

**DEPARTMENT OF DEFENSE APPROPRIATIONS
FOR FISCAL YEAR 2014**

WEDNESDAY, APRIL 24, 2013

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 11 a.m., in room SD-192, Dirksen Senate Office Building, Hon. Richard J. Durbin (chairman) presiding.
Present: Senators Durbin, Feinstein, Mikulski, Murray, Reed, Cochran, Shelby, Collins, Coats, and Blunt.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE NAVY

OFFICE OF THE SECRETARY

STATEMENT OF HON. RAY MABUS, SECRETARY

OPENING STATEMENT OF CHAIRWOMAN BARBARA A. MIKULSKI

Chairwoman MIKULSKI [presiding]. Good morning, everybody. The Subcommittee on Defense will come to order. The subcommittee is chaired by Senator Dick Durbin, who is on the floor giving his speech about the vote that we will shortly have at 9. So in the interest of time and as a respect to our distinguished panelists here, the Secretary of the Navy, the head of the Marine Corps, and the head of the Navy, we are going to begin. And I would like to say a few opening words, and then turn to Senator Cochran. And I would also note Senator Cochran and Senator Shelby are here as well.

So we thought we could do our part, and by that time Senator Durbin should be here, and we could then proceed. We know it is a busy morning, and there will be, I think, two or three votes beginning at noon.

The subcommittee wishes to welcome the Secretary of the Navy, Mr. Ray Mabus, Admiral Jonathan Greenert, the Chief of Naval Operations, and General Amos, the Commandant of the Marine Corps. And we will be taking the testimony on the fiscal 2014 request for the Department of Navy at today's hearing.

In behalf, I think, of not only myself, but all of us on both sides of the aisle, we would like to welcome you here today. And in thanking you for your service, we really want to thank the men and women who serve under you. We really appreciate what they do every day in every way to keep America strong and to keep America safe. And they do it with extraordinary competence, dedi-

cation, and we call on them a lot. And often now after 10 years of war, we have asked a lot from a very few people for a very long time.

We note that also that the Department of Navy is facing, as is the Department has stressed, the Department of Navy and the Department of Defense, incredible, incredible stress. We know that in addition to fiscal 2013, which was wrought with uncertainty because of the lack of certainty about whether we would have truly a continuing funding resolution for the rest of the year, plus sequester has added stress and strains in the management of the military and our ability to respond. At the same time, we are asking you—to call upon you with many, many other issues.

We know that sequester will reduce the Navy and Marine Corps counts by \$10.7 billion, that the enactment of the defense appropriation bill in the operation and maintenance (O&M) account provided some relief. I am so pleased to say that Senator Shelby, my vice chairman on the full committee, and I worked really hard together—we really worked together to pass that continuing funding resolution. And on a bipartisan basis, gentlemen, we passed it 73 to 26.

So, you see, where there is a will, we found the wallet, and we found that we could govern with sensibility, affordability, and a sense of civility on the floor. And that is really the hallmark of the way we want to proceed as this subcommittee, and the committee operated under Senator Inouye, and the leadership of Senator Cochran.

We also know, however, as we look forward to this year, the Navy and Marine Corps will have to absorb sequester and additional shortfalls for unanticipated increases. And I know the committee will want to hear more.

But we are asking you to do more with less. We know that you have deployed over 100 of your 283 ships. We know that the Marine Corps has 10,000 marines in Afghanistan and approximately 3,500 marines in the Pacific and in the non-Afghanistan Middle East area. And we are asking you to have a presence in Europe and also to be in Latin America. There are issues related to personnel and also other dynamics within the budget.

So this is not only about numbers and statistics. It is about our fighting readiness and how are we ready. And in our meetings—in my meetings with both Secretary Hagel, Dr. Carter, General Dempsey, and Admiral Winnefeld, their concern was around readiness, that what we were doing in our budget was not only to support those who were already in the line of fire, but what other things that we needed to do to train and to be ready to deploy should the President ask for additional.

So we have got a big job to do, but we have so much confidence in Senator Durbin and Senator Cochran to chair this subcommittee. We know that they will do it wisely and offer incredible guidance to the rest of us.

Out of the \$1.053 trillion expenditures, \$620 billion in discretionary spending is in this subcommittee. It is big, and it has a big responsibility. So we look forward to them.

And I would just like to also note that one of the other things in taking over the chair—Mr. Secretary, I spoke to you—we really

need those within the Department to have a real understanding of this committee and every member, not only the full committee chairman and the vice chairman and the chairman of the subcommittee and Senator Cochran, but all of the committees. We have been deeply troubled from time to time that we have been treated in a dismissive way. The chairmen are always treated with respect. Everybody wants to come see us, have meetings, exchange coins, and we all Kumbaya together.

