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STATEMENT

OF

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AND

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BEFORE THE

SUBCOMMITTEE ON SEAPOWER

OF THE

SENATE ARMED SERVICES COMMITTEE

ON

MARINE CORPS MODERNIZATION

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Introduction

Chairman Reed, Senator McCain, and distinguished members of this Subcommittee, we appreciate the opportunity to appear here today and discuss Marine Corps modernization. As always, we thank you for your continued support to our Sailors, Marines, and their families.

The Marine Corps remains the nation's premiere Expeditionary Force in Readiness. This means that we remain most ready when the nation is least ready to answer the call globally and respond to all matter of unforeseen events. We operate capably and freely throughout the spectrum of threats, whether they are conventional, irregular or the uncertain hybrid areas where they overlap. Our ability to deploy from the sea in austere environments at a time and place of our choosing - a significant asymmetric, strategic and operational advantage- remains our most important characteristic.

Our modernization investments allow us to develop and sustain a ready and flexible force that serves as a highly effective hedge against global and regional instability. Our innovative spirit, strong leadership, and enduring stewardship of the Nation's resources guide our modernization efforts. We invest in our Marines as they are the foundation of the Marine Corps. We continue to reset our warfighting equipment and reconstitute our force after more than a decade of combat operations. We maintain our investments in the research and development of new equipment and ready well into the 21st century.

However, as fiscal realities shrink the Department of Defense's budget, the Marine Corps has forgone some investments to maintain near-term readiness. These trades cannot be sustained long term and portend future increased costs. As America's crisis response force, however, your Corps does not have a choice. We are required to maintain a posture that facilitates our ability to deploy today. As we continue to face the possibility of further budget reductions under sequestration, we may be forced into adopting some variation of a less ready, temporarily tiered status, within the next few years in order to make critical investments that are being deferred today.

Operating Environment

<u>Afghanistan</u>

In the past year, Marines in Afghanistan have transitioned from counter-insurgency operations to training, advising, and assisting the Afghan National Security Forces (ANSF). With expanding capabilities and increased confidence, the ANSF is firmly in the lead for security in support of the Government of the Islamic Republic of Afghanistan throughout Helmand and Nimroz Provinces.

Today, more than 4,000 active and reserve Marines are forward deployed in Regional Command South West (RC (SW)) in support of the Afghan National Police (ANP), and Afghan National Army (ANA). In 2013, we reduced our coalition force advisory teams from 43 to 15, and shifted our emphasis from tactical operations to Brigade-level planning, supply chain management, infrastructure management, and healthcare development. In January 2013, there were over 60 ISAF (principally US, UK, and Georgian) bases in RC (SW). Today only seven remain. In addition, we removed permanent coalition presence in 7 of 12 districts with Marine forces located in only one remaining district center.

Globally Engaged

As we transition out of Afghanistan, your Marine Corps remains a forward stationed and forward deployed force operating "in every clime and place." As part of the strategic shift outlined in the 2012 Defense Strategic Guidance we have strengthened our ties with our Pacific partners. Marines forward deployed and based in the Asia-Pacific Theater conduct more than 70 exercises a year, all designed to increase interoperability with our regional partners, build theater security cooperation, and enhance prosperity and stability in this region. This year the Marines will deploy a rotational force of 2,500 in Darwin, Australia to continue to expand this effort.

Throughout more than a decade of sustained operations ashore in Iraq, Afghanistan, and elsewhere, we continued to deploy thousands of Marines aboard amphibious warships around the globe. The Navy and Marine Corps team remains postured to provide persistent presence and engagement, maintaining a constant watch for conflict and regional unrest. Well-trained Marine units embarked aboard U.S. Navy warships increase the nation's ability to deter and defend

against emerging threats. Our adaptability and flexibility provide unmatched capabilities to combatant commanders, whose demand for these forces routinely exceeds our current resources.

