

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO RECEIVE TESTIMONY ON POSTURE OF THE
NAVY IN REVIEW OF THE DEFENSE AUTHORIZATION
REQUEST FOR FISCAL YEAR 2021 AND THE FUTURE YEARS
DEFENSE PROGRAM.

Wednesday, March 4, 2020

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1 HEARING TO RECEIVE TESTIMONY ON
2 POSTURE OF THE NAVY
3 IN REVIEW OF THE DEFENSE AUTHORIZATION REQUEST
4 FOR FISCAL YEAR 2021 AND
5 THE FUTURE YEARS DEFENSE PROGRAM

6
7 Thursday, March 5, 2020

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

13 The committee met, pursuant to notice, at 9:32 a.m. in
14 Room SD-G50, Dirksen Senate Office Building, Hon. James M.
15 Inhofe, chairman of the committee, presiding.

16 Committee Members Present: Senators Inhofe
17 [presiding], Wicker, Fischer, Cotton, Rounds, Ernst,
18 Tillis, Sullivan, Perdue, McSally, Scott, Hawley, Reed,
19 Shaheen, Gillibrand, Blumenthal, Hirono, Kaine, King,
20 Heinrich, Peters, Duckworth, 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 Let me apologize to my fellow Senators. You know, I
5 had just gotten back from Iraq, Erbil, Uganda, Rwanda,
6 Ethiopia, Mauritania, felt fine, but I hit the ground here
7 and I got non-contagious bronchitis. So anyway, it is much
8 better today than it was yesterday. Much better, much
9 better.

10 The committee today will receive testimony on the
11 posture of the Department of the Navy and the fiscal year
12 2021.

13 We welcome our guests today: the Acting Secretary of
14 the Navy, Tom Modly; Admiral Gilday, Chief of Naval
15 Operations; and David Berger, Commandant of the Navy.
16 Thanks for coming. Thanks for your long-term service. We
17 appreciate you very much.

18 With the alarming speed of modernization of both
19 conventional and nuclear forces, China and Russia present a
20 credible threat. And I always make reference to this
21 because when we put this together, this was equal Democrats
22 and Republicans, people who no one could question their
23 capabilities. And so we have been trying to follow this.
24 So I will make several references to this, as will other
25 members. The major thing there is that China and Russia

1 have passed us in areas that we did not want to be passed.

2 I am encouraged by some of our witnesses' public
3 statements and guidance and their subordinates related to
4 reorienting to great power competition.

5 Thanks to President Trump's leadership, we reset
6 defense spending in 2017, and we are beginning to rebuild
7 the military after many years of neglect. But the hole is
8 deep and the work has just begun.

9 I commend our witnesses for submitting a budget that
10 continues to trend the funding in the readiness accounts
11 that support today's Navy and Marine Corps. However, it is
12 clear to me that the Department of the Navy's proposed
13 budget is only sufficient to support a fleet of about 300
14 ships. That is clearly inadequate to the 355 as we find in
15 the manual I just referred to.

16 Along these lines, I must also point out that the
17 Department has yet to submit a 30-year shipbuilding plan,
18 which by law was required to be submitted to Congress with
19 the budget last month. The absence of this plan makes it
20 impossible to understand how the Department plans to reach
21 its goal and the national policy of a 355-ship Navy. We
22 have got to be smart and not hasty as we modernize our
23 military. I urge each of you to take a long view. Recent
24 history should be our guide because without better
25 acquisition performance, we will fall behind or further

1 behind, I should say, China and Russia.

2 Senator Reed?

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

3 Senator Reed: Well, thank you very much, Mr.
4 Chairman. And I join you in welcoming Acting Secretary
5 Modly and Admiral Gilday, and General Berger to the
6 committee this morning to testify on the plans and programs
7 of the Department of the Navy in our review of the fiscal
8 year 2021 authorization request. I particularly want to
9 welcome each of you to your first posture hearing before
10 the committee. We are grateful for your service, for the
11 service of the men and women under your command, and for
12 the support of all the Navy and Marine Corps families. So
13 please express to these wonderful Americans.

14 As the leaders of the Navy and Marine Corps, you face
15 significant challenges as you strive to balance the need to
16 support ongoing operations and sustain readiness with the
17 need to modernize and keep the technological edge so
18 critical to military success.

19 In addition, because significant levels of funding are
20 being transferred to build the wall on the southern border,
21 you will have fewer resources for modernization.

22 The Department of the Navy faces serious readiness
23 problems caused by deferred maintenance, reduced steaming
24 and flying hours, and canceled training and deployments.
25 We remember too well the collisions of the McCain and

1 Fitzgerald and the loss of life that resulted. I will be
2 interested in hearing about the progress the Navy is making
3 in continuing to implement changes that will ensure such
4 incidents will not happen again.

5 All areas of our naval forces are maintaining an
6 extremely high operations tempo. Demand is overwhelming
7 for attack submarines, air and missile defense cruisers,
8 destroyers, and strike fighter inventories. The Navy is
9 now in its eighth year of operating with fewer than the
10 legally required 11 aircraft carriers. The Ford is listed
11 in the Navy inventory, but that carrier is more than 5
12 years behind schedule and will not be ready to deploy for
13 many, many months. In addition, during the next decade,
14 the Navy will need to buy the new Columbia class ballistic
15 missile submarines to replace the Ohio class submarines.
16 This is an extremely expensive undertaking that is on a
17 very tight schedule.

18 The Navy is using authorities such as multiyear
19 procurement authority to conduct modernization programs
20 more efficiently. Congress has approved multiyear
21 procurement authority for both attack submarines and Aegis
22 destroyers. These vessels represent the largest inventory
23 shortfall compared to the goals in the 2016 Force Structure
24 Assessment, with the actual Navy fleet 15 boats below the
25 attack submarine goal and 14 destroyers below the goal for

1 large surface combatants.

2 The Navy just recently signed the multiyear
3 procurement contract for the block 5 of the Virginia class
4 attack submarine. This contract provides for buying nine
5 boats of the 5-year period, fiscal year 2019 through fiscal
6 year 2023. The contract also provides an option to buy a
7 10th boat if the Navy has the resources and the contractors
8 improve performance on the program. Yet, the fiscal year
9 2021 budget, which had the best opportunity for funding the
10 10th boat, did not exercise the option. I am concerned
11 that the window of opportunity for buying a 10th boat could
12 close if funds are not provided to the Navy this year to
13 allow them that opportunity. I see that the number one
14 item on the CNO's unfunded priority list is funding for the
15 second Virginia class submarine in fiscal year 2021, and I
16 would obviously be interested in your thoughts on this
17 issue.

18 Modernizing ground vehicles remains a priority for the
19 Marine Corps. The amphibious combat vehicle will provide
20 increased force protection and enhanced lethality to our
21 marines, and it will replace the aging inventory of assault
22 amphibious vehicles. The Marine Corps is also partnering
23 with the Army to develop the joint light tactical vehicle,
24 or JLTV, to replace the Humvee, and they have targeted
25 investments in the high mobility artillery rocket system,

1 HIMARS, in order to provide marines with ground-based
2 indirect fire support. I would welcome an update from our
3 witnesses on how they are balancing the procurement of new
4 systems while upgrading existing platforms to meet current
5 operational needs.

6 In 2016, Admiral Richardson released a Force Structure
7 Assessment that identified a new force structure goal. We
8 had been promised a new Force Structure Assessment by the
9 end of 2019 that would address implementation of the
10 National Defense Strategy, but that has not arrived. I
11 also understand that the Department has not provided the
12 30-year shipbuilding plan as required by law. I look
13 forward to hearing when the Department will deliver these
14 important documents.

15 Again, I want to thank the witnesses for appearing
16 today, and I look forward to their testimony.

17 Thank you, Mr. Chairman.

18 Chairman Inhofe: Thank you, Senator Reed.

19 We have opening statements. Your entire statement
20 will be made a part of the record. And we will start with
21 Admiral Gilday. You are recognized.

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1 STATEMENT OF ADMIRAL MICHAEL M. GILDAY, USN, CHIEF OF
2 NAVAL OPERATIONS

3 Admiral Gilday: Chairman Inhofe, Ranking Member Reed,
4 distinguished members of the committee, thank you for the
5 opportunity to appear today with Secretary Modly and
6 General Berger. We are thankful for your enduring support
7 of the Navy and Marine Corps team.

8 Today, three carrier strike groups and two amphibious
9 ready groups, along with 30 percent of our fleet, are
10 deployed forward around the globe. Our Navy and Marine
11 Corps team needs no permission to operate at sea, and their
12 power does not rest in any single location, but rather in
13 our ability to maneuver anytime and anywhere the seas reach
14 operating across the spectrum of military operations.

15 Without question, our sailors remain our most
16 important asset. We have taken a hard look at what they
17 need to be successful, the equipment and the training that
18 they need to fight and win, as well as support required to
19 take care of them and their families. Over the past 8
20 months, we have engaged in a deep examination of these
21 issues.

22 Our balanced approach in our budget submission this
23 year provides a Navy ready to fight today while committing
24 to the training and the maintenance and the modernization
25 to provide a Navy that is ready to fight tomorrow.

1 Naval power is critical to implementing the National
2 Defense Strategy, but naval power is not just a function of
3 fleet size. It is a combination of the readiness, the
4 lethality, and the capacity of that fleet. Our number one
5 priority remains the Columbia class ballistic missile
6 submarine. This request also heavily invests in our
7 readiness accounts such as ship and aircraft maintenance
8 and modernization, in manpower, in live virtual
9 constructive training, in steaming days, and in flying
10 hours. It invests in new systems to make our fleet more
11 lethal, including increasing our weapons inventory, filling
12 our magazines, bolstering the range and the speed of those
13 weapons, exploring directed energy weapons, and
14 incorporating new technologies like hypersonics. This
15 request grows our fleet in size, generating sustainable,
16 capable capacity.

17 Importantly, naval power is not just determined by
18 what we operate and fight with, but how we operate and
19 fight. We are pursuing an integrated approach with the
20 United States Marine Corps in fleet operations and
21 exercises in war games and in experimentation. The net
22 result we believe is integrated American naval power.

23 I could not ask for a better partner, a better
24 shipmate in this endeavor than General Berger.

25 Thank you again for your support which has allowed us

1 to make significant gains in readiness and lethality
2 already. It also allows us to answer our nation's call
3 every day. On behalf of your active duty, reserve, and
4 civilian sailors and their families who serve our nation, I
5 thank you, and I look forward to your questions.

6 [The prepared statement of Mr. Modly, Admiral Gilday,
7 and General Berger follows:]

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1 Chairman Inhofe: Well, thank you, Admiral.

2 Secretary Modly, I probably should have started with
3 you, but you are recognized now.

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1 STATEMENT OF HON. THOMAS B. MODLY, ACTING SECRETARY
2 OF THE NAVY

3 Mr. Modly: Chairman Inhofe, Ranking Member Reed,
4 distinguished members of this committee, thank you for your
5 bipartisan efforts on behalf of the sailors, marines, and
6 civilians of the Department of the Navy.

7 It is an honor to be here today with Admiral Gilday
8 and General Berger, both of whom have demonstrated a great
9 commitment to each other and to each other's respective
10 naval service as they worked collaboratively over the last
11 several months to lead our integrated American naval force.
12 Consistent with that spirit, we have taken a different
13 approach to the written testimony this year by submitting
14 one unified document instead of three separate documents,
15 which you have seen.

16 Staying ahead in today's rapidly changing global
17 strategic environment demands that our naval forces commit
18 to unified planning, clear-eyed assessments, and sometimes
19 some very, very hard choices. In this process, we must
20 harmonize competing priorities, sustain our critical
21 industrial base, and not allow our maritime competitive
22 advantage to erode relative to global competitors and, more
23 accurately stated, aggressive adversaries who wish to
24 hasten our decline as a global force for liberty and for
25 decency.

1 In the end, this budget submission is a manifestation
2 of the hard choices we had to make this year, but it is
3 centrally about the safety, security, and wellbeing of our
4 sailors, marines, and their families. Ultimately I ask
5 that you recognize that in this submission, we could not
6 make trades that put our sailors and marines on platforms
7 with equipment that are not ready for a fight, if a fight
8 is what is going to be required of them.

9 While this budget slows our trajectory to a force of
10 355 or more ships, it does not arrest that trajectory. You
11 have my personal assurance that we are still deeply
12 committed to building that larger, more capable, more
13 distributed naval force within the strategically relevant
14 time frame of no more than 10 years. I look forward to
15 working with this committee and the entire Congress in the
16 coming months as we develop some realistic plans to do
17 that.

18 Our budget also demonstrates a clear commitment to the
19 education of our people as we implement the recommendations
20 of the Education for Seapower Study that I led as the Under
21 Secretary of the Navy for the last 2 years. We are
22 establishing a naval community college for our enlisted
23 personnel as part of a bold and unified naval education
24 strategy that recognizes that the intellectual and ethical
25 development of our people is critical to our success as a

1 naval force.

2 We are also stepping up our efforts to meet our solemn
3 commitment to our military families through significantly
4 more engaged oversight and accountability of our public-
5 private venture housing program.

