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UNTIL RELEASED BY THE
SENATE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON READINESS
AND MANAGEMENT SUPPORT

STATEMENT OF
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ON THE READINESS OF THE UNITED STATES NAVY
BEFORE THE
SENATE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT

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Introduction

Chairman Sullivan, Ranking Member Hirono, distinguished Members of the Subcommittee on Readiness and Management Support, thank you for the opportunity to appear before you today to discuss the readiness of your Navy.

Strategic Environment

For 250 years, your Navy has promoted and protected America's interests worldwide by manning, training, and equipping our forces to perform a wide range of missions, from seabed to space. We are strategically positioned to provide a rapid response to emerging crises, serve as an enduring presence to defend American interests, and decisively win wars. Whether responding to Houthi attacks on maritime shipping or deterring an invasion of Taiwan, we are maximizing our contributions to the Joint Force. In the past year, your support of Navy readiness has delivered returns worldwide.

In the Red Sea and the eastern Mediterranean, our ships, aircraft, and submarines are in combat alongside our Allies and partners. Your Navy has successfully defeated over 400 drones, cruise missiles, and ballistic missiles, and carried out dozens of offensive strikes against Houthi aggressors in Yemen. During the past 17 months, over 20 Navy ships have deployed to the U.S. Central Command area of responsibility, including four carrier strike groups and an amphibious ready group.

In the Indian Ocean, Sailors assigned to the submarine tender USS Emory S. Land (AS 39) worked alongside their Royal Australian Navy counterparts to perform routine and emergent maintenance on the attack submarine USS Hawaii (SSN 776). This marked the first time Australian personnel performed maintenance on a nuclear-powered attack submarine under the auspices of AUKUS, a necessary step towards establishing Submarine Rotational Force – West, from which we will employ attack submarines, our most capable strike asset, within the Western Pacific.

In the Western Pacific, the USNS City of Bismarck (T-EPF 9) conducted Operation Pacific Partnership, enhancing regional interoperability, strengthening military-to-military engagements, and countering the influence of China in the Indo-Pacific. The Pacific Partnership series is Navy's largest annual multinational humanitarian assistance and disaster relief preparedness mission. It is one example of our efforts in the Indo-Pacific, where we've deployed 44 ships over the past 12 months – in addition to our forward deployed naval forces.

Throughout these operations, Navy's fleet of ballistic missile submarines conducted uninterrupted strategic deterrence patrols, providing a powerful and ever-present deterrent to any who would do us harm.

Since I last testified before the subcommittee, we updated the Navy's strategic guidance, setting seven targets to enhance lethality and readiness by 2027. For today's hearing, I will focus on five of those targets: readying our platforms, recruiting and retaining talent, delivering our Sailors a quality of service commensurate with their sacrifice, investing in warfighter competency, and restoring our critical infrastructure.

Ready our Platforms

Navy unequivocally advocates for a larger fleet. However, current threats will not wait for new platforms to be delivered. We must therefore generate more available ships, submarines, and aircraft from the fleet we have today. To do so, we are increasing the combat-surge readiness of our platforms by reducing maintenance delays and embracing novel approaches to manning, training, modernization, and sustainment. Our goal is to achieve and sustain an 80% combat-surge ready (CSR) posture. We began these efforts with naval aviation in 2018, improving the operational availability of tactical aircraft. We are now scaling our efforts across all aviation platforms, as well as in the surface and submarine communities.

CSR is a certification for air, surface, and submarine platforms to execute combat missions. It is distinct from Global Force Management, which provides forces in response to Combatant Commander demand, balanced with available supply. CSR-certified units meet

minimum requirements for material condition, training, manning, and armament. To increase our combat surge readiness, we are reducing the number of platforms in depot maintenance through improved business and maintenance practices, as well as certifying training earlier in the force-generation cycle. Type Commanders have been designated as the single accountable officers to ensure their respective forces achieve 80% CSR. This accountability, along with the above reforms, has already resulted in a fleet-wide cultural shift towards aggressively prioritizing readiness.