In an effort to meet this growing demand, the Marine Corps has stationed additional crisis response forces in the form of Special Purpose MAGTFs (SP-MAGTF) ashore in support of AFRICOM and EUCOM. These forces provide the combatant commanders a self-deploying and self-sustaining capability that can support U.S. and partner security interests throughout the theaters of operation, to include embassy reinforcement, non-combatant evacuation operations, and tactical recovery of aircraft and personnel even in periods of absence of naval shipping. They demonstrated their unparalleled capability following the recent deterioration of the security situation in South Sudan. After receiving notification of their mission, SPMAGTF-CR staged their forces at Camp Lemonier, Djibouti on the Horn of Africa after traveling over 3,400 miles non-stop from Spain. The next day, Marines flew to Uganda to prepare for a potential non-combatant evacuation operation and to bolster our East Africa Response Force.

Future Environment

If one characteristic defines the future operating environment it is uncertainty. Crises, whether natural disasters such as Typhoon Haiyan or manmade ones such as those in South Sudan, will continue to arise at an ever increasing pace. The 2014 Quadrennial Defense Review correctly states that "the international security environment remains uncertain and complicated. The United States will likely face a broad array of threats and opportunities and must prepare to address both effectively in the coming years." Exacerbating these future threats is the nature of our adversary's capabilities. We continue to see the power of disruptive technologies distributed to more diffused and decentralized actors. In what has been described as a 'new normal,' extremism, economic disruption, identity politics and social change generate new potential security threats at an accelerating pace.

In order to operate in this environment the Marine Corps maintains a solid operational and doctrinal foundation that incorporates proven concepts such as Operational Maneuver From the Sea (OMFTS), Ship to Objective Maneuver (STOM) and Seabasing. With a renewed emphasis on expeditionary operations to respond to the threats encompassed in the 'new normal', the Marine Corps undertook a deliberate effort to validate and enhance these concepts to ensure they

remain valid far into the future. The results of this effort are codified in our new capstone concept: Expeditionary Force 21.

Expeditionary Force 21 establishes our vision and goals for the next 10 years and provides a plan for guiding the design and development of the future force that will fight and win in this environment. It will inform future decisions regarding how we will adjust our organizational structure to exploit the value of regionally focused forces and provide the basis for future Navy and Marine Corps capability development to meet the challenges of the 21st Century. The vision for Expeditionary Force 21 is to provide guidance for how the Marine Corps will be postured, organized, trained, and equipped to fulfill the responsibilities and missions required around the world. Through Expeditionary Force 21 we intend to operate from the sea and provide the right sized force in the right place, at the right time.

Reset

We have made significant strides in resetting our equipment after 12 years of wartime wear and tear. We are executing a reset strategy that emphasizes both our commitment to the American taxpayer and the critical linkage of balancing reset and readiness levels. Over 77% of the Marine Corps equipment and supplies in RC (SW) has been retrograded. The Marine Corps requires continued funding to complete the reset of equipment still being utilized overseas, to reconstitute home station equipment, and to modernize the force.

The Marine Corps' Operation Enduring Freedom Ground Equipment Reset Strategy, released in January 2012, guides the execution of our reset and divestiture strategy. The reset strategy prioritizes investment and modernization decisions to develop our force. Last year our reset liability was estimated at less than \$3.2B. Based on our recent plans for force drawdown, reduction in our enduring requirement for weapon systems, and aggressive efforts in identifying those items only absolutely required, we have refined that estimate for FY15 and beyond to approximately \$1B. This revised forecast is primarily based on the replacement of combat losses, the restoration of items to serviceable condition, and the extension in service life of selected items. We anticipate further refinements over the coming months as we drawdown further and gain a more refined perspective on both the totality of the costs associated with returning our equipment from Afghanistan and the detailed costs associated with resetting that

gear after over 12 years of combat. We currently estimate that reset funding will be needed for at least 24 months from the return of our last pieces of equipment from Afghanistan.

Equipment Modernization

With the smallest modernization budget in the Department of Defense, the Marine Corps continually seeks to leverage the investments of other services, carefully meting-out our modernization resources to those investment areas which are the most fiscally prudent and those which promise the most operationally effective payoffs.

Innovative war-fighting approaches and can-do leadership are hallmarks of the Corps, but these cannot overcome the vulnerabilities created by our rapidly aging fleet of vehicles, systems and aircraft. As previously discussed, long-term shortfalls in modernization would have a detrimental impact on readiness and would ultimately cost lives during crises. At some point, sustaining fleets of severely worn vehicles becomes inefficient and no longer cost-effective. This inefficiency reduces available modernization resources from an already small account, degrading our ability to effectively operate in today's complex security environment.

