great power war for future
11 generations.

12 Starting with our nuclear weapons complex, if we fail
13 to start investing wisely now, the result may be -- and this
14 is the tipping point that we have referred to -- the need to
15 rebuild nearly from scratch over one or more decades our
16 human capital and the technical expertise required to be a
17 nuclear power. Given stable and consistent funding, I
18 remain confident NNSA will meet the expectations we are
19 asking and succeed in addressing the bow wave of activities
20 confronting us. We must continue the Department's number
21 one priority to recapitalize our nuclear forces, including
22 weapons construction and maintenance with supporting
23 infrastructure.

24 We do not pursue parity with our adversaries' arsenals
25 nor seek an arms race, but provide for a qualitative and

1 comprehensive approach toward a viable deterrent for the
2 future.

3 STRATCOM is focused on maintaining a safe, secure, and
4 effective deterrent force, providing tailored strategies to
5 meet our responsibilities. We were tested by COVID, rose to
6 the challenge.

7 I am grateful for your continued support which aids
8 development of the future force necessary to execute the
9 Department's highest priority mission.

10 Thank you for the opportunity to be here today, and I
11 look forward to your questions.

12 Chairman Inhofe: Thank you, Admiral Richard.

13 We will now begin with questions. I will begin. The
14 first question I have would be for Secretary Lord.

15 Any decent coordination requires the DOD and NNSA to
16 share budget data well before it is developed and presented.
17 Can you tell me what changes that you have made in the NWC
18 process for reviewing the NNSA budget after last year's
19 fiasco? Are there any further steps that you are
20 considering for improving the process? And is there
21 anything that we can do to make that easier for you?

22 Ms. Lord: Yes, thank you. In May I signed out
23 planning guidance for the NWC to compel NNSA to share their
24 budget details by September 1 of each year so the Nuclear
25 Weapons Council could review it and understand how it pairs

1 with DOD's proposed budget. We did this year in early
2 September receive that budget, and in fact, just yesterday
3 we had a Nuclear Weapons Council meeting in which we
4 reviewed details of that.

5 What we have done additionally is come up with a
6 construct for a working group to do a budget deep dive. We
7 actually have an outline here that we put forth that talks
8 about a September 22nd date for stockpile management, a 29th
9 date for infrastructure and operations, October 6th for
10 stockpile RT&E, and October 13th production modernization,
11 with a goal of coming back to the Nuclear Weapons Council
12 and understanding in depth the assumptions behind what is
13 submitted to Congress.

14 What we plan to do is update our guidance, our planning
15 guidance, this year with a generic form of this to again
16 help guide the process so that we are well aligned.

17 I think it is worth pointing out that this working
18 group has not only NNSA representation and a variety of DOD
19 representation, but OMB as well. So in this way, we will
20 synchronize efforts and align.

21 Chairman Inhofe: Excellent.

22 Let me just ask a little bit further. Do you believe
23 that your policy and the Senate's NDAA language both aim to
24 improve transparency and accountability on the NNSA budget
25 and ensure that the Nuclear Weapons Council is not surprised

1 the way it was the first year?

2 Ms. Lord: Yes.

3 Chairman Inhofe: That is good.

4 And, Administrator Gordon-Hagerty, do you believe that
5 the DOD and the NNSA coordination would improve if each
6 better understood the internal workings of the other?

7 Ms. Gordon-Hagerty: Mr. Chairman, I believe that the
8 system that we have in place right now and with the
9 improvements that we have made throughout the NWC with the
10 signing of the materials in May will improve greatly the
11 transparency of the NNSA budget within the NWC. It is
12 critical that we continue to operate as we have been over
13 the last couple of years under Under Secretary Lord's
14 leadership and with the great partnership that we have
15 throughout the NWC.

16 Chairman Inhofe: Very good.

17 Now, on the other hand, the recent legislation in the
18 House would prohibit NNSA from working with DOD in the
19 Nuclear Weapons Council and put the Secretary of Energy on
20 the Nuclear Weapons Council. Secretary Lord, how would this
21 legislation affect coordination between DOD and NNSA? Would
22 this extra layer of bureaucracy make it more or less
23 efficient?

24 Ms. Lord: It would make it far less efficient and I am
25 afraid might destroy the relationship right now that we have

1 between DOD, as well as NNSA. There are also very
2 problematical cuts to the budget, \$2 billion, in NNSA that
3 would directly impair our ability to deliver B-61-12, which
4 we are on record with the first production unit in 2021, as
5 well as the W80-4 warhead. There were also other cuts
6 called out. In W93, it was zeroed out; LRSO, \$170 million;
7 GBSD, \$60 million. And essentially a lot of the language
8 removes the semi-autonomous nature of NNSA.

9 It also elevates the Nuclear Weapons Council to two
10 cabinet level positions, which I think is absolutely
11 unfeasible, particularly as we do have a cadence of monthly
12 meetings that focus on specific programs. We generate a lot
13 of very specific reports and do a lot of in-depth program
14 reviews.

15 Chairman Inhofe: Excellent.

16 And, Administrator Gordon-Hagerty, what damage would be
17 done to the DOD and the NNSA relationship if you were not
18 allowed to work through the Nuclear Weapons Council?

19 Ms. Gordon-Hagerty: The Secretary of Energy has
20 testified that he supports the elevation of the Nuclear
21 Weapons Council to support co-chairs of the Secretary of
22 Energy and Secretary of Defense. In my 30-plus years as a
23 career civil servant, in and out of government, and working
24 with the NWC, what I can say is that the system that we have
25 in place right now and unless otherwise directed by Congress

1 to change is working well, and we are working at an
2 operational level, if you will, making the decisions
3 necessary at the, if you will, action officers, sub-cabinet
4 level because it is important that we can be decisive. And
5 with two cabinet officials, they certainly are busy with the
6 work of their respective departments. So what I can say is
7 that the administration does oppose it.

8 Chairman Inhofe: That is very good.

9 The House appropriations bill cuts the President's
10 request, the NNSA request, by almost \$2 billion. Now, we
11 went through this exercise once before, and we know what we
12 had to do to get back where we are supposed to be.

13 So, Madam Administrator, can you explain why your
14 fiscal year 2021 budget request grew from the previous year
15 and what the \$2 billion cut this year would do to your
16 programs? Would you be able to meet the DOD requirements?

17 Ms. Gordon-Hagerty: Sir, in a word, no, we would not
18 be able to meet the requirements of the Department of
19 Defense. We recognize that this is quite an aggressive
20 schedule, but I am confident that the NNSA can execute.

21 We developed the fiscal year 2021 budget based on risk-
22 informed, systematic requirements. We involved all of our
23 laboratories, plants, and sites leadership and prioritized
24 what the missions would be so that we could execute our
25 roles and responsibilities insofar as supporting the nuclear

1 deterrent. It was a result of a yearlong requirements-based
2 budget to prioritize those missions within NNSA that needed
3 to be done. Again, like I said, we had all of our labs,
4 plants, and sites involved in this from the outset.

5 It is interesting that we talk about the 18-plus
6 percent increase from fiscal year 2020 appropriated levels
7 to fiscal year 2021. There is a reason for this. Over the
8 last 20 years or so, the NNSA operated with basically one
9 life extension program, one modernization program. That was
10 the 76-1. We are operating right now with requirements for
11 four major modernization programs, and if authorized and
12 appropriated, there will be a fifth with the W93. So we are
13 really essentially waking up our system.

14 Over the last several decades with the lack of funding
15 and the lack of support that we had received from previous
16 administrations and previous Congresses, we are at a tipping
17 point. We have no more time. We must pursue this
18 aggressive strategy to recapitalize our infrastructure and
19 make sure that we have the men and women throughout our
20 nuclear enterprise to be able to execute these missions.

21 So we are in a good position now. Again, I know it is
22 an aggressive schedule, but I have the commitment of our
23 laboratories, plants, and management leadership that we will
24 be able to execute these very important missions to maintain
25 a nuclear deterrent second to none.

1 Chairman Inhofe: Secretary Lord, we heard from Energy
2 that they have stated that they have all the information,
3 budget data information, sent to us for coordination. Now,
4 this seems to be different than what happened last year. So
5 I would just ask you the question. Have you received what
6 you need to execute the Nuclear Weapons Council's statutory
7 responsibility to review and approve the NNSA budget?

8 Ms. Lord: We have gotten what was submitted to
9 Congress -- what will be. We still have a bit of work to do
10 to understand the intent and the scope of what those numbers
11 encompass. So that is why we put this working group
12 together that I mentioned before. So I believe we have
13 about another month's worth of work to do to make sure that
14 we are fully aligned between NNSA and DOD, and that is
15 working along with OMB as well.

16 Chairman Inhofe: Yes. That is good.

17 You know, I say to our members on both sides of the
18 aisle that we have something at your desk I believe similar
19 to what is on the charts showing the state of disrepair that
20 is out there right now. This has been totally ignored in
21 the past. When you look at that, it is hard to believe that
22 we could expand our activity effectively with that
23 infrastructure.

24 Administrator, do you agree that we urgently need to
25 modernize NNSA's nuclear weapons infrastructure?

1 And I would also ask Admiral Richard, are increased
2 investments in the NNSA nuclear weapons infrastructure
3 needed to maintain our nation's nuclear deterrent
4 capabilities?

5 Let us start with the Administrator.

6 Ms. Gordon-Hagerty: Thank you, Mr. Chairman. Thank
7 you for putting those pictures up.

8 Let me start by saying more than 50 percent of our
9 enterprise is more than 40 years old, and one-third of it
10 dates back to the 1940s. So, therefore, time is of the
11 essence to recapitalize our infrastructure throughout the
12 entire NNSA. Long gone are the days where we would be able
13 to just patch these facilities.