6 Finally, I would like this committee to understand
7 that as leaders of the Department of the Navy, we are both
8 vocal and united in our determination to prevent sexual
9 assault and sexual harassment throughout our force. Every
10 sailor, marine, and Navy civilian deserve individual
11 respect, dignity, and protection from this great naval
12 institution. We have some work to do in this regard, but
13 you have my personal commitment that we take it very, very
14 seriously.

15 We are grateful to the Congress for passing this
16 year's NDAA which enables many of the priorities identified
17 within this document. In passing this legislation, you
18 have sent a strong signal of support to our people and a
19 very, very stern warning to our adversaries.

20 We also appreciate the funding stability and the
21 predictability of the last several years. This has saved
22 money for the American taxpayer and given our force the
23 agility and flexibility to address emerging threats while
24 investing in our integrated naval force.

25 We urge the committee to do what it can to continue

1 the stability so that we can implement the reforms and
2 investments required to meet great power challenges,
3 protect the maritime commons, and defend the United States
4 of America.

5 Thank you for your time, and we look forward to your
6 questions.

7 Chairman Inhofe: Thank you, Mr. Secretary.

8 General Berger?

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1 STATEMENT OF GENERAL DAVID H. BERGER, USMC,
2 COMMANDANT OF THE MARINE CORPS

3 General Berger: Chairman Inhofe, Ranking Member Reed,
4 distinguished members of this committee, I appreciate the
5 opportunity to testify on the posture of your Marine Corps
6 and our priorities for the future. And I am joined by the
7 Sergeant Major of the Marine Corps behind me, Sergeant
8 Major Black, and my wife Donna.

9 And I will start by echoing Secretary Modly and
10 Admiral Gilday's thanks for timely funding, as well as your
11 enduring commitment to the marines, sailors, and families
12 through efforts like the hurricane recovery, which you
13 authorized, provided for last year, and your revisions and
14 oversight to our work on the public-private venture housing
15 program which the Secretary mentioned. Your bipartisan
16 support is critical to ensure that we continue to
17 prioritize people as our greatest resource.

18 Thanks to predictable funding over the last few years,
19 the Marine Corps has made significant progress restoring
20 both availability and readiness. We are now at an
21 inflexion point. We have to pivot now toward modernization
22 while sustaining the readiness that this committee has
23 worked hard to authorize and resource. This pivot in my
24 opinion cannot wait until next year or the following. We
25 must move now or risk overmatch in the future by an

1 adversary, and that is a risk we will not take.

2 As the National Defense Strategy directs and Secretary
3 Modly recently emphasized in his first vector to all hands,
4 we have to pursue urgent change at a significant scale.
5 Marines have always sensed when it is time to move out
6 smartly. We do not hesitate. This is that time.

7 Realizing the bold direction of our strategic guidance
8 requires acknowledging that there are fundamental changes
9 in the operating environment and how we must organize,
10 train, and equip the force. I am confident that most
11 leaders recognize that significant change is required, yet
12 the scope and the pace of that change is seemingly at odds
13 with some historical resource allocations and some of our
14 major acquisition programs which predate the National
15 Defense Strategy.

16 This budget submission marks the beginning of a
17 focused effort to better align resources that you provide
18 with strategic objectives. Our future budget submissions
19 will build on those investments with informed
20 recommendations for force design, modifications, and
21 adjustments to our programs of record. Together in
22 partnership with my battle buddy, Admiral Gilday, and under
23 the direction of Secretary Modly, we are committed to
24 delivering the integrated naval fleet marine forces your
25 nation requires.

1 As always, I welcome the opportunity to discuss our
2 findings along the way, and we will keep each of you and
3 your staffs informed as we progress. As always, we will be
4 frugal with the resources we are given. We will ask for no
5 more than we need. With Congress' commitment and support,
6 we will ensure that your marines continue to have every
7 advantage when we send them into harm's way.

8 I look forward to your questions. Thank you, sir.

9 Chairman Inhofe: Thank you, General.

10 I was going to start off talking about the fact that
11 we do not have the 30-year shipbuilding plan. I am sure
12 somebody will do that. There are two things that I wanted
13 to get to, though, and one obviously is -- it would not be
14 unexpected -- the USS Gerald Ford. I think most of us
15 around this table here have been down there, have walked
16 it, understand it, but we are also fully aware that that
17 ship -- the original plan to deliver the ship was September
18 of 2015. The ship was going to be delivered fully capable
19 at the cost of \$10.5 billion. Now the projected full
20 delivery of the ship would be April of 2021, the cost being
21 at \$13.2 billion.

22 So, Secretary Modly, today is your lucky day. You get
23 to make the next prediction. And I would like to have you
24 kind of share with us where you think it is right now. It
25 is my understanding that a lot of the things -- it is not

1 just the elevators -- we talk about those -- but also the
2 catapults, arresting gear, the radar, and I understand now
3 that the non-skid situation is taken care of from visiting
4 with you in my office. But kind of go over where we are
5 today, what your predictions are, and when this is going to
6 happen.

7 Mr. Modly: Senator, I appreciate the opportunity to
8 talk about the Ford. I think the history that you laid out
9 about the Ford is not a good history, and it is one that we
10 should never allow to happen again. It is not the way that
11 we should be delivering ships to the U.S. Navy.

12 That being said, we are where we are with that ship.
13 And one of the first things I did as the Acting Secretary
14 was to basically put the fleet on notice that it is all
15 hands on deck to make that ship ready for sea and ready for
16 a fight, if that is what we needed to do.

17 So we have taken several proactive steps over the last
18 several months to get that ship ready. A lot of this work
19 was going on already, but one of the main things we did is
20 we moved the two-star admiral who is responsible for the
21 PEO for all carriers. We moved him to Norfolk to basically
22 be there. It is symbolic but it is more than symbolic. It
23 requires a lot of attention to detail on many of the things
24 that were lacking on the ship.

25 I have been down there twice since I have been the

1 Acting Secretary, once as a surprise on my second day just
2 to see what it is like. And I did not want any admirals
3 there with me. I walked around, talked to the crew, got a
4 good sense for where the ship was. And I also rode the
5 ship in after their last short deployment where they went
6 out and did aircraft compatibility testing.

7 It has been night and day for me in terms of my
8 perspective and my perception of what is happening with
9 that ship. They have made substantial progress on the
10 elevators. The elevators that are working and certified --
11 I think there are four of those. They have done thousands
12 and thousands of cycles with those with no problems. They
13 launched close to a thousand aircraft and recovered them
14 with no problems on the EMALS either. So significant
15 progress.

16 The most encouraging thing to me walking around that
17 ship is talking to the crew. The crew loves the ship. The
18 way the crew and how their jobs have changed, several of
19 them coming from the Nimitz class carrier to this carrier -
20 - it has completely changed the way they do their work.

21 Chairman Inhofe: And I understand that, and I also
22 talked to the crew. Those are their feelings exactly.

23 I wanted to get one more thing in in my time here. In
24 a recent interview, you stated, quote, I do not know if we
25 are going to buy any of the Ford class after the CVN 81,

1 which would be the fourth one. We are certainly thinking
2 about the possibility of other classes. Can you elaborate
3 on that statement?

4 Mr. Modly: Yes, sir. I think we have a duty to look
5 at what will come after the Ford. And the fact that we
6 made a two-carrier buy for the last two, it gives us some
7 breathing room. It gives us a few years before we would
8 have to award the next one, which would be in the 2027-2028
9 time frame.

10 Chairman Inhofe: Okay. That answers the question.

11 General Berger, on the CH-53K, which would be
12 replacing the CH-53E, we are familiar with the cost of this
13 thing and some of the overruns. And I would kind of like
14 to get an update in this brief period of time from you as
15 to where we are, why it is really necessary, and just give
16 us your opinion on that.

17 General Berger: Thank you, sir.

18 The requirement for a heavy lift helicopter remains
19 valid, in fact probably more valid in the adversaries, the
20 competitors that we need to face and where you want your
21 forward marines. You have to have the ability to move that
22 force around and its sustainment from ship to shore or
23 shore to shore or back to ship again. So we have a valid
24 requirement.

25 A year ago, the 53-K was in a different spot. We had

1 both technical, as you know, engineering problems and cost
2 problems. Today we are in a much better place engineering-
3 wise, technologically. It looks like the 53-E on the
4 outside, but like you know, you pop the hood, it is a
5 completely different aircraft. Everything from the
6 exhaust, gas recirculation, to the other 100-plus
7 engineering challenges, we have either solved or Sikorsky
8 has a solid path forward. So I am very confident that the
9 aircraft is on the right trajectory. Now it is function of
10 cost, as you pointed out, sir, both procurement and the
11 cost to operate --

12 Chairman Inhofe: Why does it cost more than an F-35?

13 General Berger: Pardon me, sir?

14 Chairman Inhofe: Never mind. No, I was making a
15 comment that it costs more than an F-35. When you are
16 talking to the general public, they do not know much about
17 your -- they know about the F-35. Go ahead. So why does
18 it cost more than an F-35?

19 General Berger: It is a brand new fly-by-wire
20 aircraft.

21 Chairman Inhofe: Very good. Thank you.

22 Senator Reed?

23 Senator Reed: Thank you, Mr. Chairman.

24 As I indicated in my opening comments, the Navy is
25 critically short of attack submarines, 15 below the goal

1 established previously and accepted by the Navy, and 14
2 destroyers below that objective.

3 And, Admiral Gilday, is there any chance that this
4 demand will lessen over time or increase?

5 Admiral Gilday: Senator, given the pace of the
6 Chinese right now, I do not think that that threat is going
7 to subside.

8 I also think, particularly in the undersea, we have an
9 advantage, a significant advantage. And so we want to
10 maintain that overmatch. We do not want to take our foot
11 off the pedal.

12 Senator Reed: No. I appreciate that.

13 I think also to, with respect to Russia, their
14 sophistication undersea is another challenge. It is not
15 just simply numbers. It is also more sophisticated
16 vessels. Is that correct?

17 Admiral Gilday: Yes, sir, much more sophisticated.
18 As you know, the capabilities that we are putting into the
19 Virginia class, the block 4's and the block 5's, are
20 significant. They are a significant leap forward for the
21 United States. So our intention is continue to press with
22 that technology and improve it.

23 Senator Reed: Now, on the block 5 buy, there was a
24 9-ship commitment, plus an optional ship. One of the
25 concerns I have is the window for this option will close

1 very quickly and that this might be the best year to
2 exercise the option. Can you comment on that? Because I
3 see pressure not only in the construction of the additional
4 block 5 vessels but from all we have talked about here
5 before, the aircraft carriers, everything else, destroyers.
6 This might be the best year. Is that right?

7 Admiral Gilday: Yes, sir. I believe so.

8 In terms of the workforce, I was just up in Groton at
9 Electric Boat a week or so ago, and I left that shipyard
10 confident about the capability of that yard to produce
11 boats at the rate of two a year. And they are planning for
12 the significant increase of the work when the Columbia
13 build begins in earnest. But that is a passionate, well-
14 trained workforce up there, and I think that they can
15 handle two boats a year based on what I have seen.

16 Senator Reed: Thank you very much, Admiral.

17 And, Mr. Secretary and Admiral Gilday, the chairman
18 alluded to this issue, but we are still awaiting these two
19 significant reports, the Force Structure Assessment and
20 also the shipbuilding plan. Based on Secretary Esper's
21 testimony yesterday, I believe it is at his desk literally.
22 We are waiting for that. And when will we get it?

23 Mr. Modly: Yes, sir. I am very anxious to get over
24 here and talk that through with the committee. Secretary
25 Esper wanted a little more time to digest it. It is

1 informed by the 2021 budget but also by the integrated
2 Force Structure Assessment that Admiral Gilday and General
3 Berger put together, and I think he just wanted more time
4 to understand it. We will bring it over here as soon as he
5 feels that he is ready to do that.

6 Senator Reed: I think the committee encouraged him to
7 take adequate time but not a lot of time. So we hope that
8 will be the case.

9 General Berger, you have programs with the Army with
10 respect to the JLTV, the joint light tactical vehicle. The
11 Army is making some changes in the program. Are you
12 adjusting to them, or how are you adjusting to them I
13 should ask.

14 General Berger: Senator, I am aware of the
15 adjustments that they are making. We have not made any
16 changes yet to our procurement, and if we did, it would be
17 based on the Marine Corps' needs. But we are absolutely
18 tracking the changes, the adjustments that they are making.
19 So far, sir, I have seen it down in North Carolina where my
20 son is. It is a phenomenal vehicle.

21 Senator Reed: I have had the chance to look at it at
22 the facility, and it is much more significantly -- well, it
23 is a good vehicle. I will stop right there.

24 Secretary Modly, the committee in the last few years
25 has created the National Sea-based Deterrence Fund because

1 we understand the industrial base is significant, and there
2 are problems with the industrial base for every type of
3 platform. And we think that by going into the industrial
4 base through the prime contractors not only can we increase
5 quality, protect from cyber intrusion, but also generate
6 savings from doing the work right the first time.