To sustain a high operational tempo, we must maintain a robust inventory of spare parts. We cannot wait until missiles are in the air to replenish our stockrooms. With this philosophy, Navy is moving from a “just in time” model to “just in case,” so that our Sailors have parts on hand to keep their systems operational, lethal, and ready. Navy’s budget for spare parts has increased by over 350% since FY20. This critical funding ensures that our ships, submarines, and aircraft are prepared to respond to commander tasking or adversary action and are not sidelined by equipment casualties. Navy appreciates Congressional support to improve the parts inventories that keep our warfighting platforms operational.

Aviation

Navy’s 11 aircraft carriers and associated carrier strike groups provide unmatched options for national leadership, from peacetime missions to full-scale combat operations. They can conduct lethal strikes from international waters, without coordination or approval from other countries.

In the last two years alone, carrier strike groups have rapidly redeployed to deter aggression against Israel, support contingency operations in the Eastern Mediterranean, defend shipping in the Red Sea, and conduct strikes in Yemen and Somalia. This capability deters adversaries, enhances security, and supports the free flow of commerce.

Achieving 80% CSR in the aviation community requires improved maintenance and training for both aircraft carriers and carrier air wings, which certify independently. Navy has

improved the number of mission capable tactical jets and is scaling proven methods across all aircraft. Aircraft carrier availability remains the primary constraint for reaching 80% CSR in the aviation community. We are improving aircraft carrier availability through performance improvement in our public shipyards. Conducting maintenance early, prior to her Planned Incremental Availability, contributed to George H. W. Bush (CVN 77) completing that availability on-time and on-budget. Recent investments in our naval shipyards have focused on workforce expansion, workforce training, optimizing maintenance schedules, and implementing advanced planning and logistics management practices.

Maintenance of Nuclear-Powered Ships and Submarines

Attack submarines are our most lethal conventional strike asset, and ballistic missile submarines are the most survivable leg of the nuclear triad. Taken together, the submarine force and our undersea capabilities remain our military's primary strategic advantage over China.

Production and maintenance delays are keeping our submarines in the shipyard and driving up costs. Navy is working closely with all stakeholders to drive innovation and target investments where they will yield the greatest results in the shortest time. We are improving our production and maintenance processes by embracing industry best practices such as outsourcing certain work, increasing material on hand prior to work commencing, and pushing project management authority as close as possible to the worker on the shop floor.

As part of our broader investment in the maritime industrial base, Navy is focused on improving the submarine industrial base across six lines of effort: workforce development, supplier development, shipbuilder infrastructure, strategic outsourcing, manufacturing technology, and government oversight. Since FY18, Navy has budgeted for over 725 supplier development projects with more than 300 suppliers across 33 states to add capability, capacity, and resiliency to the supply chain. Navy has also invested in Virginia Class spare parts and has ordered contingency material to have on hand for inspection-based work. Those efforts are yielding results: Pearl Harbor Naval Shipyard completed both USS Hawaii (SSN 776) and USS

Minnesota (SSN 783) availabilities on time, returning both submarines to the fleet in July 2024. Navy will continue to focus on planning and material until this becomes the standard.

Our four public shipyards – Norfolk Naval Shipyard, Portsmouth Naval Shipyard, Puget Sound Naval Shipyard, and Pearl Harbor Naval Shipyard – are vital to our effort to achieve 80% CSR submarines. I have visited each shipyard and seen the work being done by the 37,500 engineers, tradespeople, and support personnel who serve there. The workforce of our public shipyards is committed to improving the readiness of these critical assets, and Navy is committed to supporting their efforts through improved compensation and work environments. At Navy’s request, DoD conducted a wage survey in the Norfolk Tidewater region to achieve pay parity between Norfolk Naval Shipyard and the surrounding private shipyards. The survey showed that in the early 1980s, new wage-grade workers earned four times the minimum wage. Now, those same workers earn approximately one and a half times the minimum wage. Navy has used these studies to make wages more competitive beginning in FY24. We must continue to invest in shipyard infrastructure, expand and enhance the submarine industrial base, increase productivity, shorten maintenance timelines, and reduce our maintenance backlog to stay ahead of our adversaries and prepare our submarine force for the threats of tomorrow.

Surface Ship Readiness

Surface combatants deliver strategic advantage by combining in a single platform advanced multi-mission capabilities such as integrated air and missile defense, conventional strike, and surface and undersea warfare to assert maritime dominance and project power. The versatility of our surface force deters adversaries globally and enables rapid, coordinated responses to emerging threats. Our ships must be prepared to engage the full spectrum of threats, from existing capabilities to emerging ballistic and hypersonic missiles. To maintain the readiness of these capable and adaptable platforms, the surface force continuously balances investments in near-term readiness with modernization to introduce the latest capabilities.