14 For example, one of the pictures you have is perhaps of
15 the lithium facility at Y-12. Portions of the ceiling are
16 falling in. I think that is atrocious that we put
17 potentially our workforce at risk. We need to make sure
18 that we have state-of-the-art infrastructure so we can
19 recapitalize our enterprise and make sure that we can
20 provide to the Department of Defense the requirements that
21 they so sorely need to maintain our nuclear deterrent.

22 Our main priority is to remain completely aligned with
23 the Department of Defense, and the only way to do so is to
24 make sure that we have state-of-the-art facilities, together
25 with the workforce that is necessary to carry out our unique

1 missions, unique only to the NNSA.

2 Chairman Inhofe: That is very good. And I really
3 appreciate the responses to these questions in a very
4 straightforward way.

5 I would only conclude by asking Ms. Gordon-Hagerty,
6 what kind of problems do you have on this COVID-19? How has
7 that impaired your ability to do your job?

8 Ms. Gordon-Hagerty: Mr. Chairman, COVID-19 established
9 unprecedented realities for our entire nuclear security
10 enterprise. My number one priority is for the health and
11 safety of our workforce. Throughout COVID, however, we did
12 not have the opportunity to maximum telework. We did do our
13 best, however. Because of our unique missions throughout
14 NNSA, we had to maintain the nuclear weapons complex. In so
15 doing, however, we provided resources necessary and
16 direction to our entire enterprise to support ongoing
17 activities. I am heartened to say that we did not miss one
18 major milestone or one delivery to the Air Force or to the
19 Navy throughout this time. However, those challenges had to
20 be prioritized. There were some missions that certainly
21 fell below the priority line so that we could continue to
22 maximize telework where possible and protect our workforce,
23 which again is our number one priority.

24 That said, we do have some challenges ahead of us. We
25 are going to have other missions that had been put

1 essentially on hold, and we are going to have to make up for
2 lost production. So we do have challenges ahead, but we
3 recognize the great work of men and women of our workforce
4 and what they have been able to do to ensure that the
5 Department of Defense receives the necessary support
6 throughout COVID.

7 Chairman Inhofe: Good. That is very good.

8 John Bonsell just reminded me, Admiral, that I asked
9 you a question but did not give you a chance to answer that
10 question. Your answer to the question is very important to
11 be a part of the record of this meeting.

12 Admiral Richard: Chairman, I thank you for that. And
13 the short answer to your question is yes. In fact, it is an
14 emphatic yes.

15 Ms. Gordon-Hagerty just gave you some details of the
16 condition of this infrastructure. I want to applaud you for
17 your interest in this question. Remember, some of this
18 stuff dates back to the Manhattan Project, and it goes
19 beyond -- Ms. Lord just gave a very good summary of
20 individual impacts. And I offer that those programmatic
21 impacts transfer to me as operational risks that I have to
22 take in terms of capabilities that are not available for me
23 to use to execute what the nation has asked me to do.

24 But it is even more fundamental than that. This
25 strikes at the core of our credibility as a nuclear weapons

1 state. And the point here is that both our allies and our
2 competitors watch what we do, and it is important for us to
3 demonstrate our commitment to this mission set. And if we
4 do not recapitalize now, we are going to cross these points
5 of no return where we will not be able to reassemble either
6 the human talent or the physical plant for unlimited amounts
7 of money for very long periods of time so that I and future
8 STRATCOM commanders can have the capabilities needed to
9 execute this mission.

10 Chairman Inhofe: That is good.

11 Senator Reed?

12 Senator Reed: Well, thank you very much, Mr. Chairman.

13 And thank you again to the witnesses.

14 Under Secretary Lord, what triggered a lot of this
15 attention, activity, and today's hearing in some respect was
16 the fact that you could not, for the first time, certify --
17 the NWC -- the adequacy of the budget and our ability to
18 respond to these concerns.

19 I think it would be helpful if you could just give us a
20 brief summary of what happened.

21 Ms. Lord: So what happened last year was we did not
22 have sufficient insight until a few days before the
23 President's budget dropped to understand how well aligned
24 the NNSA's and DOD's budgets were. So that led us to write
25 a February 10th, 2020 letter saying that we were unable to

1 certify the budget.

2 We then dug in and did the work that frankly we are
3 doing right now on the 2022 budget so that by May 26th, I
4 could certify the budget.

5 Senator Reed: And as you have indicated, you have
6 received information from the Department of Energy about the
7 budget, but you suggest that it is not fully complete and
8 you need more information. Is that accurate?

9 Ms. Lord: Well, they submitted -- NNSA -- what they
10 were compelled to do, yes. However, in order to understand
11 what is contained in those numbers, because we are talking
12 about multiple programs on all three legs of the triad, we
13 need to have conversations because, for instance, when you
14 look at the \$2 billion mark there is right now, it might not
15 be intuitively obvious how that would affect certain
16 programs because it is a lot of the infrastructure and it is
17 a lot of the supporting work that is done. So we need to
18 make sure that not only the direct costs, if you will, that
19 affect our weapons modernization or maintenance of the
20 stockpile are addressed but also the indirect costs that
21 allow you to have the workforce, a trained workforce, that
22 allows you to have the facilities required and so forth.

23 Senator Reed: Thank you.

24 Administrator Gordon-Hagerty, one of the areas that
25 caused much confusion last year was the point I made in my

1 statement, the no-year money. This is monies that NNSA --
2 for example, apparently there is money from 2007 on
3 international agreements that still have not been spent.
4 And we learned this year there could be as much as \$8
5 billion in money sent to the labs and plants, committed or
6 costed but not spent. It is still there and it is still
7 available. That is about 40 percent of your budget.

8 The Department of Defense generally has very clear
9 guidelines about spend rates so that this type of
10 accumulation does not take place.

11 Can you give a more detailed explanation of this
12 carryover or no-year money?

13 Ms. Gordon-Hagerty: Yes. Thank you, Senator Reed.

14 NNSA has worked significantly to minimize our
15 carryovers and have worked to make sure that this process is
16 transparent. In fact, I am pleased to say that for the
17 fiscal year 2019 budget, NNSA has net funds of only \$384
18 million for \$15.6 billion budget. That is significant.

19 Despite the fact that there is this question about
20 whether or not we have \$8 billion in carryover despite its
21 being an impressive number, in fact, it is a reasonable
22 amount for NNSA, given that we are executing 5-year plan
23 funding for a profile of over \$100 billion. In fact, it is
24 a prudent management approach, and GAO actually agrees with
25 this. We are, in fact, one of the federal agencies -- we

1 are at or below the common figures for carryover throughout
2 the Federal Government. We are consistent with or even
3 lower than other federal agencies.

4 This carryover is used for long-planned life extension
5 programs, infrastructure activities, including capital
6 construction projects such as UPF.

7 In terms of the nonproliferation issues and the
8 multiyear projects, those are international projects that
9 cannot be executed in a year or in the year in which they
10 were funded. Many of these returns of highly enriched
11 uranium or separated plutonium to keep the world safer take
12 multiple years to execute. And so, for example, we had a
13 multiyear effort we just completed with the United Kingdom.
14 That was over 7 years in order to complete. So where it
15 might look like it is no-year or carryover money, in fact it
16 is dedicated to or committed to specific programs.

17 Senator Reed: There are other offices in DOE like the
18 Office of Environmental Management that has received a
19 decrement. Could they use carryover money either NNSA or
20 other carryover money?

21 Ms. Gordon-Hagerty: I am not quite sure about the
22 other carryover money, sir. However, these monies are again
23 obligated to programs that are ongoing, long lead time
24 procurements or long construction projects like our capital
25 construction projects such as UPF.

1 Senator Reed: One of the impressions I had last year
2 was that OMB's interpretation of the carryover money was
3 critical to the decisions that were made. Are they fully in
4 agreement with your position?

5 Ms. Gordon-Hagerty: Absolutely.

6 Senator Reed: And, Admiral Richard, for a final
7 question. As we all know, we are recapitalizing the triad,
8 a huge, huge undertaking and one we have not done in
9 decades. And there is the likelihood, because of a little
10 bit of rustiness in our system, that there is going to be
11 some slippage.

12 Can you talk about the contingency plans you have if
13 you encounter slippage?

14 Admiral Richard: Well, Ranking Member, one, I thank
15 you for the question, and the answer is initially I have
16 been very impressed by both the services and the Department
17 of Defense's ability to minimize the chance that there is
18 going to be slippage. In fact, I would prefer that we
19 continue to ask the question, what is it going to take for
20 these programs to come in on time, instead of assuming that
21 there is going to be a slippage inside that.

22 Part of how we got to the point to delay the
23 recapitalization of the triad as long as we did is we have
24 already used just about all the available operational
25 margin. So if we keep going, I will, one, expend the

1 remaining hedges that are inside our triad, which are put
2 there for a number of risks, including operational,
3 technical, and geopolitical. Those will not be available
4 because we will have expended them early on programmatic.
5 And then beyond that, I will have to start to revisit what
6 elements of our strategy I cannot execute.

7 Senator Reed: Thank you.

8 Thank you, Mr. Chairman.

9 Chairman Inhofe: Thank you, Senator Reed.

10 Since we will have some of our members on Webex and are
11 not here physically and we are not real sure, certain if
12 some others may be here, I will go ahead and go down the
13 list as if everyone were here and then catch the next one in
14 line.

15 So Senator Wicker would be next. I understand he is
16 not present by Webex. So Senator Fisher.

17 Senator Fisher: Thank you, Mr. Chairman. I am here in
18 my office. And thank you for holding this extremely
19 important hearing.

20 Administrator, I would like to look at the House budget
21 in a little more detail. I know you touched on it with the
22 chairman. But when we are looking at that proposed funding
23 at \$1.9 billion below the level that was requested for the
24 fiscal year 2021 budget, many of the larger cuts seem to be
25 falling on plutonium modernization efforts and

1 infrastructure.

2 Can you describe the impact that this cut would have on
3 your mission?

4 Ms. Gordon-Hagerty: Nice to see you, Chairman Fisher,
5 even by Webex. Thank you.

6 I would like to touch in more detail on the proposed
7 cuts and the implications they would have from the hewed \$2
8 billion. The impacts, like you said, would also affect our
9 plutonium pit production.