7 Can you just briefly comment? And I do not have much
8 time.

9 Mr. Modly: Senator, I agree. We have had some
10 vulnerabilities in the supply chain across the entire Navy.
11 It is a vulnerability that our adversaries have figured
12 out, that is easy for them to get in, and they can piece
13 information together, and they get a bigger picture even
14 when a supplier may think that small piece of information
15 is not relevant. So we are investing heavily in this. We
16 are developing new strategies for how we do this, how
17 perhaps we develop capabilities to perhaps create cloud
18 areas for them that are secure. But it is a big concern of
19 ours and we are addressing it.

20 Senator Reed: In addition to that, it is a simple
21 fact that quality construction at the sub prevents rework
22 at the prime.

23 Mr. Modly: Absolutely.

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

25 Chairman Inhofe: Senator Wicker?

1 Senator Wicker: Thank you very much.

2 I appreciate the service of all three of you. I know
3 you have had to deal with a budget number that you did not
4 arrive at yourselves, and I appreciate you doing that
5 difficult task. We hope we can use our power of the purse
6 here in this committee and in the Congress to help you out
7 on that.

8 I think Ranking Member Reed expressed, with regard to
9 the 30-year shipbuilding plan, the sentiment of most people
10 on this committee that the Secretary should take enough
11 time but not too much time. So I want to subscribe my
12 views to what he said about that.

13 Admiral Gilday, with regard to the submarines, let me
14 make sure. You said that the threat will not diminish.
15 Actually the threat is increasing, and you nodded. But
16 that is correct. Right?

17 Admiral Gilday: Yes, sir. I agree.

18 Senator Wicker: And that is not only with regard to
19 the specific question, Admiral, that Senator Reed asked
20 about submarines, but it is actually across the entire
21 fleet. Is that correct?

22 Admiral Gilday: I would agree with that as well, sir.

23 Senator Wicker: All right. Thank you very, very
24 much.

25 I appreciate the fact that the NDAA tasked the Navy

1 last year to review alternative acquisition strategies.
2 The Navy came back with a report that said significant
3 savings could be achieved by procuring various combinations
4 of amphibious ships.

5 So let me ask you, Secretary Modly, and General Berger
6 about these findings, particularly as they are related to
7 the three LPDs and the LHA-9. Can you speak to the
8 timeline for awarding the funding of these ships and what
9 are the benefits of procuring these four ships together?
10 And let me just get all my questions out there, and we will
11 see what we can do in less than 3 minutes.

12 What are the specific capabilities and what is the
13 specific importance, General Berger, of the amphibious
14 ships that I mentioned?

15 General Berger: Sir, the amphibious ships
16 capabilities-wise in the past, pretty conventional view of
17 what they did in terms of the Navy, the force projecting
18 the marines ashore. And the way that we are going to need
19 to operate in the future, even more challenging, and the
20 role of the amphibious ship I think goes up. Why? Because
21 in order to operate a force inside a contested area, at the
22 unclass level, inside there, you have got to have the
23 mobility and you need the ability to sustain that force for
24 a long period of time in austere conditions and move that
25 force around. Amphibious ships -- people have spoke of

1 them as sort of the Swiss Army knife. They are because you
2 can move a force from the air, on the water. You got
3 multiple means to do the job. So I think their value to
4 the naval force and their value to the joint force goes up
5 in the future.

6 Mr. Modly: And with respect to business
7 considerations, Senator, we are looking at all types of
8 options to be able to bundle our buys of ships in order to
9 drive down the costs, provide more stability to the
10 industrial base and that supplier base, which extends far
11 beyond just the shipyards that are doing the primary
12 construction. So I talked to Secretary Geurts about this
13 this morning about how we might be doing this particularly
14 in the amphib area, and we are going to be thinking about
15 that and developing some plans to do that.

16 Senator Wicker: And specifically the U.S. currently
17 has four DDGs based in Rota, Spain. These platforms
18 provide an advanced multi-mission defense capability. I
19 think we are getting the right testimony with regard to the
20 need there. Do we need the two additional DDGs in Rota,
21 Spain? And tell us about the plans to accomplish that.

22 Admiral Gilday: Senator, we support the two
23 additional DDGs to Spain. Right now, we are working with
24 U.S. European Command. They are putting together their
25 strategic lay-down of the theater. So when that is

1 complete, you will be briefed up here in the Congress. And
2 then in parallel, we will be moving through the Office of
3 the Secretary of the Navy and the Office of the Secretary
4 of Defense coordinating with the Department of State and
5 then finally the Government of Spain so they can line
6 everything up to get additional DDGs at some point to Rota.
7 But we are very supportive right now. Our assessment is
8 that the Spanish want us there in greater numbers, and
9 certainly the Commander of U.S. European Command does.

10 Senator Wicker: And just briefly, General Wolters has
11 testified that we actually have the infrastructure there at
12 Rota that is able at this point to house the two additional
13 destroyers. Is that correct, Admiral?

14 Admiral Gilday: Yes, sir.

15 Senator Wicker: Thank you very much.

16 Chairman Inhofe: Senator Blumenthal?

17 Senator Blumenthal: Thank you, Mr. Chairman.

18 Thank you all for being here, for your service, and
19 thank you, General Berger, for your wife's presence here
20 today. Donna's presence I think points to the importance
21 of our military families and the service and sacrifice that
22 they make so that we can be the greatest and strongest
23 military force in the world.

24 And in that connection, I would just like to mention I
25 did not have a chance to question General Milley or

1 Secretary Esper yesterday about the tenant bill of rights
2 for military housing which, frankly, is somewhat mystifying
3 to me in failing to set forth three of the essential rights
4 that we incorporated in the NDAA last year. And I want to
5 emphasize again the importance of military housing and
6 raising it to the standards that we think are important. I
7 am going to be submitting questions in writing to them. I
8 do not want to take time on it this morning, but any
9 responses in writing you have on that issue I would
10 certainly welcome.

11 General Berger, I appreciated your response to Senator
12 Inhofe about the CH-53K, and I agree with you totally on
13 the importance of this aircraft. In fact, as you may know,
14 today literally marks the birthday of Connecticut's
15 Sikorsky Engineering, which was established March 5, 1923.
16 It has provided 97 years of capability for our nation's
17 defense, including the CH-53K, which is a marvel of
18 engineering.

19 And I want to suggest that the cost of each aircraft
20 would come down if the pace of production is increased. If
21 we go from seven to nine, which I would advocate, the cost
22 per copy would come down. Would you agree with that point?

23 General Berger: I would agree with the math, yes,
24 sir.

25 Senator Blumenthal: Thank you.

1 Admiral Gilday, I want to thank you for your visit to
2 Groton which was enormously meaningful and inspiring, and
3 your very insightful questions -- and I agree with you
4 completely that we have one of the great, passionate,
5 dedicated workforces in any engineering facility there at
6 Groton.

7 But I am deeply concerned by the graph that you and I
8 saw of the worker demands, the production, and employment
9 capabilities that we are going to see and the troughs, the
10 deep dips in employment and particularly during 2023 to
11 2024. I would like to know what the Navy can do to
12 mitigate those troughs. I know that time will not permit
13 you to give a full answer, but I am going to ask for a full
14 briefing. I asked for the charts and some of the
15 underlying data while we were there, and I wonder if you
16 could respond to that point.

17 Admiral Gilday: Yes. I would just say with the lack
18 of an additional submarine in fiscal year 2021, what we
19 would do and we are doing right now is to take a look with
20 Electric Boat at how we might be able to put some of their
21 workforce that would otherwise potentially be furloughed to
22 work whether that be at Portsmouth, New Hampshire in our
23 facility up there or down at Newport News, Virginia.

24 And so I will tell you this, that we believe that the
25 defense industrial base, particularly the work that is

1 being done with ships and submarines is absolutely the
2 crown jewel in the defense industrial base. And so we want
3 to work very closely to make sure that we do not hit a
4 trough that we cannot recover from quickly because that
5 industry just is not very elastic. And so we lived through
6 this before, and we have to be more responsive.

7 Senator Blumenthal: As you know, there has been a
8 furlough of about 300 workers in the last few months, but
9 that is minuscule compared to the thousands that we will
10 see going down and then coming back in terms of the demands
11 on that workforce. So the lack of that second submarine in
12 2021 is really going to be impactful. You are absolutely
13 right. It is the crown jewel, and I think we are really
14 playing with fire if we fail to make sure that workforce is
15 sustained.

16 Admiral Gilday: Yes, sir.

17 Senator Blumenthal: Thank you.

18 Thank you, Mr. Chairman.

19 Chairman Inhofe: Senator Cotton?

20 Senator Cotton: Thank you, Mr. Chairman.

21 Thank you, gentlemen.

22 General Berger, I want to return to the chairman's
23 question about the 53 kilo. Given its costs, can you just
24 tell us in a little more detail what is the long-term
25 outlook for this helicopter?

1 General Berger: Sir, our program of record is 200
2 aircraft. That is our requirement. And the two costs, as
3 most folks in here are really well aware of, are the APOC,
4 the individual cost upfront, and then the flyaway recurring
5 cost. The math, as outlined accurately before -- when we
6 get on schedule for a buy and the learning curve continues
7 up, then the cost starts to come down. But we have to
8 close that gap because I owe you an honest answer that this
9 is an aircraft that we can afford. This is an aircraft
10 that we can sustain over the lifespan of it.

11 So far, again, the engineering part I am very
12 comfortable with. Now it is a function of closing the gap
13 to where I can convince you that this is the best use of
14 our resources for an aircraft we definitely need.

15 Senator Cotton: So you are saying that you owe us an
16 answer and you need to convince us. It does not sound like
17 you are yet fully convinced yourself?

18 General Berger: I think there is room still to close
19 the gap, and Sikorsky agrees as well. The learning that
20 happens on the first of anything, of course, they are going
21 to drive down the cost just because they are going to
22 produce it more efficiently and the engineering cost that
23 is going to the first batch of research and engineering
24 models is going to go down.

25 Senator Cotton: When do you think we might get that

1 answer?

2 General Berger: The next contract is due to be
3 awarded I think in the August-September time frame. We
4 will know then.

5 Senator Cotton: I want to turn to another item that
6 was in the President's budget request, which I found
7 interesting. You are going to buy Tomahawk missiles this
8 year. Specifically, I see the Marine Corps in fiscal year
9 2019 asked for zero Tomahawk missiles. In fiscal year
10 2020, you asked for zero Tomahawk missiles, and in fiscal
11 year 2021, you have requested 48 Tomahawk missiles. I
12 presume you are not planning to launch those off any of
13 your amphibious ships. So could you tell us what you plan
14 to do with those 48 Tomahawk missiles?

15 General Berger: Yes, sir. Part of the homework that
16 the Navy and Marine Corps have done over the past 6 months
17 is how we think we are going to need to operate in the
18 future as an integrated naval force. And that means the
19 Marine Corps assumes the role, which we have not had in the
20 past 20 years, which is how do we contribute to sea control
21 and sea denial. The Tomahawk missile is one of the tools
22 that is going to allow us to do that.

23 Now, it is much like the MQ-9 Reaper for us. It could
24 be the answer. It could be the first step towards a
25 longer-term answer 5, 6, 7 years from now. But what we

1 need is long-range precision fires for a small unit, a
2 series of units, that can from ship or from shore hold an
3 adversary's naval force at risk. And that missile is going
4 to help us do that.

5 Senator Cotton: And is it safe to say that this
6 decision is a result of our withdrawal from the
7 Intermediate Range Nuclear Forces Treaty that you can
8 explore these options?

9 General Berger: I would assume so. I had not linked
10 the two together. We just knew we need long-range
11 precision fires beyond the range that we were restricted to
12 before. Yes.

13 Senator Cotton: And most particularly in the western
14 Pacific, given China's long-range precision fires since
15 they were never a party to that INF Treaty?

16 General Berger: Absolutely, yes.

17 Senator Cotton: Okay. I am glad to see that you are
18 exploring those options. I am sure a lot of your marines
19 would think it would be awesome of you launched them from
20 amphibious ships, but probably not what you have in mind.
21 But obviously, we face a pretty significant fire power gap
22 in the western Pacific given China is stockpiling thousands
23 of missiles, and it is good to see your service beginning
24 to address that. Thank you.

25 Chairman Inhofe: Senator King?

1 Senator King: Thank you, Mr. Chairman.

2 First, in a hearing like this, you always get comments
3 and questions about things that are left out. I want to
4 start with a compliment, the fact that you have increased
5 the R&D budget, because we are in not only a competition of
6 forces and ships and troops, but a competition of
7 innovation. And if we are going to stay ahead in terms of
8 the technology of future conflicts, R&D is going to be
9 critical. Directed energy I think is an enormously
10 important potential part of our naval force. Hypersonics
11 we have discussed, and I think that is something we are
12 going to be discussing or I am going to be talking,
13 Admiral, with you and your staff on in a classified
14 setting. Unmanned craft. I mean, there is just a lot of
15 new technology that has to be developed over the next
16 several years, and I compliment the Secretary and the
17 Department for putting some emphasis on R&D and innovation.

18 Now, for the other side of the coin, I am concerned
19 that we are talking about trying to get to a 350-ship Navy,
20 or actually, Mr. Secretary, I think you have talked about a
21 390-ship Navy. And we are also talking about developing a
22 new large surface combatant. And yet in the new FYDP, we
23 are losing four destroyers, which are sort of the workhorse
24 of the surface combatants. And I am worried about a gap.
25 I am worried about a fall-off not only in shipbuilding but

1 in the industrial base. Can you speak to that concern?