Navy surface ship depot maintenance has improved significantly, from 41% on-time completion in FY23 to 68% in FY24. The surface Navy concurrently reduced maintenance

backlog, the accumulated “debt” of deferred maintenance, from \$2.3 billion in FY22 to \$1.9 billion in FY24. Furthermore, Navy was able to extend the service life for twelve destroyers and three cruisers based on improved material condition, maintenance processes, and Life Cycle Health Assessments.

Navy is improving the readiness of our surface fleet while simultaneously modernizing fleet capabilities to ensure that our naval forces are lethal and effective against both current and future threats. Installation of the Conventional Prompt Strike (CPS) hypersonic weapons system on DDG 1000 to increase its long-range strike lethality is an example of modernization for long term advantage. To increase capability in the near-term, Navy installed SEWIP Blk III, a next-generation non-kinetic anti-ship missile defense system, on USS Pinckney (DDG 91) during a scheduled maintenance period.

Navy fully supports our Marine Corps brethren. We must continue to improve the material readiness of the amphibious fleet. To that end, the FY25 Shipbuilding Plan maintains the legally mandated inventory of 31 amphibious ships. In 2024, the Chief of Naval Operations and Commandant of the Marine Corps tasked Navy and Marine Corps to develop a comprehensive plan to improve the readiness of our amphibious warfare ships, and Navy is implementing this plan.

Munitions Readiness

\$2.3B of munitions expenditures in the war in Ukraine, the Israel-Hamas conflict, and combat operations in the Red Sea highlight the urgent need to increase weapons production capacity, expand magazine depth, and improve capability. Although the Navy does not procure SM-3, we have employed them to great effect in the eastern Mediterranean. Navy appreciates the contingency funding provided by Congress, but many of our munitions inventories remain below the Total Munition Requirement today. Navy has increased munitions investments to more than \$6.6B in the past two years to prepare for potential conflict with an advanced adversary. We are now procuring weapons at or near maximum rates, but industry is challenged to meet this increase in demand.

Navy is investing in industrial base capacity and must continue to do so, with Congressional support, while also investing in the next generation of munitions to prepare for future conflict. Beginning in FY23, we have invested to increase the production rate of SM-6 missiles. Navy's Energetics Comprehensive Modernization Plan will also revitalize our organic energetics industrial base using authorities for a Center for Technical Excellence and by forming public-private partnerships with both legacy companies and startups. In addition to partnering with companies focused on accelerating solid rocket motor production capacity, Navy's plan will expand by twofold production of organic energetics at the Navy facility in Indian Head, MD.

I urge Congress to continue to support Navy as we leverage acquisition authorities such as multi-year procurement, advance procurement, and other transaction authorities to reduce procurement cost and provide a stable demand signal to industry. Increases in the cost of labor and material are driving cost growth in Navy's munitions and their components. The cost of an SM-6, for example, has risen 50% per unit over the past five years. To grow weapons inventory in the near-term, Navy is recertifying aging rounds. When combined with new production, recertification is a cost-effective means to build inventory and get as much capability into theater as possible, as fast as possible.

In parallel with these initiatives, Navy is preparing for the next generation of munitions: from improvements to current designs like SM-6 and LRASM, to the development of new options with greater reach and lethality, like CPS. Navy is also investing in munitions like the Coyote and Roadrunner systems which provide effective layers of defense against unmanned aerial systems and lower the cost-per-kill.

Contested Logistics

The current strategic environment demands a naval logistics enterprise capable of assuring readiness and sustainment at speed and scale for the Joint Force. Navy is modernizing our logistics enterprise to be more agile, resilient, and capable of sustaining combat effectiveness in contested environments against peer adversaries. To address the challenges of refueling,

rearming, and resupplying inside weapons engagement zones, we are investing in next generation logistics ships to augment the current combat logistics force and in new capabilities such as rearming at sea.

Recruit and Retain Talent

Our Navy builds great people, great leaders, and great teams to innovate, solve hard problems, and dominate in combat. Our Sailors stand ready as a lethal fighting force to deter or confront any adversary.