10 Bottom line is that with the cuts, no matter how small
11 they may be in individual programs, in the aggregate they
12 make a profound difference in being able to modernize and
13 recapitalize our capabilities throughout the nuclear weapons
14 enterprise.

15 Insofar as the plutonium pit production, that will take
16 us off course. Now, recognizing we do have an aggressive
17 schedule to make 26 pits in 2026 at Los Alamos and
18 indefinitely, as well as 50 pits per year at the proposed
19 Savannah River plutonium production facility in 2030, this
20 would take us off our schedule. We are committed to
21 Congress and to our Department of Defense counterparts that
22 we will be able to commit to producing not less than 80 pits
23 per year in 2030. This proposed cut in the hewed marks will
24 affect that, and we will not be able to make that commitment
25 any longer should the 2021 proposed hewed mark go forward.

1 Additionally, we have other responsibilities. Let me
2 just say that is a \$500 million, or a half a billion, cut to
3 our pit production, and those highest impacts will make sure
4 again that we will not be able to make our commitments for
5 the 87-1 and the other programs for which pit production is
6 important.

7 The mark, although it fully supports the 87-1 and the
8 80-4 LEPs, the two life extension programs, those cuts would
9 have negative impacts across our entire enterprise. While
10 it fully supports that, it cuts non-nuclear production at
11 Kansas City, and it butts programs for our Y-12 canned
12 subassembly, the secondaries for our nuclear explosive
13 package. So those cuts will cause major delays in all of
14 our programs and actually result in increased costs to the
15 taxpayer in the future.

16 One of the other cuts that is most notable is to the
17 UPF, the uranium processing facility, at Y-12. This is a
18 program that has been on target and on schedule and on
19 budget for the last 7 years. The UPF is a signature
20 capability that actually shows that we are committed to
21 major capital construction projects. This facility will
22 replace the old 92-12 at Y-12, which was built in the
23 Manhattan Project days. So long gone are the days where we
24 have just built facilities. Now what we are doing is we are
25 completing a comprehensive conceptual design plan, and we

1 are moving forward. The cuts of \$150 million --

2 Senator Fisher: Administrator, if I can interrupt you
3 a little bit to get another point in that I would like to
4 make. Critics of the fiscal year 2021 budget request for
5 NNSA -- they described it as, quote, trying to do far too
6 much too quickly. And they called for the reductions in
7 order to, in their words, give NNSA more breathing room.

8 But is it not true that consistently underfunding the
9 NNSA and delaying these programs -- that has created the
10 urgent situation that we now find ourselves in? And that is
11 now the need for significant resources that we are looking
12 at in this budget because underfunding the NNSA is not the
13 solution. It is the opposite I believe is what has caused
14 this problem in the first place.

15 Would you agree with that?

16 Ms. Gordon-Hagerty: I would. And even the GAO had
17 described that NNSA would encounter a bow wave of
18 requirements that would impact us in the not too distant
19 future, and in fact, that bow wave has hit us today.

20 Senator Fisher: Right.

21 And, Secretary Lord and Admiral Richard, how does the
22 Department of Defense view that risk associated with this
23 level of funding for NNSA?

24 Ms. Lord: I will say, Senator, that it is a very, very
25 significant risk, and it will begin in the next couple of

1 years. This is not a risk out late this decade or in the
2 early '30s. Very significant.

3 Admiral Richard: And, ma'am, I would offer that it
4 risks to de-synchronize the delivery system from the weapon,
5 delaying both, making them cost more, and depriving me of
6 capabilities I need.

7 Senator Fisher: And, Admiral, what do you hear from
8 allies who are obviously following this discussion very
9 closely?

10 Admiral Richard: It is our commitment to them is what
11 requires these capabilities to be present. And so without
12 these capabilities, that conversation gets much more
13 difficult.

14 Senator Fisher: Thank you very much.

15 Thank you, Mr. Chairman.

16 Chairman Inhofe: Thank you, Senator Fisher.

17 Next would be by Webex Senator Hirono.

18 Senator Hirono: Thank you, Mr. Chairman.

19 I have a number of questions for Administrator Gordon-
20 Hagerty. Administrator, you have previously noted that it
21 was your, quote, intention to ensure that NNSA's primary
22 customer, the Department of Defense, receives the necessary
23 support to execute its vitally important national security
24 missions. End quote.

25 Would you say that you have achieved your intent?

1 Ms. Gordon-Hagerty: Senator Hirono, I would say that
2 based on our fiscal year 2021 request, we will be in a place
3 where we will be able to move forward in supporting the
4 critical missions of the Department of Defense and providing
5 them with the resources necessary to defend our nation and
6 to maintain a nuclear deterrent that is second to none.

7 If, however, we do not receive the resources necessary
8 in the 2021 and future budgets, we will not be able to
9 commit those requirements -- be able to maintain those
10 requirements and our commitments to the Department of
11 Defense.

12 Senator Hirono: Admiral Richard, and Under Secretary
13 Lord, do you agree that the Department of Energy is
14 providing the necessary support provided that we provide the
15 necessary funds to meet the needs of the Department of
16 Defense?

17 Ms. Lord: Senator, we are currently working through a
18 lot of details on the 2022 budget to understand that. In
19 terms of the 2021 budget, that does need to be fully funded.
20 If not, we will not meet the needs of DOD. Thank you.

21 Senator Hirono: Admiral, do you agree?

22 Admiral Richard: Ma'am, as a member of the Nuclear
23 Weapons Council, I agree and concur with what Ms. Lord said.

24 Senator Hirono: Thank you.

25 Again, for the Administrator. The DOE is supporting

1 efforts to develop new nuclear reactor designs for our
2 commercial use, but your fiscal year 2021 request includes a
3 decrease in funding for defense nuclear and nonproliferation
4 programs by 6.2 percent.

5 Administrator Gordon-Hagerty, how are you ensuring new
6 nuclear materials technologies and expertise are prevented
7 from becoming a proliferation concern?

8 Ms. Gordon-Hagerty: Actually, Senator, our budget for
9 fiscal year 2021 request is in reality a 4.5 percent
10 increase over the fiscal year 2020 appropriated funds. The
11 difference, however, is the termination of the MOX facility.
12 We did not need resources since we had terminated it in the
13 last year and a half. So in fact, we are continuing on a
14 very productive path for nonproliferation efforts throughout
15 the Department of Energy/NNSA defense nuclear
16 nonproliferation.

17 We are working very closely with the commercial side
18 and the Office of Nuclear Energy in the Department of Energy
19 about proliferation-resistant reactor technologies and other
20 matters. So we are working very closely because we are
21 committed to defense nuclear nonproliferation efforts and
22 the technical expertise that is resident in DNN.

23 Senator Hirono: Can you just very briefly describe
24 some of the specific efforts that NNSA has undertaken to
25 address advanced reactor and fuel cycle technology in terms

1 of nonproliferation policy and technology?

2 Ms. Gordon-Hagerty: Yes. Again, we are working very
3 closely with the Office of Nuclear Energy in the Department
4 of Energy that works on advanced nuclear fuel cycles and the
5 fuels that support them.

6 Insofar as the defense nuclear nonproliferation, we are
7 working on proliferation-resistant technologies. We are
8 also working other programs such as going from HEU, highly
9 enriched uranium, to low-enriched uranium proliferation-
10 resistant technologies, and we are supporting programs
11 throughout the world in returning those materials or going
12 from highly enriched uranium to low-enriched proliferation-
13 resistant technologies for those reactors so that they can
14 continue to operate safely and securely.

15 Senator Hirono: Madam Administrator, I think you can
16 tell by my questions that I have concerns about nuclear
17 proliferation, which is one of your missions to make sure
18 that does not happen. NNSA's nuclear nonproliferation
19 mission is very important to prevent our adversaries from
20 acquiring nuclear weapons or weapons usable materials
21 technology and expertise.

22 What are the biggest challenges facing NNSA in
23 preserving its long-term foundational nuclear
24 nonproliferation capabilities, especially with respect to
25 NNSA's ability to counter emerging or over-the-horizon

1 proliferation risks?

2 Ms. Gordon-Hagerty: We are working with numerous
3 friends and allies around the world and other countries to
4 ensure that we can do what is possible and necessary to
5 secure nuclear materials around the world and to stop
6 potential adversaries becoming proliferant nations. We have
7 a robust program where we work with over 100 countries
8 around the world. We have removed thousands of kilograms of
9 highly enriched uranium and separated plutonium from around
10 the world through take-back programs and securing those
11 facilities around the world as well.

12 Defense nuclear nonproliferation is one of our three
13 signature missions in the NNSA. It has my full support.
14 And we have got a great leadership team, and we again at
15 NNSA are unique in our skill set and the technical expertise
16 resident throughout NNSA to be able to carry out these
17 functions worldwide.

18 Senator Hirono: Thank you.

19 Thank you, Mr. Chairman.

20 Chairman Inhofe: Thank you.

21 Senator Cotton?

22 Senator Cotton: Thank you all for appearing today.
23 This is one of the most important hearings we do every year
24 because there is nothing more fundamental to our nation's
25 security than our nuclear weapons.

1 Some people will say why do we spend so much money on
2 weapons that we never use, to which I reply, one, we spend
3 not much money on these weapons relative to our entire
4 Department of Defense, but two, more fundamentally we use
5 our nuclear weapons every single day and we have for 75
6 years to prevent the kind of horrific world wars we saw in
7 the last century. That is why I said 3 years ago, Ms.
8 Gordon-Hagerty, at your confirmation hearing, that you hold
9 one of the most consequential if not the most prominent
10 positions in our Federal Government.

11 I want to commend you on your leadership over these
12 last few years. I think the NNSA has been focused and is
13 beginning to recover from years of neglect before you took
14 office, and that is due in large part to your efforts.