But at the end of the day, there are many members here that want to be on this subcommittee so they can get simple answers about what is going on in their own State. They worry about silent base realignment and closures (BRACs), the moving of airplanes, the fact that a meeting with us is checking the box.

So I bring this up with you. I brought it up with Hagel. I brought it up with Carter, Dempsey, and Winnefeld. I am bringing it up with you. Could you let them know that we do not see this as a choice between guns or butter? We just see that we need to be able to defend America. So we want meetings, and we want meetings that count. We do not just want meetings that give updates for decisions that were made.

Secretary, I talked with you about it earlier. I know I have your word to correct this problem. I believe you are a man of honor and that we will address these issues, and the committee will appreciate it.

So, Senator Durbin.

OPENING STATEMENT OF SENATOR RICHARD J. DURBIN

Senator DURBIN [presiding]. Thank you, Madam Chairman, and I apologize for being late. I have a bill on the floor, which turns out to take up a little time when you least expect it.

I now turn to my ranking member, Senator Cochran.

STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. Mr. Chairman, thank you. It is a personal pleasure for me to welcome Governor Mabus, Secretary of the Navy, who served as a distinguished Governor of our State and leader for some time, and is a personal friend. We also appreciate having with us today General Amos. We appreciate his special friendship to our State as well. And all of the leaders of the Navy and the Department, we appreciate your cooperation with our committee and working together to help ensure that we have the best Navy in the world.

Thank you.

Senator DURBIN. Thank you very much.

At this point, I would like to recognize the Secretary of the Navy, the Honorable Ray Mabus.

SUMMARY STATEMENT OF HON. RAY MABUS

Secretary MABUS. Chairman Durbin, Chairwoman Mikulski, Vice Chairman Cochran, senior senator from my home State, thank you so much for your words, but also thank you and the entire committee for all that you have done and are doing to support our De-

partment of the Navy, our sailors and marines, our civilians, and their families.

General Amos, the Commandant of the Marine Corps, Admiral Greenert, the Chief of Naval Operations, and I could not be prouder to represent those steadfast and courageous sailors, marines, and civilians. No matter what missions are given to them, as Chairwoman Mikulski said, no matter what hardships are asked of them, these men and women serve their Nation around the world with skill and dedication.

In the past year, the Navy and Marine Corps team has continued to conduct a full range of military operations. From combat in Afghanistan, to security cooperation missions in the Pacific, to disaster recovery operations in the streets of Staten Island, sailors and marines have gotten the job done.

As the United States transitions from two land wars in Central Asia to the maritime-centric defense strategy announced 15 months ago, our naval forces will be critical in the years ahead. This strategy, which focuses on the Western Pacific, the Arabian Gulf, and on continuing to build partnerships around the globe requires a forward deployed, flexible, multimission force that is the Navy and Marine Corps, America's away team.

Within this strategy, we have to balance our missions with our resources. We are working under Secretary Hagel's leadership on a strategic choices and management review to assess how we deal with budget uncertainty facing the Department as we go forward. He has directed that we review the basic assumptions that drive the Department's investment in force structure to identify institutional reforms that may be required, including, as we should do all the time, those reforms that ought to be pursued regardless of fiscal pressures. As he said during recent testimony, everything will be on the table during this review.

As Chairman Mikulski pointed out, 2013 has been hard because we began this fiscal year operating under a continuing resolution that gave us little room to be strategic and to prioritize, limiting our ability to manage the Navy and Marine Corps through this new fiscal reality. Thanks to your efforts and the efforts of your congressional colleagues, we have an appropriation for this fiscal year, but sequestration is still forcing us to make across-the-board cuts totaling more than \$4 billion from our operation and maintenance accounts, and about \$6 billion from our investment accounts.

These cuts will have real impacts. We have prioritized combat operations in Central Command and deployments to Pacific Command. However, we have had to cancel a number of deployments to Southern Command.

In order to maintain our priority deployments in 2013 and 2014 to meet the Global Force Management Allocation Plan, funding shortfalls will cause our units back home to cut back training and maintenance. Pilots will get less flight time, ships will have less time at sea, and marines less time in the field. It will take longer for repair parts to arrive when needed. Our facilities ashore will be maintained at a much lower level.

The Department's 2014 budget request is a return to a measured budget approach, one based on strategy and that protects the war fighter by advancing the priorities that I have referred to as the

four P's—people, platforms, power, and partnerships. We are working to make sure that our people are resilient after more than a decade of very high operations tempo with programs like 21st Century Sailor and Marine.

With this, we aim to bring all the efforts on protection and readiness, fitness inclusion, and continuing a service together as one coherent whole. It encompasses a wide range of issues from preventing sexual assault and suicide to fostering a culture of fitness, to strengthening the force through diversity, to ensuring a successful transition following 4 years of service or 40.