2 Mr. Modly: Senator, thanks for the question. I think
3 one of problems we have this year is we have sort of a
4 confluence of bad timing on a lot of different things. We
5 started on this integrated Force Structure Assessment last
6 summer. It was delivered to me in January, and it sort of
7 came to me after we had already completed most of the work
8 on the 2021 budget submission.

9 So what we found in this Force Structure Assessment is
10 that there is a demand for a 355-plus type of scenario.

11 Senator King: And part of that 355 are large surface
12 combatants.

13 Mr. Modly: Yes, they are.

14 Senator King: Like DDGs.

15 Mr. Modly: Yes, they are. Most of everything that we
16 have right now is going to be part of it, but there are new
17 things that General Berger alluded to, a new, smaller
18 amphib, a new, smaller combat support vessel that can help
19 support distributed maritime operations. Of course, the
20 new frigate will be a key element of that strategy and in
21 that new force structure. And then the unmanned platforms,
22 both undersea and on the surface, will be part of that
23 future force mix. We are just in process of trying to
24 educate and help the Secretary understand what this might
25 mean, and then we will move out with a strategy for how we

1 get there. That is a challenge for us.

2 But in any scenario, we are talking about a
3 significant expansion in the size of the fleet. And we are
4 looking at a flat top line, and that mathematical equation
5 is difficult for us to bridge.

6 Senator King: Well, one of the problems is that we
7 are trying to recapitalize through operating budgets. Any
8 other business in the world would say a 40-year asset like
9 a Columbia class submarine is a capital investment as
10 opposed to a drain on current operating cash flow. It is
11 the bulge in the process of the modernization and the
12 rebuilding of the nuclear deterrent that is really causing
13 a lot of this squeeze as I see. Admiral, do you agree with
14 that assessment?

15 Admiral Gilday: Yes, sir, I do. The Secretary has
16 challenged us with finding \$8 billion this year in our
17 existing budget so that we can put that towards not only
18 shipbuilding, but all the other pillars that support it,
19 the manpower, the weapons, the training, et cetera, so that
20 we can increase our numbers.

21 With respect to the legacy ships that we are looking
22 at decommissioning, we get to a point, sir, where the
23 return on investment -- we are just not going to get the
24 return with respect to lethality. And some of these hulls
25 are over 30 years old. And so numbers are important, but

1 in the end, we would rather have a ready, capable, lethal
2 fleet over --

3 Senator King: Of course. Lethality is the measure
4 not absolute numbers. I understand that.

5 By the way, if you are talking about decommissioning
6 ships, give them a few more years. Then send them to
7 Caribbean and Pacific where we can interdict some of these
8 drug shipments. We are now interdicting 25 percent of the
9 drug shipments we know of -- we know of -- and 75 percent
10 are going by, even though we know they are there because of
11 a lack of assets. So if you got spare ships, Admiral, I
12 know where you might want to send them.

13 Admiral Gilday: Sir, we are sending ships to Southern
14 Command and in discussions right now about what those
15 numbers ought to look like. In fact, we are deploying two
16 littoral combat ships this year.

17 Senator King: Because that is a war we are in right
18 now and Americans are dying in that war.

19 Admiral Gilday: Yes, sir.

20 Senator King: And I sincerely hope you and SOUTHCOM
21 and the Coast Guard can really get together and make a dent
22 in that traffic.

23 I am out of time, General, but perhaps for the record,
24 you could give me your thinking on the reduction of your
25 end strength by 2,100 marines, given the demands on the

1 Marine Corps. So I will look for that. Thank you.

2 Thank you very much, Mr. Secretary.

3 Chairman Inhofe: Senator Rounds?

4 Senator Rounds: Thank you, Mr. Chairman.

5 Gentlemen, thank you for your service.

6 General Berger, there have been reports that the
7 Secretary of Defense will move the Close Combat Lethality
8 Task Force from an element the director reports to him to
9 one that reports to the Army. This is an organization that
10 is examining the full range of capabilities from material
11 solutions to physiological performance to improving
12 policies in order to provide the overmatch to the 4 percent
13 of the members of the joint force who have experienced 90
14 percent of our combat deaths since the end of the Second
15 World War. This is obviously a joint problem, one that the
16 Army, Special Operations Command, and the Marines need to
17 have full visibility on and where solutions need to be
18 joint and Department-wide.

19 Can you provide me with your best professional
20 military advice on what about this move could work and what
21 about this might not work for the Marine Corps?

22 General Berger: Sir, I am very familiar with it.

23 When it was initially stood up and since, it was run
24 by a retired Marine colonel, who I know really well, from
25 Fallujah, Iraq. So for the Marine Corps, we have been

1 involved in the task force from day one and still are.

2 The move to shift it into the Army I am not concerned
3 about. We work laterally on a lot of programs like the
4 joint light tactical vehicle. It is not an issue at all.
5 But parking it in a service is a good thing because they
6 know how to run a program. They know how to resource it,
7 and there are great working relationships between services
8 already. We remain tied in on that task force. We have
9 marines as part of that task force within the Army now.
10 That will continue for all the reasons that you said. That
11 is where the casualties occur.

12 Senator Rounds: Thank you, General.

13 Today in the way that we fight our wars, the
14 electromagnetic spectrum is essential in terms of how we do
15 battle. And we use multiple parts of the spectrum. I want
16 to refer to the Secretary's HASC testimony on February
17 26th. Secretary Esper said that the DOD is willing to share
18 -- and I emphasize share -- spectrum with 5G networks in
19 the mid-band range of 3 to 4.2 gigahertz.

20 Secretary Modly, what systems does the Navy have that
21 might be affected and how could sharing that spectrum space
22 impact homeland defense? I would like to specifically
23 point out we are talking about sharing and not vacating
24 that space.

25 Mr. Modly: Senator, it would have a profound impact

1 on our Aegis system. And of course, we cannot abandon that
2 spectrum. It would have profound negative implications for
3 that system. So as the Secretary stated, we are willing to
4 share it, but we have to be very protective of that because
5 it is critical to our ability to defend ourselves as a
6 nation.

7 Senator Rounds: Thank you.

8 Admiral Gilday?

9 Admiral Gilday: Sir, I have nothing to more to add to
10 the Secretary's comments. I completely agree. We need to
11 protect that portion of the spectrum for Aegis for homeland
12 defense.

13 Senator Rounds: Thank you.

14 Let me go back a little bit and talk about submarines.
15 We have talked about building new submarines. I would like
16 an update, if I could get it, with regard to the mid-life
17 refueling on the submarines, the nuclear attack submarines,
18 that we have right now. I want to point out -- and I have
19 done this in the past -- we are talking about the USS
20 Boise. Now I understand there are three more that are
21 waiting at dock to be able to sequence into dry dock to be
22 actually refueled and made available for service again.
23 The need I believe is still there, and you can correct me
24 if I am wrong, but with these particular submarines, we
25 still want them. This could mean that the USS Boise may

1 very well have been out of service for a period of 8 years
2 waiting for refueling before it is back in operation again.

3 Can you tell me what we are doing to expedite the
4 process to bring these submarines back on and where we are
5 at in that process?

6 Admiral Gilday: Sir, we are going to begin
7 maintenance on Boise this May and then we will get under
8 contract for extended maintenance.

9 At the time that these decisions were made on Boise,
10 we had a capacity issue in our public yards. And so we
11 started to then send some of that work to private yards.
12 We are now at the point -- and I know you are aware of this
13 -- in the public yards, we have increased that workforce by
14 10,000 workers in the past 10 years and some 4,000 in the
15 last 3 years I think. And so we have the capacity back.
16 We are actually taking one of our availabilities from a
17 private yard and now moving it back into the public yard.

18 I do not want to imply that we are out of the woods
19 yet. We are watching it very closely. I think we are in a
20 better place now than we were 2 and 3 years ago.

21 Senator Rounds: If I could say, we will not have the
22 same problem with the next three in line that we had with
23 the Boise?

24 Admiral Gilday: We do not anticipate it, sir, but I
25 will go back and take a look and we will brief you in more

1 detail on what that lineup looks like and any challenges
2 that we think we may face.

3 Senator Rounds: Thank you.

4 Thank you, Mr. Chairman.

5 Chairman Inhofe: Senator Hirono?

6 Senator Hirono: Thank you, Mr. Chairman.

7 Mr. Secretary, I want to thank you for visiting
8 Hawaii, and I especially would like to thank your wife for
9 the time that she spent with the family of the people who
10 were shot at the shipyard and also the survivor. Please
11 extend my thanks to her.

12 Over the past few weeks, I have met with several of
13 your colleagues, including Assistant Secretary Geurts -- in
14 fact, that was only 2 days ago I think or yesterday -- to
15 discuss the importance of modernizing our shipyards. And
16 of course, the delay in repair and all of that was just
17 touched upon by the admiral. So I cannot overemphasize the
18 importance of us continuing to go through with the
19 modernization plan.

20 And just to let everybody know, the Pearl Harbor
21 Shipyard, which is one of the four public shipyards in our
22 country, contributes nearly \$1 billion to Hawaii's economy
23 every year and employs close to 6,500 personnel, including
24 nearly 1,000 engineers. It is the largest employer of this
25 kind in Hawaii.

1 And due to the current inefficient arrangement at the
2 shipyard, it is necessary that the optimization plan be
3 implemented to provide much needed updates. And so I know
4 you are very well aware we need a new dry dock and a
5 production facility.

6 Funding the critical shipyard modernization program
7 will require a significant portion of the Navy's budget.
8 Does the Navy's fiscal year 2021 budget fully fund the
9 shipyard modernization plan so that it will be implemented
10 on time? And I am talking about the four shipyards, not
11 just the one in Hawaii.

12 Mr. Modly: Yes, Senator. This is a high priority for
13 us in the Navy, and it is a 20-year commitment of \$23
14 billion I believe over 20 years. So as long as we are
15 here, we will continue to push for this. We are sequencing
16 in the work in the most logical possible way that we can to
17 address the things that you mentioned, which is how the
18 work flows through the shipyards to make sure that we do
19 not do work now that then we are going to have to take out
20 as part of the longer-term strategy. So, yes, it is
21 funded. I believe we are spending almost \$600 million on
22 this this year, and that will continue.

23 Senator Hirono: Is \$600 million enough to keep to the
24 timelines that we have for the modernization program?

25 Mr. Modly: I believe it is. I think when we looked

1 at this and we thought about the work and how we would push
2 it through the four different yards, it made sense to do it
3 in this way. Obviously, we would love to have more to be
4 able to do more, but we also had to think about how we do
5 not disrupt the current work that is in there at the same
6 time.

7 Senator Hirono: Now, of course, in Hawaii I would
8 like to see some concrete actually being poured for the dry
9 dock and the production facility sometime soon.

10 Mr. Secretary, in conversations that I have had with
11 subcontractors that support our shipbuilding programs, I
12 have heard that the guidance associated with the
13 cybersecurity maturity modernization certification, CMMC,
14 has been somewhat confusing making it difficult for
15 businesses and contractors to comply. What can you tell me
16 about the current state of the CMMC framework? I am told
17 by the subs that there are changing requirements that come
18 down the pike and they do their best to try and comply, but
19 with regard to the new one, which is the CMMC, what
20 timelines are in place for educating, certifying, and
21 auditing our defense industrial base, keeping in mind that
22 there are thousands of suppliers? And I assume that all of
23 them need to provide certification regarding the security
24 requirements.

25 Mr. Modly: Yes, Senator. That is a great question.

1 If you would allow me to get you specifics on where we
2 are on the implementation to that, I will do that.

3 We have elevated our cybersecurity awareness to the
4 highest levels in the Department with a new office there.
5 I am sure they are monitoring this, and I can get you
6 specific details.

7 We understand there is pushback from the supplier
8 base, particularly the smaller subs who see this as an
9 additional cost for them, and we are trying to figure out
10 ways that we can help them perhaps create some shared
11 services for them that they could use at that level. But
12 let me get you a specific answer.

13 Senator Hirono: I think that is really important
14 because we have literally, as I said, thousands and
15 thousands of suppliers. And I know there is always that
16 weak link possibility if we do not provide them with the
17 kind of support they need to comply.

18 Last week, Admiral Aquilino -- he is the Commander of
19 PAC Fleet -- issued guidance instructing Navy vessels
20 departing from port visits to remain at sea for at least 14
21 days before pulling into another port in order to monitor
22 sailors for coronavirus symptoms. And this week, the 6th
23 Fleet followed suit.

24 How is the Navy preparing for coronavirus, and how do
25 you anticipate that the virus will impact the Navy's

1 ability to operate overseas? Admiral?

2 Admiral Gilday: Senator, we are following the
3 Department's guidance, which essentially tries to minimize
4 contact, particularly in those areas where we know there is
5 a heavy concentration of coronavirus. And it manifests in
6 different ways in different geographic locations. We are
7 receiving excellent reporting from the World Health
8 Organization through to CDC and down to the Department on
9 specific areas. Italy and Bahrain are really good
10 examples. The Korean Peninsula is another good example.
11 And so we are trying to be preemptive and preventative in
12 terms of limiting numbers of large gatherings as an
13 example. On a day-to-day basis, we are making decisions on
14 closing DOD schools based on what we are seeing in terms of
15 caseloads at local hospitals.