15 Could you give us a quick high level review of the
16 tasks to which you committed in that hearing 3 years ago and
17 where things stand now at NNSA?

18 Ms. Gordon-Hagerty: Senator Cotton, some of the
19 priorities that I laid out at my confirmation hearing nearly
20 3 years ago were the following is to regenerate and
21 recapitalize our plutonium pit production capability that,
22 as I mentioned in my opening statement, was shuttered 30
23 years ago. That is simply untenable that we have no
24 capability to produce the critical components for a nuclear
25 explosive package throughout the nuclear security

1 enterprise. I committed to that. We are well on our way to
2 producing the 10 war reserve pits in 2024, 20 in 2025, and
3 30 in 2026 at the Los Alamos National Laboratory. We have
4 got a great team there. We are making great progress in
5 plutonium pit production and recapitalization.

6 One of the other things I committed to was the Savannah
7 River plutonium facility, and what we are doing is working
8 so that we can attain a capability to produce not less than
9 50 pits per year in 2030. I recognized at that time and I
10 recognize it today that recapitalizing a facility that was
11 shuttered from the previous MOX facility and being able to
12 produce a capability here in the United States to
13 manufacture plutonium pits was our number one priority and
14 it is my commitment today.

15 The second thing I committed to was reenergizing --
16 recruiting and retaining a world-class workforce. As I
17 mentioned, more than 30 percent of our workforce is eligible
18 for retirement in the next 5 years. That is simply
19 untenable that if we are going to maintain a second-to-none
20 nuclear deterrent, we need the best and brightest
21 scientists, engineers, technicians, back office support to
22 be able to conduct and execute our highly important
23 missions. I am happy to say that we put together a
24 corporate approach pretty much breaking the paradigm of the
25 government bureaucracy hiring processes. And we committed

1 to hiring 7,000 people this last year, and we exceeded those
2 numbers, and even amidst COVID, we have exceeded the numbers
3 for our planned fiscal year 2020 hiring.

4 So those were some of the priorities that I promised
5 and I committed to, and I think we are well on our way by
6 the great men and women throughout the NNSA enterprise.

7 Senator Cotton: Thank you very much.

8 No amount of leadership, though, can modernize our
9 nuclear weapons. For that you need money. There has been a
10 lot of back and forth today about the budget request and how
11 it came about. The bottom line is, though, you need this
12 money. Our nation needs this money to maintain our nuclear
13 deterrent.

14 \$19.8 billion was the request for the upcoming fiscal
15 year which starts in a couple weeks. Regrettably, we are
16 going to pass a short-term spending bill, but when we do
17 finally pass that full year spending bill, is \$19.8 billion
18 adequate in your opinion to modernize our nuclear weapons
19 and perform NNSA's other important missions?

20 Ms. Gordon-Hagerty: Yes, sir. If appropriated at the
21 2021 request, which is \$19.8 billion, that will serve as the
22 new floor for the NNSA enterprise. We are committed to
23 supporting the four or possibly five modernization programs
24 for the Department of Defense, committed to providing
25 militarily effective nuclear propulsion for the United

1 States Navy, as well as our commitment to defense nuclear
2 nonproliferation and arms control efforts. But that is
3 assuming that we will receive that \$19.8 billion. If we do
4 not receive that, I cannot commit to you that we continue to
5 remain aligned with the Department of Defense for their
6 missions to execute our nuclear deterrent.

7 Senator Cotton: And what will be your request for
8 fiscal year 2022?

9 Ms. Gordon-Hagerty: Sir, I am not at liberty to talk
10 about the fiscal year 2022 --

11 Senator Cotton: I thought I might slip it by you.

12 [Laughter.]

13 Senator Cotton: I guess not.

14 I would note that a 2 percent increase, which is just
15 the rate of inflation, would be \$20.2 billion, though.

16 Ms. Lord, very briefly. You have sent a letter to the
17 committee that says that the House's legislation from the
18 Energy and Water Appropriations Subcommittee would provide
19 insufficient funds to execute the activities necessary for
20 our nuclear weapons stockpile.

21 Could you explain briefly what the near-term impacts on
22 the readiness would be if we adopted the House's approach?

23 Ms. Lord: Yes, Senator. The nearest-term fallout from
24 that would be a delay in the B61-12 in 2021 would be the
25 first impact. We would also see an effect on the W80-4

1 warhead, and then if the W93 was zeroed out, we could not
2 support the U.K. in the alignment of programs we have where
3 we support them with non-nuclear as well as science and
4 technology. The LRSO, very, very important to us because we
5 have zero margin with ALCM timing out. That \$170 million
6 mark would be catastrophic, as well as ground-based
7 strategic deterrent, our intercontinental ballistic missile
8 replacing Minuteman III where again we have zero margin.
9 That \$60 million mark would not allow us to meet the time
10 frame we need.

11 Senator Cotton: Thank you. Those are all dire
12 consequences for the American people, not to mention our
13 British allies.

14 Ms. Lord: Absolutely.

15 Senator Cotton: Thank you all.

16 Chairman Inhofe: Thank you.

17 Senator Blumenthal?

18 Senator Blumenthal: Thanks, Mr. Chairman.

19 And thank you all for being here today, and thank you
20 for your service to our nation.

21 In February, I led a letter to the Secretary of Defense
22 expressing frustration with the Navy budget proposal that
23 included funding for only one Virginia class submarine. The
24 public reports indicated that \$1.6 billion in funding from
25 the Virginia class program was diverted to the National

1 Nuclear Security Administration.

2 I agree with my colleagues that the funding for the
3 NNSA is vital to our national defense, but the diversion of
4 this \$1.6 billion directly undermines our nuclear defense.
5 The Secretary of the Navy was briefed on the connection
6 between the Virginia class and the Columbia class program
7 when he recently visited the EB Shipyard at Groton at
8 Quonset Point, and I think he agreed -- and I certainly
9 advocate strongly -- that actually the Virginia class
10 program reduction to one submarine will negatively impact
11 the Columbia program given that Virginia class work will
12 develop the capability and capacity for Columbia class
13 execution within the supplier class and our shipyards. So
14 the two programs are connected.

15 The \$1.6 billion was diverted from Virginia class
16 reducing the cadence to one rather than two submarines a
17 year. I know that my colleague, Senator Reed, has asked
18 about the \$8 billion that remained in the budget as carried-
19 over funds. But I am interested in why that \$1.6 billion in
20 funding was diverted.

21 So, Ms. Gordon-Hagerty, if I may ask you, were you
22 involved in the decision to divert money from the Virginia
23 class program to NNSA? Did you specifically request it?
24 And given that you had \$8 billion left over, why did you
25 need it?

1 Ms. Gordon-Hagerty: Senator Blumenthal, the \$8 billion
2 of carryover is for long lead construction for other
3 programs. As I mentioned, we have 5-year programs that
4 total more than \$100 billion. So that is a prudent
5 carryover mark.

6 With regard to the alleged transfer of resources from
7 DOD to DOE/NNSA, no, I was not involved in those kinds of
8 discussions. I was involved, however, in the internal
9 deliberations in the Department of Energy to secure the
10 resources necessary for the \$19.8 billion request.

11 Senator Blumenthal: So you did not request the \$1.6
12 billion.

13 Ms. Gordon-Hagerty: Sir, we requested the \$19.8
14 billion, and internal deliberations in the executive branch
15 asked us to recover that. So those were discussions
16 throughout the entire executive branch, including OMB and
17 DOD.

18 Senator Blumenthal: What was the \$8 billion -- and I
19 know Senator Reed has asked about this issue, but I want to
20 dig into it a little bit more. What was the \$8 billion
21 obligated to do, obligated but unspent, as you put it? And
22 why are we appropriating money in that way for projects that
23 really should be funded on a yearly basis?

24 Ms. Gordon-Hagerty: Unlike the Department of Defense,
25 we are funded on a yearly basis. So we have long lead

1 procurements and efforts to purchase large activities and
2 large procurements. We also have long lead programs,
3 construction programs, such as the uranium processing
4 facility at Y-12. We need additional resources, and we also
5 purchase types of projects, if you will, so project
6 management. So if we are spending money, if we are
7 executing a 3 to 5-year program and we are spending those
8 resources, we will not be able to complete those necessary,
9 critical missions to support the nuclear enterprise.

10 Senator Blumenthal: Well, I just want to point out
11 that we are imperiling the Columbia class program, which is
12 obviously vital to modernizing our nuclear triad by
13 undercutting the Virginia class program and reducing the
14 cadence to one submarine rather than the two in fiscal year
15 2021. So I do not know what the analogy would be, robbing
16 Peter to pay Paul, but one way or the other, it is a risky
17 strategy and I would urge all of you to support restoring
18 the two submarine cadence.

19 Thank you, Mr. Chairman.

20 Chairman Inhofe: Senator Rounds?

21 Senator Rounds: Thank you, Mr. Chairman.

22 Let me begin by simply thanking the chairman and
23 ranking member for having this very important meeting today
24 and to be able to share with the American people the
25 challenges that we have with regard to maintaining the

1 nuclear deterrent.

2 Let me begin -- let me also say thank you to all of you
3 for your service to our country.

4 Secretary Lord, the chairman explained in his opening
5 statement about how DOE had cut the NNSA and DOD out of the
6 budget process in fiscal year 2021. We are talking about
7 trying to improve a process for the future.

8 So let me just ask you. The process to finish the
9 fiscal year 2022 budget is just weeks away. Can you give me
10 some insight into how the process has gone in this current
11 year?