In the Marine Corps, we continue decreasing manpower to meet our new end strength of just over 182,000 by fiscal year 2016. But we are doing this in a way that helps retain the right level of non-commissioned levels and field grade officers and their experience. We are also working to make sure that our sailors and marines have the tools and the platforms they need to do the missions they are given.

One of the most important of these is our fleet. On September 11, 2001, the U.S. Navy had 316 ships. By 2008, after one of the largest build-ups in our Nation's history, that number was 278. In 2008, the Navy put only three ships under contract, far too few to maintain the size of the fleet or our industrial base, and many of our shipbuilding programs were over budget, behind schedule, or both.

One of my main priorities as Secretary has been to reverse those trends. Today, the fleet has been stabilized, and the problems in most of our shipbuilding programs have been corrected or arrested. We have 47 ships under contract today, 43 of which were contracted since I took office. And our current shipbuilding plan puts on track for 300 ships in the fleet by 2019.

The way we power our ships and installations has always been a core and vital issue for the Department of the Navy. We continue to lead in energy as we have throughout our history. From sail, to coal, to oil, to nuclear, the Navy has led in moving to new sources of power, and every time it has made us a better war fighting force.

Today, from marines making power in the field to alternatives on land, on and under the sea, and in the air, the Navy and Marine Corps are powering innovations that will maintain our operational edge, building partnerships in our operability and capacity and capability in our partners in a crucial component of this defense strategy. This strategy directs that this be done in a low cost, small footprint, innovative way. This is precisely what the Navy and Marine Corps do.

PREPARED STATEMENT

The process we use to craft the Department's budget request was determined, deliberate, and dedicated to our responsibility to you and to the taxpayer. And like the Senate and House budget resolutions, we do not assume that sequestration will continue in fiscal year 2014.

Mr. Chairman, members of the committee, the budget we are submitting supports the defense strategy and preserves the readiness of our people, and it builds on the success we have in shipbuilding. For 237 years, our maritime warriors have established a

proven record as an agile and adaptable force. Forward deployed, we remain the most responsive option to defend the American people and our interests.

Thank you very much.
[The statement follows:]

PREPARED STATEMENT OF HON. RAY MABUS

Chairman Durbin and Vice Chairman Cochran, and members of the committee, today I have the privilege of appearing on behalf of the Sailors, Marines, and civilians who make up the Department of the Navy. This is the fifth time that I have been honored to report on the readiness, posture, progress, and budgetary requests of the Department. With my shipmates—Commandant of the Marine Corps, General James Amos, and Chief of Naval Operations (CNO), Admiral Jonathan Greenert—I take great pride in the opportunity to both lead and serve the dedicated men and women of the Department. This statement, together with the posture statements provided by CNO Greenert and Commandant Amos, present a comprehensive overview of the state of the Department of the Navy.

For 237 years the United States Navy and Marine Corps have been deployed around the globe, conducting missions across the full spectrum of military operations. Whether ashore, in the air, on or under the world's oceans, or in the vast cyberspace, The Navy-Marine Corps team operates forward, as America's "Away Team," to protect our national interests, respond to crises, deter conflict, prevent war or, when necessary, fight and win. The past year has been no different. Among myriad missions, our Sailors and Marines have continued to conduct combat operations in Afghanistan; maritime stability and security operations around Africa; ballistic missile defense with our allies in Europe, the Middle East and the Pacific; and humanitarian assistance and disaster relief missions from the archipelagos of Southeast Asia to the streets of Staten Island.

Today we continue to transition from a decade of war and counter-insurgency ashore to a time of increased global uncertainty. Eighty percent of the world's population live a short distance from the sea and 90 percent of global trade moves by sea, so our naval forces play a vital role in delivering the security needed to help address today's global challenges. The Nation's Defense Strategic Guidance, as announced by President Obama, directs focus toward the maritime-centric regions of Western Pacific and Arabian Gulf and uses innovative, low-cost, light footprint engagements in other regions. These are tasks tailor made for the Navy-Marine Corps Team. The Commandant, CNO, and I are confident that with proper resourcing, the U.S. Navy and Marine Corps will meet today's and tomorrow's missions.

Almost a century ago the United States began a fruitful period of profound military development between the First and Second World Wars. Vice Admiral William Sims, commander of our naval forces in England during World War I, wrote that ". . . we must be on our guard against the dangers of a lack of vision." As then, strategic thinking and innovative development of our operating concepts will be central to our success now and in the future. The ability to think and adapt to changes in the fiscal and operational environment has been and will be the key to the success of American naval forces.

