

ADMIRAL WILLIAM F. MORAN
U.S. NAVY
VICE CHIEF OF NAVAL OPERATIONS

BEFORE THE
SENATE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON READINESS

ON
CURRENT READINESS OF U.S. FORCES

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Mr. Chairman, Ranking Member Kaine, and distinguished members of the Sub-Committee, I appreciate the opportunity to testify on the state of Navy readiness, the progress we have made over the past year, and the opportunities we have to continue this progress. While a ready Fleet is a lethal Fleet, capable of winning when called upon, it must also be a safe Fleet. It is our mission to maintain the readiness of our Navy in order to prevent it from degrading to the point where the very safety and well-being of our Sailors is in question.

Foremost I want to thank Congress for the additional \$1.7 billion investment in readiness as part of the FY17 Request for Additional Appropriations, which helped prevent additional backlog in surface maintenance requirements and aviation depots, and kept our airwings flying. This was an important injection of much needed funding.

At the height of the Cold War, approximately one in six ships were deployed on any given day, today almost one in three are deployed on any given day. This “math problem” clearly demonstrates that national demands for your Navy far exceed its capacity, driving operational tempo to unsustainable levels. Compound those facts with Budget Control Act (BCA) funding caps over the past five years which challenged the ability of the Navy to adequately address the full range of needed investments while meeting near-term commitments. And, the world continues to grow more complex and competitive.

During this time we prioritized funding for deployed naval forces first, and began accumulating risk to our surge forces, training forces, and our shore infrastructure. As a result, too many of our planes weren’t ready to fly, too many ships were not training at sea, our ship and aircraft maintenance production was severely delayed, and our shore infrastructure had degraded to unacceptable levels.

With the funds we requested and you appropriated, we reversed the most critical readiness problems by executing 13 more ship maintenance availabilities, restoring 35 additional air frames to flight, and providing 18,000 flying hours to train 900 pilots. In addition, we gained back two ship deployments and a combined one year of carrier operations and surge capability, and we began the process of buying back critical munitions. Ship and aircraft spare parts were funded along with 16 much needed

shore infrastructure projects. These funds helped arrest our readiness decline, and put your Navy in a better readiness state to fight tonight if called upon.

However, under the conditions imposed by another series of Continuing Resolutions, these improvements will not be sustainable without an appropriated budget in FY18 and continued funding at levels that support the Navy's role in the National Defense Strategy. At the time of last year's testimony, the DOD had operated without an enacted appropriations bill for eight consecutive years. As this committee knows well, Continuing Resolutions force us to operate under previously enacted funding levels, damaging our ability to sustain our force into the future. These Continuing Resolutions have averaged 106 days per fiscal year, a total of almost three cumulative years, operating under previously enacted budget levels. This year makes nine. While the Navy fulfilled its commitment to execute the FY17 RAA funds against the most critical readiness shortfalls, and submitted its budget for FY18 to continue to fund readiness at historically high levels, the Congress has not fulfilled its commitment to provide the stable funding to achieve lasting results. Simply put, our gains from 2017 are at risk.

Unpredictable budgets not only hamstring the Navy's ability to prepare and plan, they are a major disincentive to industrial base investments in ship repair and modernization capacity we need to grow readiness. No business organization, public or private, can withstand the fits and starts of our budget environment. The sporadic nature of how we are funded leads to significant workflow problems; even if fully funded, we cannot complete a net six months of work in thirty days. Continuing Resolutions, and the implication of Sequestration as a result of the Budget Control Act, severely hamper us from developing a lethal and ready Navy the nation needs.

The readiness of Naval Forces is a function of three components; people, material and time. Buying all the people, ships and aircraft will not produce a ready Navy without the time to maintain hardware and time for our people to train and operate. Too much time operating and not maintaining degrades our material and equipment readiness. Conversely, too much time for maintenance has a negative impact on meeting planned training and operational schedules, and the corresponding negative impact on the readiness of our Sailors to fight. This is a

vicious cycle that Continuing Resolutions and insufficient funding create by disrupting the balance we need to maintain readiness, and our ability to grow capability and capacity.

On recent visits to the USS LEYTE GULF, USS SEAWOLF and USS MAINE, crews described the impacts of unreliable or insufficient funding while in maintenance periods. On each ship, shipyard workforce hiring, training and retention are directly impacted by unpredictable funding, causing delays as a result of workflow problems. On each ship, fits and starts in production schedules overwhelm crews to get work done when funding is finally made available. On each ship, maintenance runs late and as a result time to train is irreversibly lost.