Amphibious Combat Vehicle (ACV)

The ACV is the Marine Corps' top ground modernization priority and the FY 2015 President's Budget request includes \$106 million for this effort. Many of our systems show the signs of age, but none more than the current Amphibious Assault Vehicle (AAV) which has been in service since 1972. The legacy AAV has served the Corps well for over 40 years, but faces multiple component obsolescence issues that affect readiness, sustainment costs, safety, and our ability to respond from the sea. The ACV is needed to replace this aging fleet.

In 2011 we established an Amphibious Capabilities Working Group that examined current and emerging intelligence, surveillance, and reconnaissance (ISR) capabilities, strike capabilities, and their integration into potential adversaries' approaches to anti-access, area denial (A2/AD). We noted, with particular concern, the impact (i.e. risk to mission and force) of future loitering top-attack munitions and the proliferation of guided rockets, artillery, missiles, and mortars among other advanced threats.

From this threat assessment, we concluded that we would either need to expand the scope, speed and duration of our shaping operations and littoral maneuver, or apply some combination of these actions. This systems approach may require the launch of initial forces from greater ranges offshore. Next, as part of the Marine Personnel Carrier (MPC) program we examined commercial off-the-shelf/non-developmental wheeled combat vehicles and discovered several important points. First, modern wheeled vehicles have substantially closed the maneuver performance gap that previously existed between tracked and wheeled vehicles with improved cross country performance and shore-to-shore swimming capability. Second, current wheeled vehicle technology contributes to improved protection against mines and improvised explosive devices.

We concluded that our concepts for operational maneuver from the sea and ship-to-objective maneuver remain valid, and we will continue to refine our complimentary portfolio of capabilities to meet the evolving threats. The current ACV program has subsequently been refined to reflect a family of systems approach to the military problem – the necessity to conduct amphibious operations rapidly from further offshore while enhancing protected mobility for the mission on land. It leverages experience gained in the EFV program, the MPC program, threat analysis, and combat experience. It will be procured on a phased approach in concert with a revision to our concept of operations for littoral maneuver. ACV will initially provide an amphibious wheeled vehicle (Phase I) that complements the existing AAV and provides enhanced protected mobility ashore. The ACV could conduct most of its ship-to-shore movement via existing and programmed high-speed connectors. Our long-term effort (Phase II) will continue the research and development to explore capabilities that better enable us to conduct extended range littoral maneuver from ship to shore. The fruits of this phased effort are aimed at producing an amphibious vehicle capable of deploying from greater distances at greater speeds that ensure greater stand-off distances for our Naval Forces. Given continuing advancements in applicable technologies, we believe that further investment in these technologies will lead to the envisioned high water speed capability. While high-speed technology exists today, it currently requires too many capability and cost tradeoffs to be an acceptable solution.

AAV Enhancements

To maintain affordability and capacity in the interim, the Marine Corps is conducting only essential survivability and sustainment upgrades and only to a limited number of AAVs. This is a capability upgrade designed to improve force protection and vehicle survivability. An additional initiative to improve sustainability of the AAV fleet is being developed that will focus on obsolescence drivers and improving reliability that will allow the AAV to serve as an effective bridge until it is replaced by the ACV Phase II.

Other Ground Programs

Our ground vehicle modernization strategy is to sequentially modernize priority capabilities, reduce equipment inventory requirements wherever possible, and judiciously sustain remaining equipment. Our plans focus on achieving the right mix of assets, while balancing performance, payload, survivability, fuel efficiency, transportability and cost.

While the ACV remains the Marine Corps' number one priority, it will be part of a broader acquisition strategy aimed at providing the Marine Corps with balanced maneuver and mobility capabilities and capacities. This strategy involves retaining and recapitalizing portions of our Mine Resistant Ambush Protected (MRAP) vehicle and High Mobility Multipurpose Wheeled Vehicle (HMMWV) fleets. In addition to preserving these legacy systems we remain firmly partnered with the U.S. Army in fielding a Joint Light Tactical Vehicle (JLTV) that lives up to its name, while also being affordable.

