

NOT FOR PUBLICATION  
UNTIL RELEASED BY THE PERSONNEL  
SUBCOMMITTEE OF THE SENATE  
COMMITTEE ON ARMED SERVICES

**STATEMENT OF**  
**STEVEN S. GIORDANO**  
**MASTER CHIEF PETTY OFFICER OF THE NAVY**  
**(SUBMARINES/SURFACE WARFARE/INFORMATION**  
**DOMINANCE WARFARE)**  
**BEFORE THE**  
**SUBCOMMITTEE ON PERSONNEL**  
**OF THE**  
**SENATE COMMITTEE ON ARMED SERVICES**  
**FEBRUARY 14, 2017**

NOT FOR PUBLICATION  
UNTIL RELEASED BY THE PERSONNEL  
SUBCOMMITTEE OF THE SENATE  
COMMITTEE ON ARMED SERVICES

 **Master Chief Petty Officer of the Navy**

**MCPON (SG/SW/IW) Steven S. Giordano**



Master Chief Petty Officer of the Navy Steven S. Giordano, a native of Baltimore, enlisted in the Navy in June 1989. Following completion of basic training at Recruit Training Command Orlando, Florida, he reported to Naval Technical Training Center Pensacola, Florida, completing cryptologic technician technical training. Giordano later completed a Bachelor of Science in Management, is a graduate of the Senior Enlisted Academy and the National Defense University Keystone course. He is designated a specialist in submarine, surface and information warfare.

Giordano's early assignments include a tour at Fleet Air Reconnaissance Squadron (VQ) 1 Agana, Guam, serving as a signals analyst and reporter, an operational deployment to Naval Security Group

Detachment, Bahrain in support of Operations Desert Shield and Desert Storm and numerous deployments aboard ships and submarines in the Pacific and European areas of responsibility.

Giordano's Command Master Chief tours include time aboard the guided missile frigate USS McClusky (FFG 41) and at Navy Information Operations Command Colorado. He also served as the Force Master Chief for Navy Information Dominance Forces and Fleet Master Chief for U.S. Naval Forces Europe/U.S Naval Forces Africa.

His personal decorations include the Legion of Merit (three awards), Meritorious Service Medal, Joint Service Commendation Medal, Navy and Marine Corps Commendation Medal (five awards), Navy and Marine Corps Achievement Medal (seven awards), and various unit and campaign awards.

Giordano became the 14th Master Chief Petty Officer of the Navy Sept. 2, 2016.

Chairman Tillis, Ranking Member Gillibrand, and distinguished members of this subcommittee, I am honored to submit to you today on behalf of the enlisted men and women of the United States Navy an informative statement covering various topics of interest to our enlisted force. Six months ago, I assumed duties as the 14<sup>th</sup> Master Chief Petty of the Navy (MCPON), the senior enlisted advisor (SEA) to the Chief of Naval Operations (CNO), on all matters dealing with enlisted Sailors, and their families. In nearly 28 years of service, I have been honored and humbled to serve alongside our Nation's most admirable and courageous patriots, the Sailors of the United States Navy. These men and women are determined, motivated, and unshakable in their devotion to our Nation and our Navy, and highly-competent in their technical expertise and ability to meet the National Command Authority's objectives with enthusiasm and professional acumen. With quiet and unassuming courage and tenacity, these great Americans defend our Nation, its freedoms and its National Security interests around the globe in every theater of operations. With this in mind, I believe we share a collective and inherent solemn obligation to ensure their quality of service, while supporting and preparing them for the future.

I read with great interest Chairman McCain's thoughtful report on *Restoring American Power*. It acknowledges the realities of what has come to pass as we stretched our forces to the maximum point. While significant challenges lie ahead to address the true National Security requirements, we must carefully consider the requirements to enhance and sustain our Navy in the years ahead. We are at optimal potential when Sailors are fully focused on the mission, making them the most critical asset in our ability to fight and win. Regardless of the force structure we adopt, taking care of our Sailors is key to ensuring the Navy's military readiness. Providing them the ability to devote their full attention and capabilities to the mission at hand is the single most important factor in successfully executing the Chief of Naval Operations' *Design for Maintaining Maritime Superiority* Line of Effort to "Strengthen Our Navy Team for the Future."