16 All of our medical personnel have been trained in the
17 symptoms, and if they suspect that somebody does have
18 corona, we test for it and then we send that off to a lab
19 to be confirmed. But we also quarantine those people and
20 their families until we ascertain whether or not they are
21 actually infected.

22 Senator Hirono: Do you have test kits?

23 Admiral Gilday: No, we do not. We do not yet. But
24 that is not just a problem for DOD. But I think that we
25 are getting to a better place in terms of the production to

1 allow us to be able to distribute those out to the force.

2 Senator Hirono: Mr. Chairman, thank you for your
3 indulgence and allowing me to go over. And I do have some
4 other questions for the record. Thank you.

5 Chairman Inhofe: Senator Ernst?

6 Senator Ernst: Thank you, Mr. Chair.

7 And thank you, gentlemen, very much for being here
8 today. And, Secretary, I will start with you.

9 Many businesses across America depend on predictable
10 shipbuilding requirements to maintain a trained workforce
11 and develop manufacturing lines. And you are probably not
12 surprised to learn that in Iowa we do not build ships. We
13 do not. But my landlocked home State of Iowa is part of
14 the Navy's inventory and pipeline of talent. And Carver
15 Pump, which I love to highlight, and its team of 110
16 hardworking Iowans supply pumps to almost every Navy ship
17 in the active fleet, and they are being installed in many
18 ships currently in production. And in total, Iowa is home
19 to eight submarine industrial base suppliers. So we are
20 very proud of that. While we are not providing the end
21 product, the finished ship, we do have those suppliers.

22 And so I do understand that the Navy must utilize its
23 funds and invest in assets that reflect the NDS of today,
24 the goals to modernize our fleet. How are those
25 conversations going with industry to ensure that their

1 production capabilities can meet the requirements in this
2 new era of great power competition?

3 Mr. Modly: Well, we have an amazing supplier base in
4 the country, but it is under pressure to some extent. And
5 so we have to ensure that we are maintaining a steady flow
6 of work through them. The carrier program alone, if you
7 look at the Ford program right now, employs almost 60,000
8 people across the United States in 46 different States.
9 And so when you think about a program like that, not just
10 the employment but the type of employment, this is all high
11 technology. We are bringing in workers, young people,
12 training them in a trade that they can continue to
13 contribute to this process over time.

14 And so we have to be really, really careful when we
15 talk about decisions in this space because that national
16 asset that they create is the ship that we see, but the
17 national asset they contribute to is the national asset of
18 manufacturing capability and high technology that exists in
19 the country that follows them. So we have to continue to
20 worry about that and think about it.

21 When I go out and speak to industry, what I find more
22 often is that I find businesses that are not currently
23 doing defense work that are really interested in doing
24 defense work, and how do we make it easier for them to do
25 that? And so we are working on that.

1 Senator Ernst: Right, absolutely. And I do
2 appreciate that.

3 We look at examples like the Ford. We get very
4 concerned about that because as Members of Congress, we are
5 watching those taxpayer dollars. So we are reliant on
6 industry as well to make the recommendations to make sure
7 we are producing the necessary requirements for our fleet
8 but get it out in a timely manner, and on time, on target
9 is always best. But always having those discussions with
10 industry is important. So thank you for that.

11 We are all familiar as well, Mr. Secretary, with this
12 committee's concern for the health and wellbeing of all of
13 our service members. And last year, when Congress passed
14 the NDAA for fiscal year 2020, we included a provision that
15 directed the Department of Defense to document blast
16 exposure history in the medical record of all service
17 members.

18 And we have made significant improvements in this area
19 on how we are treating, documenting, and understanding the
20 effects and causes of traumatic brain injuries. The
21 progress is encouraging. We still have more that we can do
22 and where we can potentially negate the impact of TBIs.

23 Can you maybe explain to this committee what the
24 Department of the Navy and the Marine Corps is doing to
25 improve the understanding and prevention of traumatic brain

1 injuries and specifically those coming from blast injuries?

2 Admiral Gilday: Ma'am, I can say about 80 percent of
3 the TBI injuries that we see are off-duty related. And
4 because military medicine has benefited greatly from what
5 we have experienced from Iraq and Afghanistan, so we are
6 able to return about 85 percent of those sailors back to
7 work just based on the high proficiency of our medical
8 teams.

9 Senator Ernst: Very good. I know that in SOF, we are
10 actively baselining many of their members, which is
11 something that we would love to do across the conventional
12 forces as well.

13 General Berger, would you like to address it, please?

14 General Berger: Just three quick parts to that.

15 First, the protect part, the equipment that we wear,
16 the vehicles, the aircraft, a lot of improvement over the
17 last 3 or 4 years. We have a lot of room still to go
18 there.

19 Second is the detection part, which you mentioned.
20 Really difficult, which relies wholly on baseline up front,
21 which we do as well. All of us who have been to Iraq and
22 Afghanistan in the last 6-7 years, all baselined. We did
23 not do that the first deployment. I was not either. You
24 have to do that because you cannot measure any change from
25 that.

1 And the last part is the treatment, which the CNO
2 mentioned, and it cannot stop initially. This is an
3 enduring -- the impact of that could be lifelong. So it is
4 different than some other ailments, some other issues that
5 we have. We have to treat it as a long-term issue.

6 Senator Ernst: Thank you very much.

7 And, General Berger, you are spot on. It does create
8 complications further down the road especially if we are
9 not treating that TBI.

10 So thank you, gentlemen, very much.

11 Thank you, Mr. Chairman.

12 Chairman Inhofe: Senator Jones?

13 Senator Jones: Thank you, Mr. Chairman.

14 And thank you to the witnesses for being here today
15 and for your service.

16 Secretary Modly, I want to ask you about the frigate.
17 You mentioned the frigate as a key element in our future
18 ship fleets. I have got folks down at Austal down in
19 Alabama trying to put together a great design and compete
20 for that contract, but it seems that the process timeline
21 has been a little bit of a moving target. Can you tell us
22 right now where we are in that process and the timeline for
23 the frigate contract award?

24 Mr. Modly: Senator, thanks for the question.

25 The plan had been to award the contract sometime in

1 the latter half of this fiscal year. I have asked
2 Secretary Geurts to look at possibly pulling that forward
3 if everything is done properly and everything is thoroughly
4 vetted and evaluated. And so he is looking into that. So
5 there is some possibility that we may pull that award a
6 little bit sooner.

7 Senator Jones: All right. Could you let me know if
8 that is the case?

9 Mr. Modly: Yes, sir.

10 Senator Jones: I noticed in the FYDP that it includes
11 only nine frigates, although originally there were going to
12 be 10 in the first block. Does this mean that the total
13 ship procurement is being reduced or just the procurement
14 timeline?

15 Mr. Modly: No, sir. I think this is part of the
16 discussion that we have been talking about earlier about
17 the new integrated Force Structure Assessment and how the
18 frigate plays in that. Based on current plans and current
19 thinking, this is where we are. But I anticipate as we
20 look at this in more depth and the Secretary of Defense can
21 get comfortable with it, we are going to look at ways to
22 possibly purchase more of these over time. But right now,
23 that is sort of where we are in terms of our thinking.

24 Senator Jones: Okay. So the total numbers have not
25 changed, just in this first block. Is that a fair

1 statement?

2 Mr. Modly: No, sir. Nothing has changed.

3 Senator Jones: All right. Thank you.

4 Sticking with Austal for a minute, I would like to
5 talk a little bit about the expeditionary fast transport,
6 the EPF. Can you give me an idea, Admiral Gilday, where
7 those are being used and how they are being used right now,
8 the EPFs?

9 Admiral Gilday: So those ships are great. We put
10 adaptive force packages on them, and so some of them are
11 highly classified missions. Others are to move troops or
12 we just used two in an exercise called Pacific Partnership
13 in the Indo-Pacific where we used them for humanitarian
14 assistance and disaster relief.

15 And the two that we have in the budget -- what we are
16 trying to do with those ships is to give them the medical
17 capability where they would actually have a 750-room
18 hospital, as well as 12 operating rooms. And so because of
19 the cubic space that you have in those ships, you can
20 really do a lot with them, including their flight deck.

21 Senator Jones: Well, I am asking because you got two
22 in this budget, but the President just took away one that
23 was set to be awarded I think in April of this year. It
24 was a \$260 million contract again. I am curious as to if
25 that particular ship could have been used the same way, why

1 was it taken out?

2 Admiral Gilday: Sir, I cannot tell you directly why
3 it was taken out. I know that those decisions were made at
4 a higher level based on strategic priorities. And so I
5 just do not have the direct answer for you on the why.

6 Senator Jones: All right. I may submit a question
7 because Secretary Esper's answer was just not satisfactory
8 yesterday, especially in light of your testimony today.
9 And I want to emphasize again I just think taking the funds
10 away from our sailors, soldiers, and airmen is just wrong.
11 It hurts our men and women in uniform, and it quite frankly
12 hurts my community in Mobile where we are taking away that
13 because we got a lot of folks down there that are dependent
14 on Austal and the ships that they build.

15 Secretary Modly, let me just ask you real quick. You
16 mentioned last week -- I want to just talk about the 355
17 ships may no longer be the right number for our force. And
18 you mentioned that it could be as high as 390. Can you
19 kind of give me some ideas of where all this is coming from
20 and how you are making those assessments and what you are
21 looking for?

22 Mr. Modly: Well, sir, it is strategy-based. It is
23 based on the threat, what we see the threat that is
24 emerging, how we would want to counter that threat not just
25 in terms of a warfighting scenario but in terms of

1 deterrence and presence. And so that is what is driving
2 it.

3 What is driving the change in the numbers is some of
4 the things that I mentioned earlier in terms of the
5 requirement for a new, smaller amphib, a new combat support
6 vessel as well, possibly more frigates, as you mentioned
7 earlier. That is where sort of the numbers are elevating
8 when we start looking at the difference between this and
9 the 2016 assessment.

10 Senator Jones: All right. Are we going to be able to
11 see that 30-year shipbuilding plan and Force Structure
12 Assessment pretty soon?

13 Mr. Modly: I hope so, sir. I have seen it. I just
14 need to make sure the Secretary of Defense is comfortable
15 with it.

16 Senator Jones: Well, I would encourage you to try to
17 get that to us as soon as possible, please. Thank you.

18 Thank you, Mr. Chairman.

19 Chairman Inhofe: Senator Perdue?

20 Senator Perdue: Thank you, Mr. Chairman.

21 Thank you for being here.

22 You know, these concerns and the wringing of the hands
23 about this budget would have a whole lot more credibility
24 if we had heard that when the three times in the last 50
25 years we had three Presidents in the late 1970s, in the

1 mid-1990s, and just recently cut our military spending by
2 25 percent. That is what this is about. Today we are
3 trying to recover. You have done a marvelous job in the
4 Navy and the Marines getting our readiness back. I want to
5 commend you guys for that. Today I want to talk about
6 shipbuilding.

7 When we get this budget, we are supposed to get a
8 shipbuilding plan. Secretary Modly, when should we expect
9 that?

10 Mr. Modly: Sir, I am hoping to get it over here as
11 soon as possible, but frankly, it is not my call. I am
12 waiting for the Secretary of Defense to allow us to bring
13 it over.

14 Senator Perdue: I understand.

15 Admiral Kilby, this week, yesterday, as a matter of
16 fact, did a great job explaining his requirements, Admiral.
17 He talked about four priorities: Columbia class, readiness
18 recovery, lethality, and capabilities we can afford. I
19 respect that.

20 The question that -- I want to highlight the NDS. The
21 335-ship number was developed in 2016, prior to the NDS.
22 Is the 355 number consistent with the NDS requirements put
23 on the Navy and Marines?

24 Admiral Gilday: It is low, sir.

25 Senator Perdue: An honest man.

1 Admiral Gilday: Thank you, sir.

2 The short answer. So since the time that that
3 assessment has been done and if you consider the fact that
4 we are integrating much more closely with the Marine Corps
5 and within the joint force, you have to consider not only
6 what we are going to fight with, the capabilities, but also
7 how we are going to fight. And so that is translated
8 against a threat that has increasing capability into a
9 larger number of ships, a larger number of more capable
10 lethal ships.

11 Senator Perdue: So it has to do with several things.
12 Right? What is your responsibility against emerging
13 threats. You said that. How are you going to fight the
14 force, and then what kind of lethality you have. So you
15 are working on that we are not hamstrung by INF. We know
16 that China -- they out-stick us today. Is that fair?

17 Admiral Gilday: In some areas, sir, yes.

18 Senator Perdue: Secondly, they have about 350 boats
19 today to our 296 by my math. I think that is correct. If
20 you look at what they have said publicly, by 2030 they will
21 have 425, and if that same gradient goes out, by 2034,
22 which is our planning period behind the current
23 shipbuilding plan, we would be at 355 by 2034. That is the
24 2016 plan. That may change in the current shipbuilding
25 plan I understand. We have an 80-boat shortage right now,

1 and we have responsibilities in multiple AORs. They pretty
2 much have one. Are you concerned that our shipbuilding
3 plan is not going to be able to do what we need to do over
4 that 15-year period, particularly against the buildup that
5 we see China -- they deployed more boats in the last 30
6 months than they have in the last 30 years. So we see
7 their activity. They are telling us what they are doing.