After missing our FY23 recruiting goal by approximately 7,000 Sailors, we raised our goal for FY24 – and exceeded that goal by contracting 40,978 future Sailors, the most since 2003. We achieved this improvement by implementing data informed processes throughout the recruiting enterprise. Navy established a Recruiting Operations Center to monitor data in real time, implemented the Future Sailor Preparatory Course to improve accession success, streamlined medical waiver reviews, increased the quality and number of recruiters, adjusted recruiting goal incentives, improved marketing processes, and identified and removed barriers to recruiter productivity. These changes are sustainable. As a result, Navy is on pace to exceed our FY25 recruiting goal of 40,600. This performance, coupled with improved retention, will make progress towards our primary manning goal of 100% enlisted rating fill by the end of 2026 and will translate directly to reducing our gaps at sea.

We continue to explore innovative strategies to attract qualified, motivated individuals. Navy is maximizing its pool of recruits with the physical and academic Future Sailor Preparatory Courses, as well as by expanding our reach through partnerships and traditional and mixed media marketing. Increasing access has not lowered the standard – every recruit must complete the same training at boot camp and meet all qualifications for his or her assigned rating.

Navy is dedicated to retaining our most capable Sailors; retention is a critical component of achieving our end-strength goals. To that end, we leverage monetary and non-monetary incentives, including Selective Reenlistment Bonuses, suspension of High Year Tenure Length

of Service gates, the Retention Excellence Award and Best in Class program, and enhanced exit and milestone surveys which focus our retention efforts. As a result, enlisted retention remains healthy. We exceeded our FY24 retention benchmark forecasts in zone A (0-6 years), zone B (6-10 years), and zone C (10-14 years). Navy continues to meet or exceed its retention benchmark forecast for FY25.

These efforts are improving manning in critical billets at sea and ashore, ensuring we have the right people in the right places to maintain our operational readiness. We regularly review compensation packages to ensure we remain competitive in a tight labor market, positioning the Navy as an employer of choice. The latest Department of Defense Quadrennial Review of Military Compensation highlights that our compensation package is strongly competitive with the civilian employers.

While officer retention remains a challenge in specific career fields, we appreciate the continued support of Congress in enabling our monetary retention incentives in areas such as Aviation, Explosive Ordnance Disposal, Surface Warfare, Submarine Warfare, Naval Special Warfare, and Health Professions Officers.

Ship manning is an essential element of operational readiness, but it also impacts job satisfaction and retention. Since 2015, Navy has increased the number of authorized billets on at-sea units, but at-sea manning has not kept pace with that growth. At the beginning of FY25, Navy had a shortfall of Sailors relative to at-sea billets. Our recruiting and retention efforts will drive progress towards our primary manning goal of 100% enlisted rating fill by the end of 2026. Gaps at sea have fallen from 15% to 13%, although this metric trails recruiting successes by the length of time it takes for new accessions to complete training and report to the fleet.

Deliver Quality of Service

Quality of service (QoS) improves force readiness. Navy is committed to providing the QoS that our Sailors deserve. Childcare capacity and housing quality are crucial, as they contribute directly to positive work environments for our Sailors and their families.

The Navy provides high-quality childcare programs but has insufficient capacity, particularly in fleet concentration areas. Improvement requires a comprehensive approach including strategic staffing, new facilities, and leverage of community resources.

Enrollment in Navy childcare centers is up from 76% of total capacity at the start of FY23 to 88% today, and staffing has grown from 75% of demand at the start of FY23 to 87% today. The waitlist for Navy Child Development Centers (CDCs) has shrunk from 3,400 at the start of FY24 to 2,500 as of January 31, 2025. Navy has also expanded the Military Child Care in Your Neighborhood program, which provides fee assistance for families that are geographically dispersed or face long waitlists for on-base care, from 6,500 spaces at the start of FY24 to over 9,000 today.

To improve CDC staffing, Navy deployed 150 supplemental staff across our child and youth programs through a contract with Utah Tech University. This resource fills staffing shortfalls during peak summer and Permanent Change of Station seasons at both domestic and overseas locations. In order to attract quality candidates, Navy also expanded the staff childcare discount for Direct Care employees. Employee use of the discount increased from 22% in FY23 to 32% by the end of FY24.