Quality of service – composed of quality of work and quality of life – is vital to Sailor and Navy Family readiness. In maintaining readiness, quality of service initiatives involving infrastructure – such as barracks, enhanced training and schools -- require consistent investment. We are one Navy Team – comprised of a diverse mix of 600,000

active duty and reserve Sailors, coupled with thousands of Navy Civilians, and our collective families – with a history of service, sacrifice and success. The CNO has charged us with building upon this history to create a climate of operational excellence allowing us to prevail in all future challenges. We currently have 71 installations around the globe, with more than 25,000 Sailors deployed, away from their families, and in the current environment, the demand for Navy operating forces and active component manpower, capability and capacity is increasing. I have listened and spoken with thousands of our Sailors and family members, and am awed by their high morale, even as they operate within an increasingly constrained fiscal environment that directly affects their quality of life.

The Navy remains resolute in ensuring we deliver the highest quality of service to facilitate recruiting, training and retaining the finest Sailors who make the selfless decision of service with sacrifice. We strive to meet that demand, deliver the proper skills-mix to the Fleet, and improve the balance between sea duty and shore duty. Active component manpower is augmented by Ready Reserve Sailors, the Navy's primary source of mobilization manpower and surge operational support. Maintaining the appropriate level and types of Sailors in the Reserve Force provides needed operational capabilities and strategic depth to meet Total Force requirements. Our flexibility, responsiveness, and ability to serve across a wide spectrum of operations, enhances the Navy Total Force.

**Fleet Manning.** Increased accessions in FY12 and FY13 have contributed to high levels of fleet manning and warfighting readiness. Manning among Optimized Fleet Response Plan (OFRP) assets and Forward Deployed Naval Forces (FDNF), our highest-priority deployers, averaged 98 percent in calendar year 2016 ("Fill"), with 90 percent of those billets, occupied by Sailors with the proper mix of skill, experience, and specific billet requirements ("Fit"). Our efforts to reduce manning gaps at sea continue unabated. By the end of FY16, there were nearly 2,800 gaps at sea, an increase of almost 1,000 gaps from one year earlier. As projected, we have seen a slight decline in Fit and Fill throughout this year, as Sailors from the large FY12-FY13 cohort have started to transfer from sea duty sooner than replacements arrive. We are using a wide range of available options to mitigate the projected drop in sea duty Fill, including increasing FY17 enlisted

accessions, extending sea tours, and assigning Reserve Sailors to fill sea duty billets. At the end of FY16, nearly 3,300 Full-Time Support (FTS) Sailors were filling sea duty billets, exemplifying the importance of Reserve Sailors as integral partners in our operational Navy Team.

Despite a decrease of deployments to Iraq and Afghanistan, high operational and personnel tempo continues to present challenges for Sailors and Navy families. As we continue to work under OFRP, we remain mindful of the need to fulfill their quality of life expectations. The plan is designed to provide a sustainable, predictable, cycle for ship deployment, training and maintenance allowing families to better plan around their Sailor's platform cycle minimizing the potential for imposition of high, unhealthy, stress levels. Among Sailors' top concerns are short-fused Permanent Change of Stations (PCS) moves, career flexibility, child care availability, and spouse employment licensing and credentialing.

**Recruiting & Retention.** Aggregate recruiting and retention objectives are being met. However, with an improving economy, it is paramount we maintain Navy career flexibility in rating modernization. Providing proper training, career incentives and special pays, will contribute to retaining critically-skilled Sailors. With the extraordinary demands we place on Sailors and Navy families, coupled with the improving economy and increased job opportunities in the civilian sector, recruiting and retaining highly-talented Sailors may become increasingly challenging in the years ahead.