8 Admiral Gilday: Yes, sir. So it simply really comes
9 down to our top line. And that is our biggest constraint
10 in terms of growing a bigger Navy. Since I have been in
11 uniform, the size of the United States Navy has been
12 dwindling. Over the last few years, we have come up in
13 numbers a bit, but not a lot. And so we believe, based on
14 the NDS and for all the reasons we just stated, that it is
15 time to reinvest in the naval force.

16 Senator Perdue: And it would be one thing if we could
17 fund it. What I am worried about -- let us take
18 submarines, for example. Your number one priority is
19 Columbia class. I am proud that Georgia hosts one of the
20 two nuclear bases that hosts those. But we lost in the
21 last decade 17,000 submarine vendors, down to 3,000
22 vendors. Even if we were to push the money toward this
23 goal to get to where we need to be, can we rebuild the
24 supply chain fast enough to accommodate that?

25 Admiral Gilday: Sir, based on what we know, we think

1 we can. Based on what we are projecting in terms of
2 submarines, as an example in terms of what we are
3 procuring, that vendor infrastructure is in place to
4 support that.

5 Senator Perdue: Can I move on to one other thing?
6 The Air Force is developing ABMS right now, and it looks
7 like they have had one demonstration across the services.
8 I think there is another one coming up in April. How
9 involved is the Navy in looking at this from the service
10 needs, as well as the data that the Navy will be creating?
11 Obviously, as I understand this, this is a very classified
12 development. Can you give us an update about the Navy's
13 involvement and the Marines' involvement on that?

14 Admiral Gilday: Sir, so the problem set is that we
15 have netted weapons and we have netted platforms and netted
16 C2 nodes, but we do not have a net. So all the services
17 have come together under a concept called joint all domain
18 C2, and we are putting heat on it, a Manhattan Project like
19 effort, so that we are not delivering this in the mid-2030s
20 but in the 2020s. All the Joint Chiefs are flying out to
21 Nellis in early April to take a look at this together to
22 make sure we understand how we are going to get after it.

23 Senator Perdue: Thank you so much. Thank you, sir.
24 Thank you, Mr. Chairman.

25 Chairman Inhofe: Senator Heinrich?

1 Senator Heinrich: Thank you, Chairman.

2 Secretary Modly and Admiral Gilday, I am quite
3 encouraged to see the priority that the Navy continues to
4 place on hypersonic weapons. As you know, Sandia National
5 Lab has played a critical role in developing this
6 technology over a number of years now. How would you
7 characterize the combined Navy and inter-service effort to
8 transition hypersonic glide bodies out of the labs?

9 Mr. Modly: Well, thank you for that question. I
10 actually was in Sandi a few months ago and got to see what
11 they are doing out there, and it is really amazing work.
12 And I am actually very encouraged about the fact that we
13 are working together with the Air Force and the Army on
14 this because it is an expensive proposition, and we need to
15 pool our resources and our brain power to get after it. So
16 I think that the progress is good.

17 We have asked for a significant step up in funding
18 this year in order to do this. As I look at the test
19 schedule, it looks aggressive, but I think it is doable.

20 So that is probably all that I can talk about in an
21 open forum. I would be more than happy to come over and
22 have our team brief you on how we are doing on that.

23 Senator Heinrich: Would there be value in collocating
24 the development and the production of those capabilities so
25 that we could fully leverage synergies, expertise, and

1 frankly shorten the feedback loop in that transition from
2 development to production?

3 Mr. Modly: Well, I think anything that we can do that
4 can accelerate the process of getting these fielded would
5 be important. I think one of the biggest challenges we
6 have right now is not the technology and how to develop
7 these missiles, but it is the production. How do we get
8 this into scale over time? And that is a challenge because
9 we do not have an industrial base that can really do that
10 right now. So we are looking at ways that can help
11 accelerate that through some incentives, et cetera to put
12 some funding out there so that we can accelerate the
13 creation of the industrial capacity to produce at scale.

14 Senator Heinrich: Well, I hope you will consider us a
15 partner in that effort.

16 I want to switch gears now to the Navy has been
17 conducting live fire tests of its experimental
18 electromagnetic railgun at White Sands Missile Range in New
19 Mexico over the past year. But the fiscal year 2021 budget
20 includes pretty minimal funding for this capability. What
21 is the Navy's plan to continue developing this program and,
22 for that matter, to mount it on a ship for at-sea testing
23 as well? Admiral?

24 Admiral Gilday: Yes, sir. So the testing is going
25 rather well. What I would like to do, sir, is come back to

1 you in a classified setting and talk to you in more detail
2 about where we are with that and where we want to go.

3 Senator Heinrich: Okay. In this setting, can you
4 comment on the resourcing in this particular budget?

5 Admiral Gilday: Sir, the resourcing right now we
6 think is adequate based on the amount of effort that we
7 have ongoing. So we saw more money in the budget last year
8 based on what we needed to do in terms of R&D, but we are
9 more at a steady state at the moment going into 2021.

10 Senator Heinrich: Okay.

11 Let us talk Columbia class for a moment. I think this
12 committee understands the importance of that modernization
13 to the nuclear triad. What are your contingency plans if
14 the Navy does not make the already very tight timeline for
15 Columbia, and where would you accept risk?

16 Admiral Gilday: Sir, that would be best handled in a
17 classified setting. I will say that we have had those
18 discussions with the Secretary of Defense, and you cannot
19 just consider one leg. You have to consider the triad and
20 how you balance risk across that triad based on challenges
21 you would face in the modernization efforts across each of
22 those legs. We are having those discussions, sir.

23 Senator Heinrich: Thank you, Chairman.

24 Chairman Inhofe: Senator Tillis?

25 Senator Tillis: Thank you, Mr. Chairman.

1 Gentlemen, thank you for being here and for your
2 service.

3 General Berger, I will ask you just one detailed
4 question. I got a few others hopefully I will have time to
5 get to.

6 With some of the military construction money -- I
7 think it was somewhere around \$40 million -- affecting Camp
8 Lejeune as a result of the executive order, I understand
9 there were two projects down there that have been pushed
10 somewhat to the right. Can you give me the current status
11 of those projects and whether or not we are in any critical
12 timing in terms of backfilling the funding?

13 General Berger: I am familiar with both projects.
14 Both were deferred. We will have to postpone the second
15 radio battalion building and the second project as well.
16 Right now, not critical, but if they got pushed farther,
17 then it would become a significant issue.

18 Senator Tillis: If I could get just for the record
19 specific dates on when that really hits the critical path,
20 I would appreciate it. Then-Secretary Spencer assured me
21 that it was not a challenge now, but it could be. I would
22 like to know the specific timing. Thank you for that.

23 Now, I have got something that would be for Admiral
24 Gilday and you, General Berger, and maybe the Secretary as
25 the tiebreaker. And it is the discussion we are having

1 with FRC East, getting the funding to be best prepared for
2 the F-35. We have got a bit of a stalemate there. We made
3 some progress with the security fence with the lift fan
4 facility, but a lot of the infrastructure is sort of Navy-
5 owned facility, Marine requirement. Every time I ask a
6 question about who is going to actually own that and how we
7 are going to get the funding, I get you need to talk to the
8 Navy or you need to talk to the Marines. Do we have a
9 definitive answer on that and where this sits on the
10 priority list?

11 Admiral Gilday: Sir, I can say that FRC -- of our
12 three, it is part of the optimization plan that we have,
13 and we are putting money against all three of those
14 facilities right now.

15 With respect to the potential finger-pointing, I would
16 like to get you a deeper brief on that. The Commandant and
17 I, our staffs can come together, and if there is an issue,
18 we will definitely resolve it.

19 Senator Tillis: You answered my question before I
20 asked it. What I would like to do, if we could, is just in
21 a meeting, if we could get the stakeholders in the room and
22 I can get a definitive readout, I would appreciate that.
23 So I have your commitment to making sure that happens.

24 Admiral Gilday: Yes, sir.

25 Senator Tillis: Thank you very much.

1 General Berger, you mentioned about some of the review
2 that you are doing for the acquisition programs review.
3 What is the current status of that? When should we see a
4 report out?

5 General Berger: We are done the first part of it,
6 Senator. The next step is for me to explain where we stand
7 with the chair and ranking members of the four committees
8 here, and I will do that this weekend next if we can get
9 through the scheduling part of that.

10 After that, then we will obviously go broader in terms
11 of explaining the details. But it is important that I
12 explain to those senior leaders in Congress first what the
13 outcomes are. So we are done the first part.

14 Senator Tillis: Okay. Thank you.

15 Because my time is going to expire here fairly
16 quickly, I am going to submit some questions for the record
17 about end strength, a few other questions. We will just
18 look forward to hearing back from you.

19 In my remaining time, I would like to talk about
20 military housing. We have spent a lot of time and effort
21 to make sure -- on the one hand, we were concerned with the
22 nearly \$40 million that is sliding to the right. On the
23 other hand, we have succeeded in getting billions of
24 dollars down to help with recovery.

25 What is the status of that recovery, and specifically,

1 how is the military housing situation? I will let you know
2 and everybody else that I will be doing another town hall
3 down there to hear directly from the military families. I
4 think that is very helpful because for some strange reason,
5 I announce it 6 weeks in advance. All the service requests
6 tend to be done by the time I get there. But I am hoping
7 they are beginning to do it on a more consistent basis. So
8 if I can get an update on both those projects, recovery
9 with respect to Camp Lejeune broadly and then specifically
10 for military housing.

11 General Berger: Camp Lejeune broadly. First of all,
12 the town halls are -- you are spot on. Unannounced is
13 better and you are going to get unfiltered kind of feedback
14 from families, the way it should be, the way that we want
15 them to be. So I thank you for that because it takes time.

16 On the housing, there are about 520, give or take,
17 empty family housing units at Camp Lejeune that the private
18 partner owns. Some of them are reparable; some are not.
19 And that is part of the discussion that goes on right now,
20 not negotiation, but the dialogue between the Department
21 and the vendor about what to do about the 500 vacant
22 houses.

23 There are about 15 families -- I think 15 -- right now
24 that remained in damaged homes at their choice. We offered
25 to move them. They elected to stay there. The damage, in

1 other words, from the hurricane -- they were okay because
2 they are going to move anyway, so they just stayed. So we
3 allowed them the choice either way.

4 The funding for the last two tranches of supplementals
5 -- all of the, I think, \$837 million from last year put on
6 contract. So far, I think about \$157 million this year.
7 We will be able to obligate all that you provided from the
8 second tranche in this fiscal year. So I think by the end
9 of this fiscal year, both tranches will be fully under
10 contract.

11 Chairman Inhofe: Senator Kaine?

12 Senator Kaine: Thank you, Mr. Chair.

13 And thank you to the witnesses for your service.

14 I wanted to just pick up on a point that Senator
15 Perdue made a few minutes ago. He expressed some concern
16 about hand-wringing over the budget and said, you know, I
17 wish I had seen concerns in the past when budgets were
18 being cut. And look, to the extent that Congress has done
19 bad things in budgets in the past, we need to own it. My
20 first speech as a Senator in February 2013 was a speech on
21 the floor saying we should not do the sequester and budget
22 caps. It is a bad idea.

23 I think the reason there is hand-wringing now is that
24 Congress has learned our lesson and we are trying to do
25 good budgets for the military, and what we are seeing is

1 the drain of billions of dollars out of the budget for a
2 non-military emergency at the southern border.

3 Here is what we are doing within 1 year. Within the
4 last year, the administration took first \$6 billion, \$3.5
5 billion from MILCON and \$2.5 billion from other programs,
6 into the counter-drug fund to use for the wall. So that
7 was \$6 billion out of the DOD budget.

8 The administration has now announced another \$3.8
9 billion that is being cannibalized out of various accounts,
10 put into the counter-drug fund. So now that \$9.8 billion.

11 And yesterday Secretary Esper in the hearing announced
12 that there will likely be another tranche taken from
13 MILCON. It has been reported that would be \$3.7 billion,
14 but just round it down and say that number is too high. It
15 looks like the total within a year will be \$13 billion,
16 more than a billion a month taken out of Congress'
17 appropriated budget for your needs, for the nation's needs
18 to use for a non-military emergency that is not mentioned
19 in the National Defense Strategy.

20 Let me just put that into context. What does \$13
21 billion mean to seapower, to our Navy and Marines? \$13
22 billion. It is one carrier or it is four Virginia class
23 subs. We are arguing about whether there should be a
24 second sub this year. 13 billion bucks in a year is four
25 subs. It is six destroyers. It is four amphibious assault

1 ships. Senator Hirono asked about the shipyard industrial
2 optimization plan. That 20-year plan is \$26 billion. So
3 the \$13 billion would be half of the 20-year plan to
4 modernize our shipyards.

5 Or the other way to look at it is when you all
6 submitted your budget this year, you submitted the amount
7 of unfunded priorities you have. That total unfunded
8 priority list for the DOD is \$17 billion. \$13 billion in 1
9 year taken for a non-military emergency when your total
10 unfunded priority list is \$17 billion.