The Department of the Navy has a proven track record of effective and efficient management of our Nation's most important maritime resources: people, platforms, power, and partnerships. The most resilient and capable force in our history protects the Nation. In the past 4 years, we have stabilized the size of the Fleet, and we are building more capable ships with greater accountability and at a better value to the taxpayer and we are on a trajectory to restore the Fleet to 300 ships by 2019. The Navy and Marine Corps are seeking ways to lessen dependence on fossil fuel and volatile oil prices, some of our greatest military vulnerabilities, by using more efficient and varied forms of power. And we are building and maintaining the global partnerships that are so critical to the Navy and Marine Corps' ability to project power throughout the world through forward deployment. As we sail into a new maritime century, the Navy and Marine Corps team is the most formidable expeditionary fighting force the world has ever known.

NAVAL OPERATIONS IN 2012

Operational tempo in 2012 was high. On a daily basis, almost half the fleet was at sea and more than 70,000 Sailors and Marines were deployed; our reserve components mobilized over 3,700 Sailors and 5,000 Marines to support operations. Our forces conducted combat and maritime security operations, bilateral and multilat-

eral exercises with our international partners, and humanitarian assistance missions.

Pacific Command (PACOM)

The Asia-Pacific is fundamentally a maritime region, and over 50 percent of the world's population and the world's five largest armed forces lie within the operating area of the U.S. SEVENTH FLEET. Emphasizing our existing alliances while also expanding our networks of cooperation with emerging partners is central to the defense strategy articulated by the President in January 2012. Our mission is to provide security with combat ready units, demonstrated by the forward basing in Japan of USS *George Washington* and her strike group as well as the USS *Bonhomme Richard* amphibious ready group and 31st Marine Expeditionary Unit. Destroyer Squadron 15 continues to conduct Ballistic Missile Defense (BMD) patrols that contribute significantly to this mission. When North Korea conducted launches using ballistic missile technology in both April 2012 and December 2012, our ships were on scene to monitor the situation and defend our forces and allies if needed.

The first Marine rotational force arrived in Darwin, Australia early last year. The Marines, part of the 3rd Marine Expeditionary Force (MEF) soon after embarked USS *Germantown* and began operations in the region. Working with naval assets like the destroyer USS *Lassen* and the submarine USS *Buffalo* the Marines participated in the long standing Cooperation Afloat Readiness and Training (CARAT) exercises with a number of our allies and partners including Thailand, Singapore, and Bangladesh. Marines from 3rd MEF also participated in Mongolia's KHAAN QUEST 2013 exercise as part of a joint force that included the U.S. Army. The multinational exercise started 10 years ago as a bilateral training opportunity between U.S. Marines and Mongolian forces and has grown to include participants from ten countries.

Exercise MALABAR, an annual bilateral exercise between U.S. and Indian Forces, continued to expand in 2012 and comprised training in numerous mission areas including maritime security operations and strike missions. U.S. units, including the USS *Carl Vinson* strike group, conducted operations both at sea and ashore with our partners from the Indian Navy. In cooperation with the Armed Forces of the Philippines in 2012 we expanded our annual BALIKATAN exercise to include 20 participating partners from the Association of South East Asian Nations (ASEAN). This year's exercise focused on Humanitarian Assistance, Search and Rescue, and helped develop interoperability with the participating forces.

In 2012 our west coast hospital ship, USNS *Mercy* executed a 5-month PACIFIC PARTNERSHIP humanitarian assistance deployment, conducting medical and civic assistance missions in Indonesia, Vietnam, the Republic of the Philippines, and Cambodia. PACIFIC PARTNERSHIP began as a humanitarian response to one of the world's most catastrophic natural disasters, the 2004 tsunami that devastated parts of Southeast Asia. The PELELIU Amphibious Ready Group and Marines from the 15th Marine Expeditionary Unit (MEU) conducted Exercise CROCODILO with the Defense Forces of Timor-Leste, demonstrating the importance of working with all partner nations, no matter the size of their naval forces, which share our commitment to peace and security.

Our largest operation in the Pacific this year was the biennial Rim of the Pacific Exercise (RIMPAC). The largest maritime exercise in the world, RIMPAC in 2012 had participants from 22 nations, including for the first time the Russian Navy. RIMPAC provides a unique training opportunity that helps foster and sustain the cooperative relationships that are critical to maritime safety and security not only in the Pacific, but across the globe. This year's exercise also displayed the Navy's commitment to energy security with the Great Green Fleet demonstration. USNS *Henry J. Kaiser* conducted an underway replenishment with USS *Nimitz*, USS *Princeton*, USS *Chafee*, and USS *Chung-Hoon*, refueling all the ships and types of aircraft in the *Nimitz* Strike Group with a 50/50 blend of advanced biofuels and petroleum-based fossil fuels. Every type of aircraft that flew from the strike group flew on this blend and all the surface ships sailed on this blend. No engines were changed in any way. This demonstrated the effectiveness and seamlessness of the use of advanced biofuels during operations at sea.