<u>MRAP</u>

The Marine Corps has an enduring requirement to keep a large portion of our current MRAP fleet for future anticipated operations. We will place MRAPs in our Prepositioning Programs, with designated MEF units for potential use during contingencies, position them at various training and exercise locations and place several hundred in long and short-term storage programs. The Marine Corps will divest a portion of the vehicles through inter-service transfer and to other partner nations who have identified a requirement as Excess Defense Articles (EDA). We will return the balance of our MRAPs currently in Afghanistan today leaving none to be demilitarized in theater.

JLTV

The JLTV is needed to provide the MAGTF with modern expeditionary light combat and tactical mobility while increasing the protection of our light vehicle fleet. Working closely with the Army as the lead Service, the Marine Corps is an equal partner in developing this key system in the tactical wheeled vehicle fleet of the joint force. The FY15 budget request includes \$11.5M for RDT&E and \$7.5M for procurement of seven test vehicles. Between FY16-21 the Marine Corps will purchase and field a total of 5,500 vehicles which will replace approximately one-third of our legacy HMMWV fleet. The JLTV will greatly enhance reliability and survivability from these overburdened platforms that currently perform critical missions in unforgiving conditions.

LAV

The FY15 budget includes a request for \$77.7M to address obsolescence issues in our 40 year old Light Armored Vehicle (LAV) fleet. The upgrades made to the LAV family of vehicles will extend the life of this important platform and provide mobility, lethality, and survivability upgrades that are sorely needed to maintain the relevance of this unique platform on the battlefield. In addition to ensuring the operational effectiveness of these vehicles through 2035, it will align the main weapon system of the LAV-Anti Tank variant with comparable systems already fielded in both the Marine Corps and the Army, increasing commonality and gaining overall efficiencies in the acquisition of parts and ammunition.

Connectors

Connectors, both aviation and surface, are the platforms that allow commanders the flexibility to employ and sustain forces from the seabase and amphibious warships. Connectors are the lynchpin to a core capability—the ability to project power from amphibious platforms and to maneuver once ashore. These connectors with enhanced speed and range, will provide future expeditionary force commanders greater flexibility to operate in contested environments. The President's Budget includes \$191 million for the Ship to Shore Connector (SSC) air-cushioned vehicles and \$4 million for the Surface Connector Replacement (SC(X)(R)) program that will replace the aging LCUs. These platforms are essential in connecting the combat power and logistical sustainment that the sea base provides, to our forces that are operating in the littorals

and inland missions. The Navy Marine Corps team will continue to explore and invest in future connector options that will increase our ability to exploit the sea as maneuver space by increasing range, speed, and capacity.

<u>G/ATOR</u>

In addition to our critical investments in mobility, the FY15 budget includes a request for \$89.2M to procure the next generation radar that will replace five of our legacy systems. These funds will provide two low rate initial production models to the Marine Corps. The Ground/Air Task Oriented Radar is a multi-role, ground based, expeditionary radar that satisfies the capabilities requirements of both Marine Air Command and Control System and Counter Fire/Counter Battery systems. This critical system provides unprecedented reach, volume and precision to identify and track both friendly and hostile forces and interfaces with existing Navy systems to project land and sea power beyond the littorals.

Conclusion

On behalf of the Marines and Sailors who provide the Nation with its forward deployed crisisresponse force, we thank you for your constant support in an era of competing challenges. We are proud of our reputation for frugality and we remain one of the best values for the defense dollar. These critical modernization investments, among many others, will ensure our success not if, but when future conflict occurs. Fiscal uncertainty has threatened both our capacity and capabilities, forcing us to sacrifice our long-term operating and training health for near-term readiness. Recognizing these fiscal challenges, we remain committed to fielding the most ready Marine Corps the Nation can afford.

The priorities reflected in the FY15 budget are the modernization efforts that we must have to remain an affordable insurance policy for the American people. These efforts will allow the Marine Corps to remain a highly efficient and effective hedge against global and regional tensions that cause instability. As always, we will continue to provide our nation's leaders with the time and decision space they need by responding to today's crisis, with today's forces...TODAY.