Similarly, these Sailors and officers will tell you, naval readiness and lethality are cultivated at sea, operating forward. Sailors that can't get out of maintenance periods to operate at sea find it hard to qualify in their jobs, and are forced to transfer to their next assignment without requisite operational experience levels and in some cases without the qualifications their peers have earned. This will have long term career and retention implications. The USS ALBANY, a submarine which I spoke to you about last year, is almost ready to dive again. However, ALBANY no longer has anyone onboard who has taken that particular ship to sea – another victim of years-long delays due to unpredictable funding from Continuing Resolutions. I also testified about the USS BOISE last year, tied to the pier with no clear path ahead for maintenance and unable to dive. With funding from Congress this year we were able to ensure that the BOISE would get into the yards, and when I visited the crew a few weeks ago they wanted assurances that they would *not* become another ALBANY now that she's pier side.

I am confident that our officers and Sailors will continue to find innovative ways to compensate for these shortcomings – on ALBANY one sailor who has spent the past four years and eight months on board pier-side looked me in the eye and said, "I'm sticking around because I want to deploy. We are getting after any problem we might have because we are building a strong crew." I am proud that we have the talent that can innovate to get the job done, but it is our responsibility to ensure ship and aircraft

crews have what they need in order to deliver the lethality that the Navy is called upon to deliver.

For the Navy, operating forward contributes directly to readiness. Operations forward, including missions and exercises with allies, build the muscle memory and institutional knowledge of the area in which we expect to fight. Operating forward allows us to identify, develop and test new technologies, and design improvements for existing technologies. Operating forward ensures that we stay one step ahead of the adversary, aligned hand in hand with our allies, sharp and ready to fight. The best way to know the environment is to be in the environment – the adage *all politics is local* applies to the maritime environment, as well. When ships and Sailors are stuck in the yards, we cannot operate forward.

We are acutely aware of the stresses placed on our Navy. The most efficient way for us to relieve those stresses is to provide a reliable and consistent funding flow. The Navy is grateful for the injection of money we received last year at the last minute, however, a Hail Mary cannot be our only play. A steady balanced running game of consistent funding for maintenance and operations, along with support for our FY19 budget request to grow capabilities and capacity to outpace our adversaries, will put us in position to win. We win by keeping the offense on the field; ships, aircraft and Sailors at sea, trained and ready.

A full appropriations, as requested in FY18, increases end-strength by approximately 4000 more Sailors and maintains reasonable notification time to reduce stress on our families when changing duty stations. Our FY18 request fully funds the Navy to operate, and continues procurement of capacity and capability needed in the future, including munitions, COLUMBIA Class SSBN, nine new-construction ships, first year of full funding of CVN-80 and the balance of funding of LHA-8, and requests multi-year procurement authority for 10 DDG 51 Class ships.

In contrast, a Continuing Resolution brings a \$600M shortfall over six months and a \$1.2B shortfall from our FY18 request. In a six month Continuing Resolution, we will delay up to six ship maintenance periods, suffer delays in aircraft maintenance and repair parts, delay our munitions contracts, and we will not award three ship contracts.

Beyond six months the Navy will have regressed to conditions familiar in early 2017. A full year CR will require us to cancel two ship deployments, cause one full carrier air wing to stop flying, choke off training flights, cancel 19 ship maintenance periods, cancel 19 Blue Angels shows, cancel the Rim of the Pacific exercise, prevent awarding two DDG multi-year procurements, prevent funding for COLUMBIA, and halt VIRGINIA class submarine procurement to name a few examples. And while the results of a Continuing Resolution hurt readiness recovery, a sequestration stops readiness gains in their tracks.

Summary

It is essential that we do not reverse the gains made last year with FY17 funds. The FY18 budget submission assures that we can build upon the readiness gains we have made over the past year. A predictable budget, one that we proposed for FY18, will ensure our Sailors and shipyard employees have the time required to complete maintenance availabilities in accordance with carefully planned timelines. It also ensures that our ships, aircraft, Sailors and aviators get out to sea where they can build upon material readiness, at-sea training and operational experience. This is how to build the safest Navy for our Sailors, the most lethal for our adversaries and the most reliable partner for our allies. We ask that Congress end the Continuing Resolution and provide the funds requested in our FY18 submission.