Central Command (CENTCOM)

Marines and Sailors, active and reserve, remain engaged in operations in Afghanistan. They have denied the Taliban safe haven and substantially calmed the violent Helmand Province. Along with Coalition partners from eight nations and the Afghan National Security Forces (ANSF), Marines have succeeded in pushing enemy initiated attacks outside populated areas, diminishing the enemy's ability to disrupt governance efforts by Afghans and bringing increased security to population centers.

As 9,000 Marines have been drawn down in Helmand over the course of the year, our forces there helped to standup the 215th Corps of the Afghan National Army as well as units of the Afghan National Police and Afghan Local Police. Through these efforts, ANSF has increasingly taken responsibility for securing this area. ANSF units currently conduct 80 percent of operations on their own while leading 85 percent of all operations in Helmand Province.

Aircraft from Carrier Strike Groups in the Indian Ocean conducted thousands of sorties supporting combat operations in Afghanistan with Intelligence, Surveillance, and Reconnaissance (ISR) and close air support. With two Carrier Strike Groups in the region for much of the year, regular flight operations were also conducted in the Arabian Gulf. USS *Ponce* also deployed to the region to demonstrate and employ the capabilities of our future Afloat Forward Staging Bases (AFSB).

Off the Horn of Africa, we continue to work with partners in Combined Task Force 151 and other counter-piracy missions. Primarily as a result of these efforts, there was a dramatic drop in the number of pirate attacks during 2012. While the primary purpose and goal of counter-piracy operations is to enhance maritime security in the region, an additional benefit is the development of operational relationships with a wide range of partners. For example, in September USS *Winston S. Churchill* conducted exercises to expand counter-piracy expertise and promote interoperability with the Chinese frigate YI YANG, the first bilateral exercise of its kind between the navies of the United States and the People's Republic of China.

European Command/Africa Command/Southern Command (EUCOM/AFRICOM/SOUTHCOM)

U.S. Navy ships teamed with 11 European and African partners for PHOENIX EXPRESS 2012, a maritime security exercise in the Mediterranean. AEGIS ships in EUCOM continued their BMD patrols for the European Phased Adaptive Approach to missile defense and planning continues to forward base four guided missile destroyers in Rota, Spain. The High Speed Vessel (HSV) *Swift* circumnavigated Africa for AFRICAN PARTNERSHIP STATION, making 20 port calls to conduct security cooperation missions and humanitarian assistance. Marines from Special Purpose Marine Air-Ground Task Force (SPMAGTF) Africa trained counterterrorism forces and provided support to forces across the Maghreb region of North Africa.

In the Caribbean, western Atlantic, and eastern Pacific work continued with our regional partners to counter transnational organized crime. Aircraft from Helicopter Anti-Submarine (Light) and Carrier Airborne Early Warning squadrons flew detection and monitoring missions while our ships, working with the U.S. Coast Guard, helped confiscate millions of dollars of illegal drugs and illicit cargo.

SOUTHERN PARTNERSHIP STATION provided both military to military training opportunities and humanitarian assistance missions to countries in Central and South America. The Navy also supported the annual UNITAS exercises, multinational naval exercises designed to enhance security cooperation and improve coalition operations. UNITAS exercises are typically conducted annually in Atlantic and Pacific waters around South America, and in 2012 U.S. Southern Command conducted bilateral training opportunities with nations including Guatemala, Honduras, and Belize. PANAMAX, the annual U.S. Southern Command-sponsored multinational exercise series, focused in 2012 on ensuring the defense of the Panama Canal. Personnel from 17 nations, including the United States, participated in simulated training scenarios from various U.S. locations.

Northern Command (NORTHCOM)

When Hurricane Sandy came ashore in October, the Navy and Marine Corps immediately gathered resources to support the Federal Emergency Management Agency (FEMA) and other Federal agencies in the response to this disaster. USS *Wasp*, USS *San Antonio*, USS *Carter Hall*, and USNS *Kanawha* steamed to the coast of New York and New Jersey and became logistics bases for relief efforts following the storm, working in concert with units deployed to Lakehurst Naval Air Station in central New Jersey. Marines from 26th MEU went ashore from *Wasp* at Staten Island to clear debris and reopen streets, while Seabees ran supply convoys into hard hit areas and set up generators, removed beach sand from city streets, pumped over a million gallons of water from homes and removed tons of debris. Sailors from Mobile Diving and Salvage Units worked with FEMA and State officials in dewatering the World Trade Center site and the New York subway system, while members of the Coastal Riverine force cooperated with FEMA at the Hoboken Ferry Terminal to restore service.

Our sea-based strategic deterrent force of ballistic missile submarines continues to provide the most survivable leg of the Nation's strategic deterrent triad. For 50 years, and for more than 4,000 strategic patrols, our Navy's submarine force has pa-

trolled, undetected, below the sea. Our *Ohio*-class ballistic missile submarines promote global stability and provide credible and reliable deterrence.

There are countless other examples of Navy and Marine Corps units on, above and under the seas, on land both in the United States and in every corner of the globe, standing watch protecting this Nation.