We also owe our Sailors quality housing, and too many of our barracks are in poor condition. At the end of FY23, 25% of Navy Permanent Party Unaccompanied Housing (UH) bedrooms had a Building Condition Index (BCI) of 'poor.' We have driven this pool down to 21% as of the end of FY24, but still have work to do. Our long-term strategy will recapitalize our facilities to eliminate 'poor' housing through focused investments and divestitures. Navy has increased its Restoration and Modernization investments to repair inadequate UH and is conducting a comprehensive review of UH to guide future investments.

Invest in Warfighter Competency

Live training is often constrained by range space, spectrum limitations, threat replication challenges, and operational security. In order to build tactical proficiency independent of geographical location, Navy is establishing a reliable, realistic, relevant, and recordable Live Virtual Constructive (LVC)-enabled architecture to train all of our warfighters, whether deployed or pier-side. LVC training is the most viable and cost-effective means to prepare for operations in contested environments against high-end threats. Navy virtual constructive capabilities are already facilitating safe, efficient, and practical high-value training events.

The Navy Continuous Training Environment (NCTE) further enhances our LVC training capability by realistically replicating complex operational scenarios in a common, distributed setting. NCTE integrates live platforms and ranges with synthetic ranges at requisite security levels. This integration is crucial for simulating realistic adversary tactics and enhancing our force readiness.

Recent operational successes underscore the importance of LVC capabilities in all phases of training. In response to the latest combat developments, Navy acquisition commands and Warfighting Development Centers created advanced tactics, techniques, and procedures for countering unmanned threats. The Warfighting Development Centers then developed LVC scenarios to train deployed and pre-deployment forces on the new threats presented by the Houthis in the Red Sea.

These combined capabilities are essential not only for preparing sailors to counter unmanned threats, but also for maintaining their proficiency in high-end combat scenarios. The continuous development and integration of LVC technologies ensures that our naval forces remain ready to face any challenge.

Critical Infrastructure

The Navy sustains and projects maritime operations from its shore installations. After decades of underinvestment, these platforms need targeted funding to restore capability and capacity. Restoration and Modernization funding is key to revitalizing our degraded critical infrastructure. Navy cannot address all degraded facilities concurrently and is targeting investment in the infrastructure that is most impactful for our warfighters including facilities that support Nuclear Deterrence, Naval Operational Architecture, Unaccompanied Housing, Fitness Centers, and Shipyards.

Infrastructure Optimization Programs

The Shipyard Infrastructure Optimization Program (SIOP) is crucial for eliminating maintenance delays and supporting construction of new nuclear submarines and aircraft carriers. SIOP has completed 40 projects across four shipyards, an investment of over \$1B. We have six dry dock construction projects currently underway. In addition to recapitalization, SIOP optimizes physical shipyard layout for efficiency and to align construction with warfighting requirements. Notably, dry docks at Puget Sound and Pearl Harbor Naval Shipyards are being upgraded to meet seismic resiliency criteria.

An additional 40 SIOP projects worth \$6.3 billion are under contract. The Navy is taking an integrated approach to installation resiliency by emphasizing initiatives in energy-, water-, and cyber-resilience. SIOP projects improve operational efficiency and strengthen adaptability to emerging threats.

For aviation maintenance, the Fleet Readiness Centers (FRC) Infrastructure Optimization and Modernization Program (FIOP) follows a holistic investment strategy to integrate all infrastructure and equipment investments. FIOP optimizes maintenance, manufacturing, modification, repair, and overhaul infrastructure at naval aviation depots to ensure equipment readiness and improve material availability as fast as possible. Full Congressional support for FIOP will help the Navy maintain our momentum.

Closing

We must achieve and sustain our readiness goals to deliver a lethal Navy capable of defending American interests around the world. To maximize the availability of our ships, submarines, and aircraft, we will continue to improve our maintenance practices. We will continue to recruit and retain talented, dedicated Americans. We will deliver the quality of service that our Sailors and their families deserve. We will invest in our warfighters through innovative training, and we will restore our aging infrastructure. Consistent and predictable funding is foundational to meeting our readiness objectives, and budgetary instability creates a cascade of challenges. I look forward to working with you to support our Sailors, civilians, and families.