FY16 enlisted retention exceeded 100 percent in each of the three reenlistment zones through 14 years of service. While we anticipate meeting aggregate enlisted retention goals in FY17, we continue to experience retention challenges and inventory shortfalls within some critical communities, such as Information Warfare, Nuclear Field, Special Warfare, and Advanced Electronics. After experiencing strong retention from FY14 to FY16, current economic indicators suggest a greater pull from the civilian workforce for our top talent over the next couple of years. This impending challenge requires judicious targeting of incentives, particularly Selective Reenlistment Bonuses among high-demand critical skill sets, as well as among less-technical skill sets that an improving economy may adversely affect. Retaining Sailors in the right mix of skills and pay grades is critical in positioning Navy to meet future mission requirements.

**Pay and Compensation.** Navy life imposes the stress and rigors of deployments, overseas duty assignments in harms-way, and prolonged separations from family and friends. Members of the All-Volunteer Force (AVF) serve out of an abiding sense of patriotism, honor, uncommon valor and sense of duty. On behalf of our enlisted Sailors and their families, I want to express our gratitude for the basic pay adjustment enacted in the FY17 NDAA, which sent a strong signal of the Nation's appreciation for the service, sacrifice and commitment of our Sailors and their families.

**Basic Allowance for Housing.** An FY17 NDAA provision requires the Department of Defense to report to Congress on a plan revising the longstanding salary system, placing particular emphasis on a change in Basic Allowance for Housing (BAH) as compensation, rather than as an allowance. This has caused significant uncertainty and anxiety among Sailors. BAH is a recurring topic of concern at my all hands calls during command visits. Sailors are concerned about the BAH monetary amount decreasing or being realigned by reintroducing the Variable Housing Allowance. If Sailors perceive the value of their service is declining by increasing their out-of-pocket expenses for housing, it may adversely impact retention and recruiting.

**Navy Housing and Homeport Ashore.** Construction and recapitalization of Single Sailor Housing continues to be of concern out in the Fleet. Although we monitor the safety of our barracks and prioritize funds for buildings in the worst condition, we are not renovating unaccompanied housing faster than the rate at which it degrades. Currently, 62 percent of Navy unaccompanied housing facilities are rated as "adequate," and we are unable to improve the overall condition of our inventory at current funding levels. As defined from DoD 4165.63-M "adequate" means for unaccompanied housing, the construction costs for all needed repairs and improvements cannot exceed 20 percent of the replacement costs.

As an example, if a building has a \$100 value and the cost of needed repairs exceeds \$20, it is considered "inadequate." The longer we wait to make investments in this area the greater and more costly this problem will become. In 2016, the Navy completed the implementation of our Homeport Ashore initiative which provides a bed ashore for each single shipboard Sailor while their ship is in homeport. Our two privatized

unaccompanied housing projects – Pacific Beacon in San Diego and Homeport Hampton Roads in Norfolk – offer modern apartment-style living to junior Sailors stationed in these two Fleet concentration areas.

**SAILOR 2025.** In September, Navy announced initial plans for modernizing the enlisted career development program, providing greater choice and flexibility for Sailors with respect to detailing and training, greater flexibility in assigning highly-trained personnel, and increased professional alignment with civilian employers.

Through Ready Relevant Learning (RRL), a component of Sailor 2025, we are enhancing our training processes to ensure Sailors receive the right training, at the right time, through an enhanced learning continuum, modernized training and integrated training development. This will preclude commands from being without trained Sailors with the specific required skills during periods of personnel transfers. As Sailors arrive at their commands earlier in the training cycle, the overall quality of training for individuals and units will improve as will deployed readiness and capability.

The Career Intermission Program (CIP) originated as a unique Navy initiative, authorized by Congress in the FY09 NDAA, which permits eligible Sailors to take a break from active duty to pursue personal goals such as starting a family, acquiring higher education or tending to various other personal family matters; and then resuming their Navy service upon completion of the intermission. Allowing Sailors an intermission of up to three years, while serving in the Individual Ready Reserve, and continuing to enjoy full medical and dental benefits, access to commissaries and exchanges, and a small monthly stipend, contributes to our ability to retain Sailors who might otherwise leave the Navy to meet those personal needs. CIP has grown over the years, with enhancements based upon lessons-learned, and has now been adopted in various forms across the other Services. We have only recently begun to expand CIP, implementing enhancements enacted in the FY16 NDAA, such as lifting the cap on the number of participants, and permitting participation by those in receipt of a critical skills retention bonus, or serving in their initial period of obligated service. We have yet to tap the full potential of this innovative retention and quality of life program. We appreciate recent modifications to the program, and will closely monitor the impact on CIP participation rates and its effects on retention and Sailor satisfaction.