DEVELOPING CAPABILITIES FOR FUTURE OPERATIONS

The 21st century presents us with new challenges or threats to both our national security and to global stability. The Navy and Marine Corps are working to develop new concepts and capabilities that will help address sophisticated anti access/area denial (A2/AD) networks, irregular and cyber threats, and the proliferation of precision guided munitions. The Navy, Marine Corps, Air Force and Army are working together to implement the Air-Sea Battle concept, which seeks to improve integration of air, land, maritime, space, and cyberspace forces. The Navy and Marine Corps are also developing the concept of an integrated battle force, taking many of the lessons we have learned about joint and combined operations, combining them with the results of exercises like BOLD ALLIGATOR 2012, the largest amphibious exercise in over a decade which was conducted on the coast of North Carolina in early 2012, and developing new frameworks for naval warfare and expeditionary operations.

Air Sea Battle

In order to ensure that U.S. forces remain able to project power on behalf of American interests, the Departments of the Navy, Air Force, and Army continue to develop the Air-Sea Battle concept and its capabilities. The Air-Sea Battle Office, jointly manned by all four services, is working on a series of initiatives to achieve the capabilities and integration required in future Joint forces so that Combatant Commanders have the tools they need, delivered with the most efficient use of resources. Air-Sea Battle is building on the lessons learned by the joint force over the past three decades to enhance efficiency while confronting the challenge of A2/AD systems in all theaters of operations.

DON continues to work on the integration of advanced air and cruise missile defense capabilities, the development of BMD enhancements, and “soft-kill” capability. A new generation of Anti-Ship Cruise Missile (ASCM) remains a priority, which will increase the range and speed at which we can engage enemy surface combatants, the most capable of which are armed with advanced ASCMs. We are also developing the Virginia Payload Module for the *Virginia*-class submarines, to mitigate the loss of the undersea strike capacity of our guided missile submarines when they retire in the mid-2020s.

DEFENDING FREEDOM OF THE SEAS: LAW OF THE SEA CONVENTION

By custom, experience and treaty the traditional concept of freedom of the seas for all nations has developed over centuries. This vital part of the global order has been codified within the Law of the Sea Convention (LOS Convention). The DOD and DON continue to strongly support this important treaty. The LOS Convention guarantees rights such as innocent passage through territorial seas; transit passage through, under and over international straits; and the laying and maintaining of submarine cables. Nearly every maritime power and all the permanent members of the U.N. Security Council except the United States have ratified the convention. Our absence as a Party weakens our position and impacts our military, diplomatic, and economic efforts worldwide. Remaining outside the LOS Convention also undercuts our ability to challenge expansive jurisdictional claims that, if unchallenged, could undermine our ability to exercise our navigational rights and freedoms, conduct routine naval operations in international waters, and provide support to our allies. Additionally, only as a Party to the Convention can the United States fully secure its sovereign rights to the vast resources of our continental shelf beyond 200 miles from shore. The uniformed and civilian leaders of the Department strongly support accession to the LOS Convention.

DEPARTMENTAL PRIORITIES

Maintaining the world’s most capable expeditionary fighting force means developing our Navy and Marine Corps as a strategic asset that provides our Commander-in-Chief with the broadest range of options in a dynamic and complex global security environment. As Secretary, I continue to charge the Department to focus on four key priorities: people, platforms, power, and partnerships, by ensuring we do the following:

—Support our Sailors, Marines, civilians, and their families;

- Strengthen shipbuilding and the industrial base;
- Promote acquisition excellence and integrity;
- Continue development and deployment of unmanned systems;
- Recognize energy as a strategic national security issue; and
- Build partner capacity to help distribute the burden of securing the global maritime domain based on alliances, shared values, and mutual trust.

From training our newest Midshipmen and recruits, to supporting ongoing operations in Central Asia and the Pacific, to preparing for the future force, these principles will guide the Department in all of its many tasks.

SUPPORTING OUR SAILORS, MARINES, AND THEIR FAMILIES

Operational tempo is high and getting higher. The BATAAN Amphibious Ready Group and 22d Marine Expeditionary Unit's spent almost 11 months at sea, the longest amphibious deployment since World War II. Personnel with *John Stennis* Carrier Strike Group spent only 5 months at home between her two most recent 7-month deployments. Sailors, Marines, civilians, and their families are being asked to do more with less, and it is the job of the Department's civilian and military leaders to provide them with the resources to maintain readiness, both physically and mentally, and to support families while loved ones are forward deployed.

The naval strategist and historian Alfred Thayer Mahan once wrote that being ready for naval operations "consists not so much in the building of ships and guns as it does in the possession of trained men." The Department is committed to our most important asset and the most critical combat payload for our ships, aircraft, and units ashore—our people. Over the last 4 years, I have visited with Sailors and Marines deployed in 96 countries across the globe. When our U.S. Navy and Marine Corps team is on the job, they are far from home and from the people they serve. One of my core missions is to remind them we are grateful for their service, and humbled by their sacrifice.