11 I am going to state right now if there is a Democratic
12 President who tries to take money out of the DOD for a non-
13 military emergency, I am going to say go get it through the
14 appropriators. Do not ransack the Pentagon's budget for a
15 non-military emergency. I stood up against Democratic or
16 Republican Presidents if I thought they were taking us to
17 war without coming to Congress. I am going to stand up
18 against the Democratic President who tries to raid the
19 Pentagon budget for non-military emergencies.

20 You are here saying we are trying to be focused on the
21 National Defense Strategy. It is resource-tight
22 environment. It is sort of hard to take that at face value
23 when we are allowing \$13 billion to walk out the door for a
24 non-military emergency in 1 year.

25 I want to offer you a compliment, General Berger. You

1 made I think a challenging call but the right call recently
2 when you announced that Confederate paraphernalia would be
3 removed from Marine bases as just a good order and
4 discipline. I saw that announcement and as a Virginian
5 with a child in the Marines, I applaud that leadership
6 move.

7 Secretary Modly, I want to ask you to share a story
8 that you shared with me with all my colleagues. Secretary
9 Modly was in the Federated States of Micronesia recently,
10 and this is a story about U.S. and China, what we are
11 doing. Micronesia is a really important asset for us, where
12 it is situated in the Pacific. Just share what is
13 happening in terms of U.S. investment versus Chinese
14 investment from your recent visit, if you would.

15 Mr. Modly: Sir, thanks for remembering the story.

16 I was there about a year ago, and I made a trip
17 through several of the Pacific islands. And I went to
18 Micronesia and went to the far side of the island, and
19 there was a Navy Seabee team there, a great group, 24
20 Seabees building a school for the local citizens there.
21 Very traditional construction, concrete pilings, corrugated
22 steel roof, plywood sides, making great relationships with
23 the locals.

24 As you leave this facility and you drive down the
25 street, there is a big sign. Micronesian Agricultural

1 Center being paid for and built by the People's Republic of
2 China. And it just gave me the impression that in some of
3 these areas where we have traditional long-term friendships
4 with these nations who want us to be their partners and we
5 are playing small ball.

6 Senator Kaine: We removed all Peace Corps volunteers
7 from Micronesia in 2017 and from Palau.

8 Mr. Modly: Yes, sir. In the embassy building there,
9 I saw a bunch of signs for the old Peace Corps, and I said
10 why are these here? They said, well, we shut down the
11 Peace Corps here. And they had been there since the
12 beginning of the Peace Corps. And people in Micronesia
13 know Americans because of the Peace Corps.

14 So it may not extend to the entire Pacific region, but
15 it was an example to me of particularly how we need to step
16 up our involvement there not just militarily, but in other
17 ways.

18 Senator Kaine: Thanks for sharing that story.

19 Thanks, Mr. Chair.

20 Chairman Inhofe: Senator Scott?

21 Senator Scott: Thank you.

22 And, first of all, I thank each of you for your
23 service.

24 Secretary Modly, thank you for engaging with us after
25 the terrorist attack in Pensacola, trying to come up with

1 the right plan to make sure this does not happen again. I
2 will be talking on the floor today about the three
3 individuals that lost their lives there, and it was
4 devastating to them, their families, but also to that base
5 and that community. But thank you for engaging with the
6 sheriff and everybody down there.

7 We had a hearing yesterday. Senator Ernst chaired a
8 hearing on the Emerging Threats and Capabilities
9 Subcommittee, and we talked about Pensacola and what can we
10 do differently. And my concern is that we went right back
11 to normal work pretty fast. We talked about it. 21
12 students got sent home for a variety of things, and we are
13 now vetting differently. But should we have a complete
14 reset of the program so we know it is not going to happen
15 again? We got 850 Saudi students here and we want to build
16 our relationship with Saudi Arabia. I talked to the Saudi
17 Ambassador and said the worst thing for you would be if we
18 had another instance like this soon. I mean, I think the
19 American public would be up in arms. You cannot keep doing
20 this.

21 So I am working on a proposal with Senator Ernst
22 that -- and I would like to get you all's feedback, but how
23 to vet the students, how to give them the right kind of
24 visa, and make sure we are not doing programs here that we
25 could do in another country less expensively and with less

1 risk.

2 So what do you all think about the fact that we still
3 have -- and we have -- what -- 5,000 students from around
4 the world there. But my focus right now, because of what
5 happened at Pensacola, is the Saudi students. Very few
6 were actually sent back. And are we really able to do a
7 real vetting process of the ones we still have here? Are
8 we vetting their families? And how safe are our bases?

9 When I was in the U.S. Navy, I never would have
10 thought that there would have been any risk on the base I
11 was on.

12 Mr. Modly: Senator, thanks for the question.

13 I think we are doing all we can I think to step up the
14 vetting process for these students and to have a better
15 sense for not just vetting them before they come in, but to
16 develop some process in collaboration with those countries
17 to perform more continuous vetting particularly of social
18 media or some of the things they are doing that does not
19 require us to do anything illegal to do that. We can
20 monitor things that are in the public sphere. We just have
21 not applied the resources to it, and we are looking at a
22 variety of different ways that we can do that.

23 One of the key elements I think also is part of the
24 purpose of these programs is to bring these people in and
25 have them understand us as a nation better. And I do not

1 think we are doing such a great job with certain countries
2 in bringing them in, sponsoring them, having local families
3 getting to know them, particularly with the Saudi students
4 because there were so many of them. They were very
5 insulated and not really a part of the broader community.
6 And so we have to really focus on that as well.

7 Senator Scott: So do you think you will be able to
8 measure? Because that is what I have been told. I have
9 been told that in many of these countries, like they said,
10 you know, if it is an Italian student, that everybody get
11 to know him and there are long-term relationships. But I
12 have not talked to anybody in the military to date that
13 says they have a long-term relationship with somebody that
14 was a Saudi student. They might have it later if they are
15 in the position of leadership, but based on the
16 relationship as a Saudi student -- I mean, I have not
17 talked to anybody in the military that has one. So it
18 makes you question why are we doing this and having this
19 risk.

20 How are you doing dealing with families that come?
21 Are we vetting them, and are we continuing to vet them when
22 they are here?

23 Mr. Modly: I think that is all part of the process
24 that we are doing in terms of getting a better
25 understanding of who is coming in, what their backgrounds

1 are, and just doing it a little bit more -- a little deeper
2 dive into that than we used to do.

3 Senator Scott: Well, I look forward to working with
4 you. We have been working with Senator Ernst and some
5 others about coming up with a better way to do it to make
6 sure these bases are safe. So thank you very much.

7 Chairman Inhofe: Senator Peters?

8 Senator Peters: Thank you, Mr. Chairman.

9 And thank you, gentlemen, for your testimony here
10 today.

11 General Berger, you have discussed the need for an
12 appropriate balance between manned and unmanned systems,
13 including incorporating unmanned aerial combat vehicles and
14 low-cost attributable aircraft technologies into the Marine
15 Corps. In a commentary you authored for War on the Rocks
16 in December of 2019, you listed 11 naval expeditionary
17 capabilities and capacities that support fleet operations,
18 which the Marine Corps is under-invested in. Notably, that
19 list started off with three different types of unmanned
20 platforms for every physical domain in which you fight.
21 And I agree with your assessment and know that we will need
22 a mix of fifth generation manned platforms like the F-35
23 that provide a stealth capability, along with an array of
24 sensors teamed with unmanned systems that can address
25 survivability challenges and further confound our

1 adversary's decision-making through these new technologies
2 working together.

3 The Marine Corps stated requirements for the manned
4 F-35 is certainly a matter of record, but I have not seen
5 your requirements for lethal unmanned systems. Do you
6 still intend to pursue a large number of lethal unmanned
7 aerial systems per your Commandant's Plan and Guidance and
8 recent public remarks? And if so, can we expect to see
9 those desired capabilities articulated in the next Marine
10 Corps aviation plan?

11 General Berger: The homework that went behind what
12 are we going to need in the future that we spoke of before
13 that both the Navy and the Marine Corps have worked on for
14 the past maybe 8-9 months drove me towards that conclusion.

15 Will see it in the next budget, and will we see it in
16 the next AVPLAN, aviation plan? I do not know. I think
17 yes, but the first step would be to figure out how you are
18 going to fight and then reorganize the Marine Corps for
19 that purpose, which we have to do, which is part of the
20 rounds that I need to make to the senior congressional
21 leadership to explain that part to them. I would hope that
22 it is in the 2022 and 2023 budget, yes, sir.

23 Senator Peters: Great. Thank you.

24 Secretary Modly, the National Defense Authorization
25 Act for fiscal year 2020 requires you as the Secretary of

1 the Navy by January 31st of 2023 to -- and I am quoting
2 from the law -- publish a military specification for a
3 fluorine-free fire fighting agent for use at all military
4 installations and ensure that such agent is available for
5 use by not later than October 1st of 2023. I would like to
6 note that although it is October 1st of 2023, of course,
7 you are free to publish it before that time, and we would
8 encourage you to do that.

9 It is my understanding that there are large-scale
10 commercial airports around the world that have adopted
11 PFAS-free fire fighting agents already. And I recognize
12 the military context is different and it is essential that
13 we put the safety of our men and women first and foremost,
14 number one. But I am optimistic the Navy will be able to
15 find an appropriate solution given what is happening around
16 the rest of the world.

17 Could you provide us with an update on the progress
18 towards publishing that specification and what work has
19 been done to date on that effort?

20 Mr. Modly: I share your optimism on that. I think we
21 will figure this out. It is a global challenge, as you
22 mentioned, in the United States specifically as well. All
23 of our fire fighting civilians, our fire fighting folks use
24 this material, and it is a challenge for us. However,
25 there is a lot of attention in the scientific community

1 looking at this. Our Office of Naval Research is looking
2 at this, and I am confident we will come up with an answer
3 on this. So far we have not, and so particularly on our
4 ships, we are continuing to use it. But my sense is that
5 we will make progress on this and we will get an answer.

6 Senator Peters: And I am sure you are working with
7 our allies who are also actually deploying some of these
8 agents. So I appreciate that.

9 General Berger, last question. For the defense
10 technology and innovation industrial base in this country
11 in the remaining seconds here, what would be your message
12 on the technologies and capabilities to pursue and invest
13 in that you are going to want to require for the Marine
14 Corps in the future?

15 General Berger: First is the how part. I think we
16 need to be better listeners than spend a year or two
17 developing a detailed set of requirements and dump it on
18 industry and then ask them, what do you think. That
19 collaboration has to start from the very beginning. And it
20 is much better than it was, I would say, 5 years ago.

21 What do we need? We need, from the individual marine
22 to the small unit, things that make them more survivable,
23 more effective and lethal in a very austere environment
24 without the big logistics tail behind them, which has been
25 our challenge so far, because we assume that that logistics

1 tail like the command and control, that the threat is going
2 to go right after it. They are going to go after those two
3 aspects of our warfighting capability. So it has got to be
4 tools that a marine can use forward, can fix forward, not
5 call a contractor, but he can sustain them forward, he can
6 repair them forward, and that is not so logistically
7 burdensome that it is really difficult to keep that unit
8 reinforced forward.

9 Senator Peters: Thank you.

10 Chairman Inhofe: Senator Sullivan?

11 Senator Sullivan: Thank you, Mr. Chairman.

12 Gentlemen, it was great to see you three at the Army-
13 Navy game. I was going to comment about the result when
14 Senator Reed was here, but since he left, I thought I would
15 leave it at that.

16 General Berger, I want to compliment you on the
17 Commandant's Plan and Guidance. I read every word of this.
18 It is outstanding, innovative, bold. I want to thank you
19 and your team for the exceptional work that you put into
20 that.

21 One topic I wanted to briefly discuss, General. I
22 have had good discussions this week both in meetings and
23 then in the hearing that the Secretary of Defense and
24 Chairman had yesterday on the force posture that we have in
25 the Asia-Pacific given the National Defense Strategy,

1 including the DPRI that has been a subject of a lot of
2 focus of the Marine Corps for I think 2 decades now. They
3 are very focused on a broader strategic look that can
4 sustain our force posture and strategy for the next 50 to
5 100 years, which I think is important. You may have seen
6 in the NDAA that was just passed, 2019, there is a
7 provision that says we need to do that as well. The
8 Secretary of Defense, Chairman of the Joint Chiefs. The
9 Marines will be critical in that.

10 Can you briefly comment on your thoughts on that?

11 General Berger: Thanks, Senator.

12 I do not want to speak for you, but I have heard you
13 speak before that -- and I have said the same -- we are
14 postured perfectly out there for another Korea in 1950.

15 Senator Sullivan: Or the end of World War II, which
16 is where our force posture --

17 General Berger: That is exactly right. It was an
18 ideal posture for that, not ideal for what the National
19 Defense Strategy outlines as the major threats going
20 forward in the Indo-Pacific. So we have to adjust it. I
21 do not see any alternative.

22 Senator Sullivan: Well, the Secretary and the
23 Chairman were very bullish on looking hard at this as well.
24 And I know the Marine Corps has done some good work on
25 this, and we want to help you -- I mean, not help you, but

1 work with you. This committee has been very interested in
2 this issue from Senator McCain to Senator Inhofe and
3 myself. So we will look forward to working you on that.