12 Ms. Lord: Yes, Senator. In this current year, I think
13 we have done a very good job of collaborating and sharing
14 information. We are just at the beginning of that process,
15 as I mentioned, in early September. We did obtain the
16 numbers just yesterday. We had a Nuclear Weapons Council
17 meeting --

18 Senator Rounds: You just got the -- you just received
19 them yesterday? Is that in a timely fashion?

20 Ms. Lord: We received the numbers themselves in early
21 September. We got a lot of the discussion around what they
22 actually contain yesterday in a Nuclear Weapons Council
23 meeting, and we are kicking off -- we did kick off yesterday
24 a working group with members from NNSA, from DOD, as well as
25 OMB to really do a deep dive into the details of that. We

1 will come back in about 4 weeks and talk about that at the
2 Nuclear Weapons Council to make sure that the programs that
3 DOD is putting in our budget are supported fully by NNSA.
4 At this point, NNSA has been extremely forthcoming. So I
5 have very high expectations that we have entered a new era
6 here, given our planning guidance and the further details
7 that we are memorializing in terms of how these action
8 groups are to work.

9 Senator Rounds: Thank you.

10 You know, we have talked a number different weapon
11 systems today, and sometimes I think it goes by and there
12 are Americans right now at home that may very well have the
13 opportunity to listen or to follow the discussions that we
14 have had. I am not sure that all of the different weapon
15 systems -- if we have ever taken the time to actually share
16 just how critical they are and what they really mean to our
17 nation's defense. I think Senator Cotton shared very well
18 the fact that what we are talking about today is the fact
19 that for 75 years this nuclear deterrent has helped us to
20 not be in a nuclear war because we have been able to make it
21 very clear to our near-peer adversaries that we can protect
22 ourselves and that we have capabilities to inflict great
23 damage on them. And part of what we are trying to do here
24 is to make sure that there is no misunderstanding anyplace
25 in the world that we still have the nuclear deterrent

1 necessary to hold them at bay.

2 You spoke briefly about the B-61-12 and about the LRSO.
3 Can you share with the American public and with this
4 committee today -- it sounds like we are creating new weapon
5 systems where, in essence, we are upgrading. Can you share
6 a little bit with the American public today just exactly
7 what that B-61-12 means to our country? We have ways of
8 delivering but if we do not have that weapon system, then we
9 are not finishing the plan. Can you share a little bit what
10 just those two weapon systems -- how critical they are to
11 the defense of our country?

12 Admiral Richard: Senator, it may be more appropriate
13 for me to answer that question as I am the operator.

14 Senator Rounds: That would be fair.

15 Admiral Richard: What you are describing are two of
16 the weapon systems that are used in the air leg of the
17 triad. Right? Sometimes it is better to think of the
18 attributes that each leg provides as opposed to the specific
19 weapon system. It is interlocking. And what the air leg,
20 in particular, provides -- it is the visible piece of the
21 triad. It is the piece that we can use in times, steady
22 state or crisis, to change and show, signal to a competitor
23 to change their decision calculus and cause them not to do
24 something. And so both of those go very directly to our
25 ability to use that piece of the triad in the way it was

1 intended.

2 Senator Rounds: So the B-21, the newest proposed
3 stealth bomber that will be based at Ellsworth Air Force
4 Base and others, is one that would be able to carry this
5 particular type of a weapon system. Is that correct?

6 Admiral Richard: Senator, that is correct.

7 Senator Rounds: So in other words, it is one thing to
8 have the platform available. It is another thing to
9 actually have a modern weapon system that could be
10 delivered. It is a critical part of that part of our
11 defense in the triad.

12 Admiral Richard: To meet the requirements that I have
13 asked of the U.S. Air Force, you have to have both of those.
14 They were put together with forethought. They are very
15 complementary. It is the capabilities of LRSO that allow
16 B-21 to be designed the way that it is and vice versa.

17 Senator Rounds: And let me go on. In all of the
18 scenarios so far that we have had, we not only include
19 B-21's, we include B-52's, 60-year-old B-52's, as a part of
20 our long-term plans. And yet, that is a non-stealth bomber.
21 It also requires a weapon system which is upgraded and
22 capable. Can you share how that connects with what we are
23 talking about today with the LRSO?

24 Admiral Richard: So, Senator, one, I applaud your
25 knowledge and detail on this subject. You are right. The

1 B-52's not only are 60 years old today, but we are going to
2 have to fly them until they are 100 years old. If I
3 remember correctly, the last pilot of a B-52 had not been
4 born yet. And so against the increased threat environment
5 that we anticipate by the time that that weapon system
6 completes what we are going to ask for it to do, LRSO is a
7 necessary capability to keep that viable and to continue to
8 allow me to have that stack of options and attributes to be
9 able to offer to national leadership to accomplish the
10 mission.

11 Senator Rounds: And just to make it clear, we are
12 talking about the long range stand off weapon, one that can
13 be delivered from outside of an area where they could
14 actually get to our B-52 bombers since they can see them on
15 a radar.

16 Admiral Richard: Senator, quite correct.

17 Senator Rounds: Thank you.

18 Thank you, Mr. Chairman.

19 Chairman Inhofe: Yes. Thank you.

20 Senator Kaine?

21 Senator Kaine: Thank you, Mr. Chair.

22 And thank you to the witnesses. This has been helpful.

23 Administrator Gordon-Hagerty, I want to follow up on
24 questions that Senator Blumenthal was asking, and this is
25 probably both for you and Secretary Lord on this budgetary

1 matter and the funds from the second Virginia class sub
2 which, as you know, is constructed both in Connecticut and
3 Virginia.

4 And obviously, it sounds as if your testimony is you
5 were asking for a budgetary allocation to do the job at the
6 NNSA. You were not saying take it out of the Virginia class
7 sub. You were making a case for what you thought you
8 needed.

9 But when we see \$1.8 billion taken out of the DOD
10 budget for the second Virginia class sub and then we see an
11 \$8 billion unspent amount within the NNSA, it is sort of
12 like, well, wait. Why do we need to get rid of the second
13 Virginia class sub if there was that much that was unspent
14 funding at the end of fiscal year 2019? And you have
15 explained long-term contracts. I sort of get that concept.
16 But that does seem like a lot of unspent funding.

17 Do you know what your current projection is for the
18 amount of unspent funding as we get ready to close the
19 fiscal year 2020 budget?

20 Ms. Gordon-Hagerty: Not in terms of unspent. Again,
21 let me see if I can do a better job of explaining what
22 carryover is. Even though it is a big number, it is a
23 reasonable number because our 5-year planning profile is
24 over \$100 billion. So in fact, GAO says that that is a
25 prudent management approach to take, to have this,

1 quote/unquote, carryover funding.

2 Senator Kaine: But does that mean the 5-year planning
3 profile -- the total budget is about, you know, just
4 breaking it down on average about \$20 billion a year.

5 Ms. Gordon-Hagerty: Correct, sir.

6 Senator Kaine: I mean, \$8 billion out of a \$20 billion
7 annual budget -- that seems like a lot of carryover. Again,
8 I understand that you have maybe some longer-term contracts
9 than others do. But do you know what you are projecting the
10 unspent amount to be at the end of this fiscal year that
11 concludes within a matter of 2 weeks?

12 Ms. Gordon-Hagerty: I can tell you that at least for
13 -- I do not have the numbers for fiscal year 2020. But I
14 can tell you confidently that the amounts that we had just
15 for fiscal year 2019, as of right now, for unspent and
16 unobligated, if you will, was a mere \$384 million over a
17 nearly \$16 billion budget.

18 Senator Kaine: And that was not only unspent but you
19 say unspent and unobligated. You had not decided how to
20 program that money.

21 Ms. Gordon-Hagerty: That is right. If programs were
22 executed ahead of schedule. But again, we are making
23 commitments to the taxpayer about making sure that our
24 funding is appropriately spent on the important missions
25 carried out by NNSA.

1 Senator Kaine: Do you believe the unspent amount at
2 the end of fiscal year 2020 will be in the basic same ball
3 park as the fiscal year 2019 number?

4 Ms. Gordon-Hagerty: I am confident that it will not
5 exceed that. However, sir, I have to say --

6 Senator Kaine: It will exceed \$8 billion.

7 Ms. Gordon-Hagerty: Well, in terms of the long-term
8 programs that we administer, yes. So it is not a carryover
9 where it is not obligated. It is obligated for programs for
10 this 5-year spend plan of nominally \$100 billion. We are,
11 in fact, lower than most other agencies in terms of our
12 uncosted carryovers. And I would be happy to provide you
13 with those resources.

14 Senator Kaine: That would be helpful.

15 Admiral Richard, one of the debates that we had during
16 the NDAA this year revolved around additional funding for
17 nuclear testing. I am not on the Strategic Forces
18 Subcommittee of SASC. But is there a deficiency in existing
19 nuclear weapons testing that requires that we pursue a
20 different course?

21 Admiral Richard: Senator, as you know, I am required
22 to annually certify whether or not there is a need for
23 testing, and the answer at this time, there is no condition
24 -- nothing has changed. Right? There is no condition where
25 I would recommend the need for nuclear testing.

1 But I would say, though, that it is important for the
2 nation to maintain an ability to do a nuclear test should an
3 issue arise in the future and have been formally documented
4 in making that recommendation.

5 Senator Kaine: Another question, Admiral Richard.
6 Thank you for that. Should we end up with a continuing
7 resolution, as has been discussed, it is my understanding
8 there is a request for an anomaly to allow the Secretary of
9 the Navy to enter into a procurement for up to two Columbia
10 class subs.

11 Do you have a sense of how tight the timeline is for
12 production of the Columbia class and the retirement of the
13 Ohio class boats? Are you concerned that the lack of an
14 anomaly may threaten the current plan?

15 Admiral Richard: So, Senator, one, your question is
16 better directed actually to the Navy who is directly
17 responsible for that. I, of course, closely monitor the
18 progress the Navy is making in the delivery of the Columbia
19 system. I am pleased with the efforts that they are making.

20 And I would support Navy's request. They are doing a very
21 good job of asking for what they need to deliver this
22 capability.

23 Ms. Lord: If I may, Senator. Working very closely
24 with the Navy on the Columbia, as I am the milestone
25 decision authority on that, we have zero margin on the

1 Columbia, and I would strongly support an anomaly. We need
2 to get the funding. We need to continue the work we are
3 doing.