Pay and benefits are the most tangible example of our commitment to our Sailors and Marines, and an important focus for the Department. The President's budget includes a 1 percent pay raise for Sailors and Marines. The amount of this raise reflects the commitment to our Sailors and Marines, while adhering to the current budget constraints faced by DOD. We support the modest TRICARE fee increase in the fiscal year 2014 budget, which Congress has allowed the Department of Defense to link to CPI to help ensure an efficient and fair benefit cost, as well as efforts to introduce efficiency and cost savings into military pharmacies. These are important steps that help us introduce reform to the Department's personnel costs. The promise of a military retirement is one of the solemn pledges we make to compensate our service members when they volunteer for a full career. However, it is time for a review of this system. We fully support Congress's establishment of the Military Compensation and Retirement Modernization Commission to conduct a comprehensive review of military compensation and retirement systems. The commission must maintain a focus on ensuring any suggested changes support the required force profiles of the services. Keeping faith with those currently serving is a high priority, and the Commission and Congress should ensure that any resulting reforms protect our current service members through grandfathering those who prefer the current retirement structure.

We must manage resources to ensure support for the most combat effective and the most resilient force in history. The standards are high, and we owe Sailors, Marines, and civilians the services they need to meet those standards. I am very proud of the dedicated service provided by our civilian workforce, who despite economic sacrifices, continue to deliver outstanding products and services in support of the DON mission. The continued development of the 21st Century Sailor and Marine Initiative will help ensure that Sailors and Marines maximize their professional and personal readiness with initiatives that cut across previously stove-piped programs. In March 2012, aboard USS *Bataan*, I outlined the five "pillars" of the 21st Century Sailor and Marine which are: readiness and protection, safety, physical fitness, inclusion, and the continuum of service.

Readiness and protection will ensure Sailors, Marines, and their families are prepared to handle the mental and emotional rigors of military service. Ensuring the readiness of the force includes continuing campaigns by both services to deglamorize, treat, and track alcohol abuse.

It also means maintaining the standard of zero tolerance for sexual assault. The DON Sexual Assault Prevention and Response Office (SAPRO) is responsible for keeping the health and safety of our Sailors and Marines at the forefront. SAPRO has developed training initiatives, opened new lines of communication, and worked to ensure that offenders are held accountable while reducing the number of attacks.

In the last year, SAPRO conducted dozens of site visits to Navy and Marine Corps installations world-wide. Their sexual assault prevention programs for leadership reached over 5,000 Navy and Marine officers and senior enlisted personnel at eight operational concentration sites. Simultaneously, live-acted and vignette-based programs, emphasizing the importance of bystander intervention in preventing sexual assault, were presented to packed theaters totaling roughly 15,000 Sailors and Marines. The Commandant of the Marine Corps has personally championed a Sexual Assault Prevention and Response (SAPR) Campaign Plan that engages his senior leadership in top-down, Corps-wide training initiatives anchored on the core values of Honor, Courage, and Commitment. He and the Sergeant Major of the Marine Corps have been tireless in conveying their expectations in special forums and personal visits to virtually every Marine Corps installation. Across both Services, literally every Sailor and Marine is receiving special SAPR training that emphasizes the concept of Bystander Intervention to prevent sexual assaults, and additional training tools are in development.

To enhance capabilities in the area of sexual assault prevention and prosecution, Naval Criminal Investigative Service (NCIS) created an advanced adult sexual assault training course. They have also launched a multidisciplinary Adult Sexual Assault Program, which synchronizes the efforts of investigators, prosecutors, and victim advocates. NCIS has continued its campaign to train the Department's leaders, conducting 389 briefings world-wide to over 48,000 service members. Last year they also introduced a 24-hour text-tip capability to enhance responsiveness to criminal allegations including sexual assault, receiving 1,300 Web based referrals.

A ready force is also a force that understands how to respond to our shipmates in need in order to help stem the tide of military suicides. The Department will continue to work to improve suicide prevention programs to eliminate suicide from the ranks. This will not be easy. The complexities surrounding suicide requires an "all-hands" effort and comprehensive approach. New training programs, like the Marine Corps' R.A.C.E. (Recognize suicide warning signs, Ask one another about suicide, Care for one another through listening and support, and Escort fellow Marines to help), are just the start. Navy and Marine Corps commanders are fully engaged in promoting the psychological health of our Marines, Sailors, and family members and are receiving training on how best to provide solutions in their units. The message to all Navy and Marine Corps leaders is to look out for each other and to ask for help.