Last month, OSD released implementing guidance for the Blended Retirement System (BRS), authorized in the FY16 NDAA. BRS blends a 20-year cliff-vested defined benefit annuity, similar to the existing Uniformed Services' legacy retirement systems, with a defined contribution plan, allowing service members to contribute to a Thrift Savings Plan (TSP) account with government automatic and matching contributions. BRS is expected to provide retirement savings benefits for the majority of service members, including those who serve fewer than 20 years. Integral to successful implementation of BRS is the effective training of all impacted uniformed personnel. Any member of a Uniformed Service determined to be eligible for enrollment in BRS has either completed, or must complete, mandatory training prior to enrolling in accordance with prescribed guidance. The BRS training is only one of many resources available to Sailors making a possible opt-in decision.

**Family Support Programs and Force Resiliency.** Sailor and Family Support provides much-needed assistance to Sailors and their families through robust programs including: relocation assistance, non-medical and family counseling, personal and family life education, personal financial management services, information and referral services, deployment assistance, domestic violence prevention and response services, exceptional family member liaison, emergency family assistance and transition assistance.

In this increasingly technological world, we are upgrading our capability to communicate directly with deck-plate Sailors using available technologies. With the launch of Navy's Resources web page, now including applications for download on personal electronic devices, we can conduct unprecedented outreach with Sailors. The Financial Literacy Application is one example of leveraging technology to increase interactivity and enhance information sharing with Sailors. Financial literacy education, along with Military Life Cycle Transition Points education, enables Sailors to consider relevant information as they approach specific life events. This will assist Sailors and their families in updating financial plans based on professional and personal needs. Each of these programs is available through online access.

Navy families are the heart and soul of our Navy Team and, family support programs are vital to sustaining them. We have new programs that focus on assisting military spouses find employment, which is critical to the financial needs and long-term

financial security of Navy families. All military spouses, as well as other family members, can receive employment services through Navy's Family Employment Readiness Program. In addition to offering assistance in resume writing, interview coaching, job searches and other employment services, we work closely with the Department of Defense Spouse Education and Career Opportunities (SECO) Program to provide expert education and career guidance to military spouses worldwide. The MySECO website provides a comprehensive set of virtual tools and resources that assist military spouses in pursuit of their educational and employment goals. Navy has also partnered with the Military Spouse Employment Partnership (MSEP), which connects military spouses with more than 335+ partners, which have committed to recruit, hire, promote and retain military spouses in portable careers.

Navy Child Care and Youth Programs continue to be accessible, affordable, and provide high-quality child and youth development programs through child development centers, youth centers, child development homes and contract child care spaces. The increase in child development center hours to provide child care has been well-received throughout the Fleet, however, challenges remain. Some DoD Child Care facilities have wait lists greater than three months, and this is an issue of concern to many Sailors who are dependent upon Child Development Centers in order to perform their assigned duties.

The Navy Ombudsmen Program, for which my wife, Elka, serves as Navy Ombudsman-at-Large, and Family Readiness Groups, continue to be great success stories. These two programs offer tremendous support in preparing Sailors and Navy families prior to, during and after deployments and other demanding missions worldwide. An ombudsman provides resources to spouses, assisting them in better-coping with making it through a deployment, and providing support whenever they may need it. The ombudsman program offers a critical lifeline for Navy families providing the support they need when our Sailors are deployed.

The Navy has extended the operating hours for many of our fitness centers to ensure they are accessible to all Sailors and Marines regardless of their work schedules. Currently, all Navy fitness centers are open between 90 and 118 hours each week. Specific hours of operation are tailored to meet the specific needs of Sailors and the installation to accommodate the mission. In addition to extended hours, there are

currently 163 unmanned fitness areas and spaces across the enterprise that provide additional workout options for military members working irregular shifts.