4 Senator Kaine: Great. Thanks to all the witnesses.
5 Thank you, Mr. Chair.

6 Chairman Inhofe: Thank you, Senator Kaine,.
7 Senator Cramer?

8 Senator Cramer: Thank you, Mr. Chairman.
9 Thanks to all of you for your service and for being
10 here.

11 You know, like the chairman, I serve both on the Armed
12 Services Committee and the Environment and Public Works
13 Committee, have jurisdiction over sort of all sides of this.
14 Also like the chairman, I am all for you 1,000 percent.
15 Unlike the chairman, I am a freshman.

16 But I also have, as you know, in North Dakota, Admiral,
17 two of the three legs of the triad. And I appreciate your
18 being there so quickly after your confirmation. I have been
19 to Minot. I was just thinking about it. In just recent
20 months, I have been there with Secretary Esper. I have been
21 there with the Vice President. I have been there with
22 Secretary Brouillette. I mean, it is clear that this is a
23 very high priority, modernization.

24 So with that backstop, I am very concerned about the
25 GBSD. I continue to ask that question. Are we still on

1 track for GBSD? And I really appreciated your response
2 earlier about modernization and about the rest that the vice
3 chairman asked, Senator Reed. I like your attitude. I just
4 want to be as confident as you are that we are on track, we
5 will remain on track. And is there anything, whether it is
6 the budget or the NDAA from either side, that would put
7 that at jeopardy?

8 Admiral Richard: Senator, first, let me offer the
9 responsibility for that lies with the Air Force. Right?
10 And I think they have been very good about asking for what
11 they need.

12 That said, I was just at Hill Air Force Base. I
13 received a number of detailed briefings from the program
14 manager for GBSD. I was impressed with the leadership
15 forward thinking the way that they are approaching that
16 program. And we are just at send that man ammo. If we give
17 him stable, secure funding, I have confidence he is going to
18 deliver for us.

19 Senator Cramer: Certainly if you wanted to answer
20 that.

21 Ms. Lord: Yes. Thank you, Senator.

22 GBSD just went through milestone B, as I think you well
23 know. I too have very recently been to Hill Air Force Base
24 to meet with the team. It is an excellent team making great
25 use of digital engineering. They are really at the

1 forefront of modern software engineering. They have very
2 little margin in the program, but they are moving forward
3 with Northrop Grumman very well.

4 The one issue we have and where we may very well need
5 Congress' support is in terms of the infrastructure in terms
6 of command and control in the silos themselves. We do have
7 a lot of money allocated through the MILCON methodology, and
8 whereas we have 500 separate items that need to be updated,
9 that would be rather onerous to have 500 different or so
10 projects. We are looking at consolidating that to
11 streamline it. So we are very, very interested to see what
12 comes out of conference, but we would ask that we move some
13 of that money out of MILCON to give us the flexibility on
14 the program execution side to move forward along the
15 timelines. As Admiral Richard said earlier, it is our job
16 in Acquisition and Sustainment to not transition
17 programmatic risk over to operational risk, and I am afraid
18 if we do not move some of that money out of MILCON, that is
19 exactly what we would be doing.

20 Senator Cramer: I am completely supportive, and I
21 agree. We cannot have 500 different MILCON projects. That
22 makes no sense. And every now and then, common sense can
23 prevail if we work hard at it. So I appreciate that.

24 Speaking of that, I have to admit coming into this
25 hearing I had some questions, and after listening to you

1 all, I have more. So we are going to have to get together.
2 And I know I am trying to get together with each of you
3 hopefully fairly soon because -- as much confusion as there
4 is, however, over the NNSA/DOE/DOD budget process,
5 particularly the Weapons Council budget process, it pales in
6 comparison to the dysfunction of Congress' appropriations
7 process. So I am never discouraged. I know we can get this
8 right.

9 I will just say this, and then I will wrap up and we
10 will get together and answer specific questions later. But
11 just the very words "semi-autonomous" cause me some concern.
12 Do not get me wrong. I appreciate it and I understand it.
13 But autonomy implies a lack of accountability. "Semi"
14 provides an out. And I just want to make sure we have
15 specificity.

16 And one of the questions that I am going to ask you
17 guys is you reference early September often when asked the
18 question about when did you get the NNSA budget. And you
19 also, of course, know that there is a statutory deadline. I
20 mean, was it early September or was it before the September
21 1st deadline in the law?

22 Ms. Lord: September 4.

23 Senator Cramer: September 4th. Okay.

24 So we have at least 4 or 5 more days that we can work
25 on and get this down even better. And that is my goal. Let

1 us get it done. Let us get it right. Let us have both the
2 type of semi-autonomy that is important, as well as the
3 accountability that is important and the transparency that
4 is important.

5 I am going to ask this, and then again, you can answer
6 it later. I do want to explore a little bit the OMB
7 position on some of these things. We have not talked a lot
8 about it. You were asked, Ms. Gordon-Hagerty, sort of at
9 the end of one of the questioning -- I do not remember whose
10 question it was -- whether on this carryover issue, which
11 you described and put the context I think in a good way that
12 helps us better understand it. I still think there is some
13 confusion about it. But you said that OMB supports your
14 position. I have not seen that and maybe it is not
15 necessary that I see that. It is not a change in policy.
16 It is more of a practice, an ongoing practice. So I would
17 be interested to know whether that really is their position.

18 And we have not talked about some of OMB's objections
19 relating to sort of the implication of separations and the
20 separation between the executive and legislative branches as
21 it relates to the budgeting process. So maybe later, when
22 we sit down together, we can explore some of that a little
23 bit more because like I said, the one area where OMB has
24 weighed in pretty heavily on this is they do not want to see
25 anybody imposing executive rights, and I do not disagree.

1 But I like it better when we are all communicating.

2 With that, I will just --

3 Ms. Gordon-Hagerty: Be happy to.

4 Chairman Inhofe: Thank you, Senator Cramer.

5 By Webex, Senator King.

6 Senator King: Thank you very much, Mr. Chairman. This
7 is an important hearing, and it has already been very
8 interesting. One of the interesting things I learned is
9 that the B-22 is older than the Senator from South Dakota.

10 [Laughter.]

11 Senator King: So I think that is an important matter
12 that has come before us today.

13 I think this is a very important hearing because
14 deterrence, which has been the fundamental policy that has
15 kept this country and the world safe from the use of nuclear
16 weapons for 75 years, is based upon two elements: will and
17 capacity. And this hearing today really is about both of
18 those pieces. It is about rebuilding the capacity of the
19 credible deterrent, but by providing this budget support, it
20 demonstrates the will of the country. And that is why I
21 think this hearing is so important and this budget is so
22 important.

23 And I think it is also important for people to remember
24 and realize that has already been testified, there is a
25 great deal of money in here for nonproliferation. It is

1 sort of the twin goal of our entire nuclear policy.

2 I do have one specific question, Admiral. It may be
3 out of your lane, but it certainly relates to this subject.
4 The New START treaty expires a couple of months into 2021.
5 Can you give us any information as to where we are on that?
6 Are there discussions ongoing? What are the nature -- are
7 we making progress? Is there the likelihood of an extension
8 or a renegotiation of that treaty?

9 Admiral Richard: Senator, one, it is good to see you
10 again, sir.

11 And second, to answer your question, it would be
12 Ambassador Billingslea and the team over at the Department
13 of State that could give you the authoritative answer to
14 that.

15 What I want to add, though, is that that process is so
16 important to me and important to STRATCOM. As I have
17 testified before, I will support any arms control agreement
18 that enhances the security of this nation. I have dedicated
19 my deputy commander, Lieutenant General Bussiere, as a
20 member of Ambassador Billingslea's team to ensure that he
21 has the best available operational uniformed military
22 support that I know how to provide to that process. Over.

23 Senator King: Well, thank you for that. And I
24 appreciate your engagement on that point, and I think that
25 is very important.

1 And then finally, I do want to follow up as Senator
2 Kaine and several others have asked about this carryover. I
3 understand the justification, but if it is a carryover of
4 that magnitude each year, then I would suggest that perhaps
5 at least some portion of that money could be reallocated,
6 for example, to that second Virginia class submarine. So I
7 will look forward to seeing the written responses on that
8 and talking with my colleagues about it.

9 But again, I want to thank you all for a very
10 impressive hearing, incredible level of knowledge and
11 detail, and you all are really doing a significant service
12 to this country and I want to thank the three of you for
13 your testimony today and most especially for your service.

14 Thank you, Mr. Chairman.

15 Chairman Inhofe: Thank you, Senator King.

16 Senator Heinrich?

17 Senator Heinrich: Thank you, Chairman.

18 Under Secretary Lord, it was almost 75 years ago in the
19 Atomic Energy Act of 1946 that Congress ended the Manhattan
20 Project and transferred stewardship of the nuclear stockpile
21 from the Army to civilian control.

22 Do you see any compelling reason today to move the
23 weapons program back to the Pentagon or should NNSA stay
24 where it is today inside DOE?

25 Ms. Lord: As long as we have the status quo in terms

1 of our ability to work together, particularly with respect
2 to working on budgets together, I think the system is very
3 good.

4 Senator Heinrich: Do any of you disagree? Do you
5 think the system right now is working? Admiral?

6 Admiral Richard: Senator, I absolutely concur.

7 Senator Heinrich: Administrator Gordon-Hagerty, I
8 appreciate our recent phone call and all the work that you
9 are doing, and I appreciate your explaining the Nuclear
10 Weapons Council's process to develop a requirements-based
11 budget for NNSA.

12 The one thing that does concern me is that DOE's
13 environmental cleanup program is funded from the same budget
14 account, but they do not have a seat at your table.
15 Clearly, you know, we saw that with the fiscal year 2021
16 budget request for cleanup and how much cleanup suffered as
17 a result, including almost a 50 percent cut in the request
18 for cleanup at Los Alamos, something that I find just
19 completely unacceptable.