4 I want to turn to the Arctic. Senator Kaine and I had
5 a Readiness Subcommittee hearing this week, quite a good
6 hearing. I want to compliment the Navy and the Marines on
7 their recent Arctic expeditionary exercise out at Adak and
8 Seward, difficult training. I know that was not easy.
9 Crappy weather. But clearly the Arctic has become a
10 theater of great power competition. I have a slide that I
11 think some of you have seen. This is the Russian buildup
12 in the region. And it is not just forces. It is ports and
13 airfields and infrastructure to have force power
14 projection. We do not really have much there.

15 I want to give you sense of questions here, three
16 questions. And then, Mr. Secretary, maybe you can take
17 this on.

18 You know, the DOD Arctic strategy says there should be
19 FONOPs. I do not think we have the capability right now.
20 We have two icebreakers. One is broken. The Russians have
21 54. There are also twice now mandates to look at strategic
22 Arctic ports, which have kind of been ignored by the
23 Pentagon. And General Neller had some plans in addition to
24 what was going on in the region with regard to the Marines
25 in the Arctic.

1 Can the three of you just discuss these? Mr.
2 Secretary, maybe we will start with you.

3 Mr. Modly: Yes, Senator. Thanks.

4 I recently within the last 2 weeks had a conversation
5 with Secretary McCarthy and Secretary Barrett about how the
6 Navy and the Army and the Air Force Departments can get
7 together to come up with a combined strategy in terms of
8 basing, presence, et cetera to address this Arctic
9 challenge. And clearly your home State would be critical
10 to this in terms of where it is strategically located. So
11 we are developing this team now to take a look at this, and
12 obviously, once we get that assembled, we would love to
13 come over and talk to you about it.

14 Senator Sullivan: Good. I appreciate your initiative
15 on that. I got your note. So thank you very much on that.

16 Admiral, any thoughts on the FONOPs? We have talked
17 about this before. I have a -- I think I have mentioned it
18 to you in hearings -- but a proud history in my family,
19 five uncles and great uncles who served in World War II,
20 including my great uncle Tom who was a lieutenant in the
21 Navy and did three Murmansk runs. I worry that we do not
22 have that capability right now, no ice-hardened ships.

23 Of course, this committee has authorized the purchase
24 of six polar class icebreakers, which is a start. But
25 without any kind of strategic port -- and we do not have

1 anything near the Arctic. The closest thing is Anchorage.
2 That is 1,500 nautical miles away. We cannot project power
3 and we need to to defend our strategic interests,
4 particularly the Navy.

5 What is your thought on that, sir?

6 Admiral Gilday: My thought on that is that I think if
7 we are going to talk about force structure, infrastructure
8 in Alaska, I really think like DPRI it has got to be a
9 subset of a broader INDOPACOM strategic lay-down.

10 Senator Sullivan: I agree with that.

11 Admiral Gilday: From a joint perspective, we are
12 making the right decisions.

13 And then secondly, with respect to operations in the
14 Arctic, ICEX right now, two U.S. submarines, one British
15 submarine, we are just on the tail end of an exercise with
16 the Norwegians -- the Navy and the Marine Corps -- as well
17 as another multinational exercise ongoing. We are seeing
18 an increasing drum beat of operations in the high north. I
19 think we need to continue that. I think that FONOPs will
20 be important. I think that the Bering Strait will become
21 as strategically as important as the Strait of Malacca or
22 the Strait of Hormuz at some point.

23 Senator Sullivan: Putin certainly thinks so.

24 Admiral Gilday: Yes, sir, based on what is going on
25 with the icecap.

1 So it is getting more focused, sir. I do think that
2 taking a pause and looking at it strategically would be a
3 good move.

4 Senator Sullivan: Thank you.

5 Thank you, Mr. Chairman.

6 Chairman Inhofe: Senator Duckworth?

7 Senator Duckworth: Thank you, Mr. Chairman.

8 Secretary Modly, I want to follow up on a conversation
9 I had with General Lyons of TRANSCOM last week. When
10 discussing sealift readiness, he stated that our current
11 readiness level was lower than where it needed to be, but
12 noted that TRANSCOM is working to recapitalize sealift
13 capabilities. We agreed that while sealift is just one of
14 the Navy's many requirements that you must balance, it is
15 essential for TRANSCOM to be able to do its job and help
16 get our forces to the fight when we need it.

17 General Lyons raised a possibility with me of using
18 the National Defense Sealift Fund to make progress towards
19 our sealift recapitalization goals. But I believe that the
20 Navy has not added anything to that fund since fiscal year
21 2019. Could you please share your view on reinvigorating
22 the National Defense Sealift Fund? If you disagree with
23 that approach, what would be the alternative approach of
24 prioritizing recapitalization of sealift capabilities?

25 Mr. Modly: Senator, I absolutely agree that we have

1 to recapitalize our sealift capability. Where the funding
2 comes from is the challenge for us. And this is another
3 one of these pressures that we have in the Department of
4 the Navy particularly because we are reaching a point in
5 history where we have to recapitalize our nuclear
6 deterrent, at the same time recover from some pretty big
7 holes in readiness, and also do this, which is to
8 recapitalize our sealift. So we are making choices. We
9 are making some trades, but we are going to need some help
10 I think from a budget perspective to be able to do that as
11 aggressively as I think the TRANSCOM Commander would want
12 us to do.

13 Senator Duckworth: What do you think about using the
14 fund as an avenue for --

15 Mr. Modly: Senator, I do not that the fund has
16 funding. I do not know if it is similar to the Strategic
17 Deterrence Fund that we have as well that is a fund that
18 gives us some authorities but it does not really have any
19 funding attached to it. So I will have to get back to you
20 on that specifically in terms of what is there or what we
21 need to put into it.

22 Senator Duckworth: Okay. Thank you.

23 I was disappointed that this year's budget baseline
24 proposal omits key investments in sealift and logistics
25 that we should be prioritizing now, and we sort of talked

1 about this. And as you said, there are a lot of unfunded
2 priorities, but the list of unfunded priorities includes
3 tens of millions of dollars for emergency repairs to
4 sealift ships identified by TRANSCOM and advanced
5 communications gear for the military sealift command ships.

6 Then in your February 18 memo that kicked off the
7 Navy's stem to stern comprehensive review, you highlighted
8 naval logistics as an area that could be, quote,
9 streamlined when searching for billions of dollars' worth
10 of savings.

11 So can you help me reconcile this? How can it be a
12 priority but then you are talking about this where you can
13 cut? Or am I misunderstanding what you mean by naval
14 logistics would be streamlined? I mean, how do you plan to
15 build up and sustain a growing fleet of ships without
16 prioritizing a strong logistics network? Who picks up the
17 slack?

18 Mr. Modly: Well, Senator, I think that particular
19 memo went out to the entire Department of the Navy to look
20 at every possible way that we can look at doing things
21 better and more efficiently. I do not think anyone would
22 argue that our Department from a logistics and supply chain
23 is world class with respect to cost, distribution, the
24 business systems that support it. We have multiple
25 redundant business systems, and every one of them takes a

1 budget line every year. So we have to think about how we
2 can do this better, more efficiently, more closely
3 approximate some of the advances that have been made in
4 supply chain management in the commercial sector over the
5 years. And that is what I was talking about when I talked
6 about logistics. Logistics demands are going to keep going
7 up. If we keep doing it the way we are doing it now, it is
8 going to cost us way too much.

9 Senator Duckworth: We understood and agreed with
10 that. On the other hand, we need to make sure that we
11 actually put further investments in our logistics
12 capabilities. And we are not talking with just sealift but
13 also heavy lift aircraft. We also need to be talking about
14 how we project fuel forward. Everything that sucks gas
15 needs fuel. And if we are going to be present in the Asia-
16 Pacific region, then we need to be able to project into the
17 region beyond the first 72 hours. And so that is a real
18 concern that I have.

19 Thank you. I yield back, Mr. Chairman.

20 Chairman Inhofe: Senator Hawley?

21 Senator Hawley: Thank you, Mr. Chairman.

22 Thank you, gentlemen, for being here. Thank you for
23 your service.

24 General Berger, let me start by saying that I really
25 want to applaud your decision to refocus the Marine Corps

1 on the sea denial mission. So thank you for your
2 leadership in that area. Thank you to you and your staff
3 for keeping Congress informed and on board with this as you
4 have led the Marines in this new direction. Thank you very
5 much for that.

6 Let us talk a little bit about Fort Leonard Wood in my
7 home State, if we could for a second. General, Admiral
8 Gilday, Fort Leonard Wood has had the opportunity to train
9 many of your marines and sailors at its engineering,
10 police, and CBRN schools. Can you give us a sense of how
11 this opportunity for joint training has benefited your
12 respective services both from a training and resource
13 management standpoint?

14 Admiral Gilday: Senator, not in detail except that I
15 have not heard any problems.

16 Senator Hawley: Well, that is good.

17 Admiral Gilday: But I cannot comment on that
18 training.

19 General Berger: Just a couple words, sir.

20 First, the Marine Corps is the smallest service, sir.
21 We do not own all our schools. Most of our marines go to
22 other service schools.

23 The benefit in the particular case you are talking
24 about is you are learning the trade to a military
25 occupation, but it is a trade. You are learning alongside

1 somebody you are probably going to serve with later on from
2 another service. So the benefits are, one, you do away
3 with the myths. Two, there is some standardization in how
4 engineers operate, how military police view a problem
5 because you are operating side by side. You are not in
6 four different schools doing it.

7 I think for us there is an economic benefit. We
8 cannot afford our own school. Two, the standardization
9 thing is great. And three, it may be the only time, but if
10 not, it is the first time they are going to operate
11 alongside somebody from another service. So it tamps down
12 all the myths about them.

13 Senator Hawley: Very good. Thank you for that. We
14 are, obviously, very proud of Fort Leonard Wood and the
15 work that they do there. I am glad that they are serving
16 you well.

17 General, back to sea denial, can you give us an update
18 on your rogue fires and ground-based anti-ship missile
19 programs in terms of where they are now and their timelines
20 for fielding?

21 General Berger: Both of the capabilities you speak of
22 in war games and in simulation have proven -- game-changer
23 is probably an over-the-top characterization, but it
24 definitely changes the calculus of an adversary because
25 right now that capability is something we do not have. And

1 posed with that, they have to act differently.

2 Rogue fires in particular, on a great glide path. We
3 are investing in it. Who knows if that is the solution 10
4 years from now, but we are going down that path right now.

5 Ground-launched cruise missiles and everything long-
6 range precision fires that is in a small enough format that
7 a small Marine unit can embark it, can use it, we are after
8 it. Yes.

9 Senator Hawley: Very good.

10 From an ISR and C2 standpoint, what would you say,
11 General, are the most important programs for ensuring that
12 Marine Corps fire units have the targeting data they need
13 to perform the sea denial mission?

14 General Berger: Some will say -- and I think there is
15 logic to that -- that they are kind of agnostic. I do not
16 care where I get my fire data solution from or what ISR
17 platform. I just need the data. And there is truth in
18 that.

19 On the other hand, we need organic naval ISR so that
20 that expeditionary naval force that is operating either in
21 EUCOM or in the first island chain or wherever has the
22 means to pick up the targets forward in an expeditionary
23 manner. And they got to be able to launch and recover from
24 naval platforms, from shore, and they got to be small
25 enough, if they are going to be embarked with us, that we

1 can sustain them. Right now, we have used MQ-9's for the
2 last year and a half in Helmand province in Afghanistan as
3 a learning platform for us, how to close that kill chain
4 organically.

5 Senator Hawley: Very good. Thank you.

6 Secretary Modly, Admiral Gilday, I will come back to
7 you. Admiral Davidson recently testified that about half
8 of his attack submarine requirement -- only half -- is
9 being met in the Indo-Pacific and a problem that he
10 forecasts will worsen in the 2020s as our attack submarines
11 are retired faster than they are being replaced. Talk to
12 us about this. How is the Navy planning to mitigate the
13 anticipated shortfall here in the Indo-Pacific in
14 particular?

15 Admiral Gilday: Senator, we are buying submarines at
16 the rate that both Electric Boat and Huntington-Ingalls can
17 produce them. So we are buying at the maximum output right
18 now with the exception of the fact that one submarine
19 dropped from the budget in 2021.

20 It really comes down to a ruthless prioritization. So
21 we are meeting the Secretary of Defense's direction for the
22 numbers of ready submarines to get to sea, and we have been
23 doing that. And then it really comes down to
24 prioritization principally between Russia and China in
25 terms of how those submarines are then allocated across the

1 combatant commanders and employed.

2 Senator Hawley: Let me just ask you finally, Mr.
3 Chairman, aside from growing the submarine force, are there
4 other investments that are needed to extend our undersea
5 warfare advantage?

6 Admiral Gilday: Unmanned. And so we are making great
7 gains in unmanned under the sea.

8 Senator Hawley: Very good. Thank you.

9 Thank you, Mr. Chairman.

10 Chairman Inhofe: Thank you, Senator Hawley.

11 And we thank all three of you for the time you spent
12 with us. Excellent testimony.

13 We are adjourned.

14 [Whereupon, at 11:32 a.m., the hearing was adjourned.]

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