**Morale Welfare and Recreation Programs for Single Sailors.** Navy's Morale, Welfare and Recreation (MWR) program provides 76 liberty programs for single Sailors 18- 24 years old at installations worldwide. Liberty Centers offer an alcohol free environment and are open afternoons, evenings, and on weekends. The Centers offer free Wi-Fi, computers, table games, video game stations, movies, recreation skills classes, trips and social events. Liberty Centers offer recreation opportunities for all interests, from cooking classes and local sightseeing trips to holiday parties and game tournaments.

**Sexual Assault Prevention and Response.** Sexual Assault Prevention and Response (SAPR) continues to be a top priority for our Navy. Although we have made significant progress, we continue efforts to ensure our Sailors know what sexual assault is, how it hurts our Navy, how to be proactive in prevention, and how to report it. In compliance with DoD initiatives and the DoD Sexual Assault Prevention and Response Office's (SAPRO) five lines of effort, our Navy is continuing the push to eliminate sexual assault and destructive behaviors from our service. In FY16, the Fleet successfully completed Chart the Course training, which builds upon the foundational elements articulated in our Sexual Assault Prevention training products. Our Navy is working to encourage reporting from all affected personnel, with a particular focus on eliminating the stigma associated with male-reported assaults.

We have established a number of critical initiatives and are refreshing the Navy SAPR strategy enhancing counseling services, victim/alleged offender non-colocation, leveraging technology advances, such as cell phone applications, and DoD-wide Installation Prevention Projects. We recently launched *Full Speed Ahead* training, designed to combat destructive behaviors across the fleet, while reinforcing the core attributes of the Navy and signature behaviors as the foundation of a resilient and professional force. *Full Speed Ahead* is the third in a Fleet-wide training series focused on creating culturally aware and educated Sailors while also creating an environment intolerant of sexual assault and other destructive behaviors. Navy continues to focus on ensuring victims are treated with compassion and receive quality care, that investigations

are conducted with a high level of competence and timeliness, and that we continue to provide a fair and equitable system of appropriate accountability that promotes justice and assists in maintaining good order and discipline.

**Suicide Prevention & Resilience.** Suicide remains a paramount concern in our Navy. The loss of even one Sailor to this tragedy is one-too-many, and it is imperative we provide them with the resources required to assist them in coping with life's challenges. Sailors are placed under significant demands and pressure situations throughout their career, increasing the risk for suicide, but we are committed to winning this difficult battle to save the lives of our Sailors. Through Operational Stress Control Mobile Training Teams, we are equipping Sailors with information, training, tools, practices, and policies, to be psychologically healthy, resilient, tough, and mission ready. Suicide is complex and almost always well hidden from the families, friends and commands of Sailors. As we look deeper into the causes, we continue to find problems in relationships, legal issues, financial matters, periods of transition and mental health issues, among the most common stressors Sailors face, and serving as a catalyst for contemplating suicide.

Our 21<sup>st</sup> Century Sailor Program continues to develop new programs to reduce incidents of suicide. The office recently launched the Sailor Assistance and Intercept for Life (SAIL) program, a research-based non-clinical intervention strategy, providing rapid assistance, on-going risk assessment and support for Sailors who exhibit suicide-related behaviors. SAIL case managers from our Fleet and Family Support Centers initiate and provide continuous caring contacts with these Sailors, and maintain collaborative relationships with healthcare providers and command leadership throughout the critical 90 days following a suicide-related behavior. SAIL does not replace psychological health services, and is not a form of treatment, but will enhance our suicide prevention efforts and assist in reintegrating our Sailors back into the command.

Other programs consistently promote a core message that it is always ok to ask for help. During FY17, we will continue to emphasize "1 Small Act" as the *Every Sailor, Every Day* communication campaign's primary message. The campaign focuses on individual self-care practices and coping skills, as well as societal prevention and

intervention support. Community and relationship support will continue to be emphasized, integrating the newest DoD theme of *#BeThere*.

Our Sailors are the most important component of our Navy. We can never take for granted the sacrifices Sailors and their families make every day. On behalf of all of them, I appreciate your affording me the opportunity to talk with you about them, and to thank you for your unwavering support and commitment to providing the resources necessary to ensure we remain the world's preeminent maritime fighting force.