20 So since environmental cleanup is uniquely a DOE
21 responsibility, not a NNSA responsibility, how will the
22 Department balance the budget priorities to ensure that we
23 are meeting those obligations in the future and make sure
24 that those priorities, as well as the priorities of
25 maintaining the deterrent are met?

1 Ms. Gordon-Hagerty: Senator Heinrich, I know you have
2 a robust conversation regularly with Secretary Brouillette,
3 as well as we do. Secretary Brouillette is managing the
4 budget for the entire Department of Energy. I advise him on
5 NNSA requirements, and then he takes budget requests and
6 program requests from the other under secretaries which then
7 pretty much fill out the entire Department of Energy. I
8 know he is fully focused and completely focused on
9 environmental cleanup not only at Los Alamos but in other
10 places around the United States, both Idaho and Hanford,
11 Washington in particular. So he is focused on ensuring that
12 we have the resources necessary to clean up the legacy
13 facilities of the prior NNSA Atomic Energy Commission in DOE
14 and the defense nuclear sites.

15 Senator Heinrich: So I will, obviously, continue this
16 conversation with the Secretary as well, but I just think,
17 given what we saw last year, that we have cause for concern
18 here and it is something I am going to continue to raise and
19 hopefully we will see better numbers this year.

20 Administrator, I am pleased to hear of your commitment
21 to maintain the Mesa complex at Sandia Labs as the nation's
22 premier facility for trusted, rad hard microelectronics.

23 But let me ask you about the Z machine at Sandia, which
24 continues to provide one of the critical pieces of our
25 stockpile stewardship program by simulating pressures and

1 radiation environments that previously required actual
2 underground testing.

3 Do you agree that pulsed power science is important to
4 NNSA's mission, and what do you see as the future role of
5 pulsed power science for maintaining our strategic
6 deterrent?

7 Ms. Gordon-Hagerty: Pulsed power science is, indeed,
8 one of the attributes and contributions to our robust
9 research development and testing program at NNSA.

10 The Z machine is an experimental workforce, for want of
11 a better term. However, it is aging, and just like with
12 many other legacy systems throughout the NNSA enterprise,
13 time is of the essence to focus on how we will eventually be
14 replacing that system. However, in the interim, we are
15 finding ways of being able to maintain and upgrade that
16 system. So, again, we wholeheartedly agree that pulsed
17 power is in fact an important approach to informing us about
18 the stockpile.

19 It also attracts the best and brightest future
20 scientists and engineers that will work in NNSA because of
21 the unique nature of pulsed power.

22 Senator Heinrich: Last quick thing. The new facility,
23 the Albuquerque Complex project -- what are we looking at as
24 an expected date for when NNSA staff will begin to occupy
25 that structure?

1 Ms. Gordon-Hagerty: Well, I am happy to say, first of
2 all, thank you again. A couple years ago, we broke ground
3 together at that. I am also happy to say that I
4 participated in the topping out event a couple of months
5 ago, and just 3 or 4 weeks ago, I walked the facility for
6 the third time.

7 So I am very excited about it. It continues despite
8 COVID and the challenges we have. We have an outstanding
9 relationship with the Corps of Engineers. We continue
10 construction and we fully expect to occupy that in 2021 as
11 planned, and that will house 1,200 of our finest NNSA
12 employees in facilities that they have been living in,
13 otherwise 1950s barracks which are completely unacceptable
14 for our workforce. So this will be a state-of-the-art
15 facility for 1,200 of our finest NNSA employees.

16 Senator Heinrich: I am looking forward to 2021. Thank
17 you.

18 Ms. Gordon-Hagerty: Thank you.

19 Chairman Inhofe: Senator Hawley?

20 Senator Hawley: Thank you, Mr. Chairman.

21 Administrator and all of you, thank you for being here.
22 Administrator, I want to start by saying thank you for your
23 great work. You have done an excellent job in this role,
24 and the people of Missouri I know are grateful.

25 I want to talk a little bit more about some of the

1 national security campus issues in Missouri.

2 But first, can I just ask you about some troubling news
3 we recently learned? It appears, based on public reporting,
4 that the Sandia National Laboratories may have violated
5 federal law by sending employees to racially segregated
6 diversity training at a resort no less that encouraged some
7 of the crudest gender and racial stereotyping imaginable.
8 And may I add it was paid for apparently with taxpayer
9 money?

10 I asked for an inquiry and a full accounting of the
11 monies that have been spent on this. The Secretary of
12 Energy, I was very pleased to see, directed a full
13 investigation.

14 Can I have your commitment that you will fully support
15 the investigation into these trainings, the federal taxpayer
16 funds expended, the locations of these trainings, and the
17 entire affair?

18 Ms. Gordon-Hagerty: Yes, sir, you may.

19 NNSA welcomes the opportunity for a diverse workforce
20 and inclusive environment for all of our employees, but what
21 has been portrayed in the media is very disheartening and
22 very distressing to me. And if it is accurate, it is not
23 appropriate for our workforce. You have my word that NNSA
24 will fully commit to and support the Secretary's initiative
25 to do the thorough review on diversity inclusion and

1 inequity training.

2 Senator Hawley: Very good. Thank you for that.

3 Let us talk about the Kansas City National Security
4 Campus, which of course is in my home State of Missouri. It
5 is doing extraordinary work manufacturing the non-nuclear
6 components of the NNSA warhead program.

7 Can you just elaborate on how cuts to the NNSA's budget
8 request proposed by the House would affect that work at KC
9 NSC?

10 Ms. Gordon-Hagerty: Senator Hawley, the non-nuclear
11 components are all produced at Kansas City National Security
12 Campus, as you rightfully stated.

13 The cuts would have a devastating effect because the
14 non-nuclear components are critical to every one of our life
15 extension programs, every one of our ongoing systems to
16 support the Department of Defense. So that would have
17 considerable impact, and it would also delay the deliveries
18 to the Department of Defense. So, yes, they would be
19 profound if we saw the cuts that are proposed in the hewed
20 mark.

21 Senator Hawley: Let me just follow up on that last
22 point you just made about how the proposed cuts might affect
23 the ability to meet production requirements in coming years.
24 You are saying that those would be adversely affected, to
25 put it mildly.

1 Ms. Gordon-Hagerty: Every single one of our systems
2 would be adversely affected.

3 Senator Hawley: Very good. Thank you for that, and
4 thank you for your continued support for that outstanding
5 work that is done there at KC NSC.

6 Admiral, can I just shift to you for a second? You
7 said earlier this week I think that China's nuclear force
8 structure is -- and I am quoting you now -- increasingly
9 inconsistent with a stated "no first use" policy. How would
10 the cuts to the NNSA's budget request proposed by the House
11 impact our ability to maintain deterrence as China grows its
12 nuclear forces?

13 Admiral Richard: So, Senator, that is accurate in
14 terms of what I said. I think it is worth reminding you and
15 the committee we are on a trajectory to go to a place that
16 the nation has never been before where we will face two peer
17 nuclear-capable adversaries that have to be deterred
18 differently. That is what fundamentally starts to set the
19 requirements for the capabilities that I need. These cuts
20 would jeopardize those capabilities right at the moment of
21 greatest need later in the decade.

22 Senator Hawley: Thank you for that. Thank you for
23 your clarity on this issue. And I just want to say for my
24 part as I see it, I think there is every reason to believe
25 that China will use its nuclear forces to advance its

1 imperial agenda, which is really what it is, including in
2 the region. And we need to prepare for that possibility,
3 and fully funding the NNSA is I think vital.

4 Admiral, finally if I could, how would it impact our
5 deterrent if nuclear weapons infrastructure could
6 consistently provide updated capabilities on timelines
7 similar to the W76-2?

8 Admiral Richard: Senator, thank you for mentioning the
9 W76-2. I think it is an example that shows we can move
10 fast. Right? We still know how to do this. And so that is
11 an example of where the threat changed. New capability was
12 needed. We provided it on an operationally responsive
13 timeline and closed a potential hole in our deterrence
14 strategy. We should be able to do that more. That is a
15 type of hedging strategy that enables you to react inside
16 what somebody is attempting to do, and that capability -- I
17 acknowledge some of the other stuff would be more
18 complicated than a W76-2, but that enhances deterrence by
19 our nation's ability to do that.

20 Senator Hawley: Very good. Thank you, Admiral. Thank
21 you all for being here.

22 Thank you, Mr. Chairman.

23 Chairman Inhofe: Senator Manchin?

24 Senator Manchin: Mr. Chairman, thank you.

25 My question was along the same lines as what Senator

1 Heinrich had spoke to you about. And I was concerned
2 because the 1946 Congress established the Atomic Energy
3 Commission as a civilian controlled agency tasked with
4 managing U.S. nuclear weapons. And this as done to set a
5 clear separation of control of our nuclear weapons program
6 between the military and the civilians. And I think we all
7 agreed. I think you all have answered that pretty much what
8 you think and what you feel how we are going. And it is
9 working and you do not see the need to change, but you need
10 to see the transparency. And I believe, Secretary Hagerty,
11 you spoke to that and you believe that we are moving in the
12 right direction and you are able to get things on track.
13 And I felt good about that.

14 My question would have been do you agree the Secretary
15 of Energy must maintain clear control and accountability for
16 the Department of Energy National Nuclear Security
17 Administration's budget?

18 Ms. Gordon-Hagerty: Yes.

19 Ms. Lord: Yes. I believe things are working well.

20 Senator Manchin: Admiral Richard?

21 Admiral Richard: I am very satisfied from my position
22 in terms of the way the NWC is working in coordination
23 between the two Departments.

24 Senator Manchin: Good.

25 And Secretary Hagerty, do you believe the NNSA has

1 fixed the issues that will be able to meet the DOD
2 requirements to field an effective nuclear deterrent over
3 the next several decades?

4 Ms. Gordon-Hagerty: Sir, with the appropriate funding,
5 sustained and appropriate funding, I believe we will. I am
6 confident in that.

7 Senator Manchin: Secretary Lord, as chair of the
8 Nuclear Weapons Council, it is your job to ensure the
9 alignment of the NNSA weapons DOD delivery systems. In a
10 recent letter to the leadership of both congressional
11 defense committees, Secretary of Defense Esper outlined his
12 disagreement with section 1644 of the House NDAA. That
13 section would create a cabinet secretary co-chair structure
14 for the NWC and it seems to me would certainly increase
15 disparity in needed communication between DOD and DOE
16 Secretaries. However, I know the NWC has been effectively
17 carrying out its duties since '86 and as a military liaison
18 committee before then.

19 So which is it? Is the NWC so ineffective that we need
20 to elevate its business to the cabinet secretary level? Or
21 do we need to let the NWC keep its current authority?

22 Ms. Lord: We need to let the NWC keep its current
23 authority. And I will say that from a Department of Defense
24 perspective, we give in-depth briefings to Secretary Esper
25 and his key staff quarterly and that I believe he is very

1 well informed and obviously signs off on all key decisions.
2 However, I believe you need the depth of understanding that
3 the NWC chair brings in terms of programmatic and the
4 specifics of each of these programs, as well as the
5 specificity in terms of understanding that the Administrator
6 of the NNSA has.

7 Senator Manchin: And to follow up, how does maintain
8 the authority of both DOD and DOE while increasing the
9 coordination of these crucial agencies?

10 Ms. Lord: I think having hearings such as these is
11 very helpful so that everyone has the same fact base to deal
12 with and understands exactly our monthly cadence of meetings
13 and how we exchange information.

14 Senator Manchin: Thank you all very much. Thank you
15 for your service too.

16 Thank you, Mr. Chairman.

17 Chairman Inhofe: Thank you, Senator Manchin.

18 Senator Shaheen, who got here just in time.

19 Senator Shaheen: I did. Thank you, Mr. Chairman.

20 Chairman Inhofe: Just be advised that after your
21 remarks and questions, if other members are not here, we
22 will conclude this meeting.

23 Senator Shaheen?

24 Senator Shaheen: Well, thank you. I was not here
25 because I was at a hearing in the Foreign Relations

1 Committee on China and the threat that China poses in the
2 future.

3 And so I guess I would like to start, Admiral Richard,
4 with you because earlier this week, you indicated that over
5 the next decade China will expand and diversify its nuclear
6 forces, likely at least doubling its nuclear warhead
7 stockpiles.

8 Can you elaborate more on those efforts and the
9 challenge that presents to the United States?

10 Admiral Richard: Senator, one, that is accurate. That
11 is not only the position of USSTRATCOM, but other portions
12 of the executive branch have come to the same conclusion.

13 But I would offer that simply I think it is a mistake
14 to consider China some sort of lesser included case relative
15 to Russia. We just used a number of weapons estimate. I
16 think it is important to remember China will not tell us how
17 many they have. They do not have a level of transparency
18 that either us or Russia has right now.

19 But that is a relatively crude way to describe what a
20 nation is capable of doing. You have to look at much more
21 than that. What are the delivery systems? What are their
22 capabilities? What are their command and control? What is
23 their readiness? In China, they will not even tell you
24 their doctrine. You have to add all of that up.

25 The trajectories that I see their nuclear on is

1 concerning to me. We have seen what they have done on the
2 conventional side of the house. And as I just said, we are
3 on a path by the end of the decade, if not sooner, to face
4 two peer nuclear-capable adversaries who have to be deterred
5 differently. We have never faced that challenge before in
6 our nation's history.

7 Senator Shaheen: Well, thank you. That lays out the
8 challenge quite dramatically and I think speaks to the
9 importance of agreements like the New START treaty.

10 Back in February, I asked you about how STRATCOM uses
11 the information that is gained from new START. Can you talk
12 about how important you think that is to give us insights
13 into what the Russians are doing? And I am going to ask the
14 other panelists also if you could speak to that because what
15 we know about current negotiations and why it might be
16 important to extend that treaty.

17 Admiral Richard: Senator, we have talked about this in
18 the past. With additional time at STRATCOM, it is
19 reinforced to me that the transparency that we achieve out
20 of the New START treaty is something that is of value to
21 both sides. It adds to security of both participants in the
22 treaty.

23 The actual progress? I would refer you to Ambassador
24 Billingslea, as I just mentioned previously. That process
25 is so important to me that I have dedicated my deputy

1 commander, Lieutenant General Bussiere, to the team to make
2 that expertise available to Ambassador Billingslea so that I
3 am supporting that to the best level I know how.

4 Senator Shaheen: And, Secretary Gordon-Hagerty, can
5 you also speak to what information we get that benefits our
6 national security from participation in New START?

7 Ms. Gordon-Hagerty: Senator Shaheen, in fact, we play
8 a vitally important role in NNSA. In fact, as Ambassador
9 Billingslea and his team are negotiating with their Russian
10 counterparts, we play a vitally important role, so important
11 that just last week I hosted Ambassador Billingslea and the
12 entire New START team of negotiators at several NNSA
13 national security laboratories, plants, and sites so they
14 could see firsthand the important role that NNSA plays
15 should a New START agreement be extended, recalling that the
16 New START agreement currently only covers strategic arms.

17 What we would envision and Ambassador Billingslea and
18 the State Department and the President of the United States
19 is looking at is a treaty with Russia that will cover all
20 warheads. In that, of course, NNSA plays a central role in
21 that.

22 Senator Shaheen: Yes. I understood that that was the
23 hope of the administration. Can either you or Admiral
24 Richard give us any insights into how those negotiations are
25 going, and if we cannot get an agreement that includes those

1 other weapons, that includes China, is there a benefit to
2 extending New START and allowing us to continue to have
3 insights on verification into what Russia is doing while we
4 have more time to negotiate?

5 Ms. Gordon-Hagerty: What I can say is that I know that
6 Ambassador Billingslea and his team have provided with
7 Russia framework for how the future negotiations will
8 continue and what the proposed treaty would look like and
9 improvements in the treaty. I believe they are waiting for
10 a Russian response. I would defer to Ambassador Billingslea
11 and the State Department for further details on that.

12 Senator Shaheen: Admiral Richard, can you speak to
13 whether you think there is a benefit, if we cannot get
14 everything we want, to going ahead and extending New START
15 to allow us to continue to have that verification insight
16 while we are able to work to still negotiate an expansion of
17 what New START covers?

18 Admiral Richard: So, ma'am, as I have said before,
19 there are a number of things that the New START treaty
20 provides that enhance my ability to go do my job. You just
21 named one of those. But there are some additional things
22 that also need to be considered. And I look forward to the
23 Department of State finding us a path that enables us to
24 achieve all of that.

25 And I would particularly like to highlight what Ms.

1 Gordon-Hagerty said. Those attributes that she mentioned
2 would be very beneficial to my ability to accomplish my
3 mission and to this nation's security.

4 Senator Shaheen: Thank you very much.

5 I am out of time, but let me just also say for Ms.
6 Lord, thank you very much for what you continue to do to try
7 and ensure that we have a defense industrial base at the end
8 of this pandemic and to supporting particularly our small
9 businesses who are very important to that industrial base.

10 Ms. Lord: Thank you, Senator.

11 Senator Shaheen: Thank you, Mr. Chairman.

12 Chairman Inhofe: Thank you.

13 And by Webex, Senator Jones.

14 Senator Jones: Thank you so much, Mr. Chairman. Thank
15 you.

16 Secretary Gordon-Hagerty, thank you for your service.
17 Thank you for being here. Secretary Lord, thank you also
18 for being here. And I want to echo what Senator Shaheen
19 said about your work to help us get through this pandemic
20 with everything intact. I really very much appreciate that.

21 I do want to extend a special welcome to my fellow
22 Alabamian, Admiral Richard. Thank you for your service.
23 Thank you for being here. Thank you on behalf of all
24 Alabamians for that service, but especially the thousands of
25 men and women in uniform in Alabama today, whether active or

1 in the guard, and the some 300,000 veterans that we have.
2 They send a special warm welcome and thank you for your
3 service. I really -- and we all do -- very much appreciate
4 it.

5 I just have one question, Admiral Richard, because
6 Senator Shaheen really went through the questions that I had
7 with regard to the New START treaty.

8 Admiral Richard, I would like to ask as STRATCOM
9 Commander, what do you see as the most significant areas of
10 risk to successfully transitioning from the Minuteman III to
11 the GBSD system. And what are we doing and how can we help
12 you mitigate those risks?

13 Admiral Richard: Senator, those risks come up in two
14 dimensions. Right? One is in the time dimension. It is in
15 the actual transition from the old system to the new system
16 to continue to provide me the attributes that the
17 intercontinental ballistic missile leg provides. The Air
18 Force could give you the specifics. I would offer I am
19 impressed with the way that program is executing and that
20 stable, predictable funding is the biggest single thing
21 under our control to address that.

22 But the other piece that I would invite our attention
23 to is it is the simultaneity of the transitions that are
24 occurring. Right? The transition you just described occurs
25 simultaneously with the transition over on the submarine

1 side and just after a transition on the bomber side. So it
2 is important to hold all of these things on schedule because
3 we only have so much capacity, and if we de-synchronize how
4 we are doing these, we run the risk of the aggregate being
5 unexecutable as opposed to any individual line. Over.

6 Senator Jones: Thank you, Admiral. I really
7 appreciate it.

8 And thank you, Mr. Chairman. I am going to yield the
9 balance of my time. Thank you.

10 Chairman Inhofe: First of all, let me thank our
11 witnesses. It just has been very enlightening. We are very
12 fortunate to have you three at the helm of the most
13 important thing that is going on in the world today. And we
14 thank you very much for the time that you spent and the
15 honesty and the straightforward witnessing that you shared
16 with us. Thank you very much.

17 We are adjourned.

18 [Whereupon, at 11:42 a.m., the hearing was adjourned.]
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