The fiscal uncertainty we live with today not only affects operational readiness; the impact may also manifest itself in safety performance. More than ever, we must emphasize safety and risk management, both on- and off-duty as operational tempo increases and our Sailors and Marines are asked to do more with resources that are being stretched. Efforts to ensure the safest and most secure force in the Department's history include more targeted oversight of our high risk evolutions and training. To improve risk assessment, the Department is analyzing safety and safety-related data from a variety of sources and in 2012 committed to establishing a secure funding stream for the Risk Management Information System. The Department is also employing System Safety Engineers in the hazard and mishap investigation process.

Physical fitness is central to the ability of our Sailors and Marines to complete their missions. More than just another program, it is a way of life and supporting it resonates throughout the 21st Century Sailor and Marine Initiative. Throughout the force personal fitness standards will be emphasized and reinforced. That commitment extends to improving nutrition standards at Navy dining facilities with the "Fueled to Fight" program, developed and used by the Marines. Fueled to Fight emphasizes the importance of nutrition and healthy food items, and ensures their availability.

A cornerstone of the Department's commitments to individual Sailors and Marines is to ensure DON is inclusive and, consistent with military effectiveness, recruits, retains, and promotes a force that reflects the Nation it defends. The aim to increase the diversity of ideas, experiences, expertise, and backgrounds to ensure the right mix of people to perform the variety of missions required of the services. With military requirements as a guiding tenet, the Department will reduce restrictions to military assignments for personnel to the greatest extent possible.

An officer corps must be representative of the enlisted force it leads. The United States Naval Academy, our Reserve Officer Training Corps programs, and Officer Candidate School have all continued to achieve high ethnic diversity rates as minority applications remain at historic levels. In recent years NROTC units have reopened at some Ivy League schools, and new units have opened at State Universities with large minority populations, including Arizona State University and Rutgers University. The first group of women assigned to the submarine force have de-

ployed aboard their boats. Three of these trailblazing officers already earned their qualifications in Submarine Warfare and were presented their “Dolphins” in a ceremony last fall. With success aboard *Ohio*-class ballistic missile submarines (SSBNs) and guided missile submarines (SSGNs) women will now be assigned to the attack submarine fleet and enlisted women will soon be included in the submarine force.

The final pillar, continuum of service, will provide the strongest transition support in the Department’s history. The Navy and Marine Corps develop future leaders of our Nation, in and out of uniform. For that reason, and for their service, individuals separating or retiring from the Naval Service should be provided the best assistance programs and benefits available to get a positive start in civilian life. The Department’s education benefits, transition assistance, career management training, life-work balance programs, and morale, welfare, and recreation programs are keys to their future and have been recognized by human resource experts as some of the best personnel support mechanisms in the Nation. Our transition efforts also bolster our ability to maintain a highly skilled Reserve force, ensuring those highly trained service members who want to continue to serve in a Reserve capacity are smoothly and appropriately aligned within the Reserve component.

Both the Navy and Marine Corps reached our recruiting goals again in the past year. The Navy is on track to meet its active duty-manning ceiling of 322,700 Sailors by the end of this fiscal year. The Marine Corps continues to draw down from 202,001 to the goal of 182,100 by fiscal year 2016 and stood at about 198,000 at the end of 2012. The quality of our recruits continues to rise, with high levels of physical fitness and increasing numbers of recruits with a high school diploma rather than a GED. With high quality recruits the attrition numbers in Boot Camp have dropped, and more Sailors and Marines are successfully completing their follow-on schools, where they learn the basics of their military specialty.

In order to address many of the asymmetric military scenarios we face, the Department has initiated programs in our Special Operations and Cyber Forces to ensure we have the right personnel for the mission. For instance, the Department conducted a Cyber Zero-Based Review and developed a Cyberspace Manpower Strategy. Operating in and strategically leveraging cyberspace requires a sophisticated and technically savvy force and we must invest in their training and development. We also need an equally sophisticated officer corps to lead this force and therefore, I will make the construction of a cybersecurity studies facility at the U.S. Naval Academy a top priority in developing the fiscal year 2015–2019 military construction program, looking for opportunities to accelerate this vital project. With respect to Special Forces, the Department continues to work closely with U.S. Special Operations Command (USSOCOM) on their manpower priorities, including emphasis on targeted recruiting of personnel with language capability and ethnic diversity, compensation issues, and ensuring the proper balance of SOF manning during times of fiscal austerity.

The Department constantly evaluates its success at reintegrating the combat-wounded Sailor or Marine into civilian life. The Navy and Marine Corps have pressed forward in their efforts to support our wounded, ill, and injured (WII) Sailors and Marines. The Marine Corps’ Wounded Warrior Regiment, based at Quantico, provides and facilitates non-medical assistance throughout all phases of recovery. With Battalions located on both coasts and detachments around the world, it has the global reach needed to support our men and women. The Navy has established the Safe Harbor Program to coordinate the non-medical care of WII Sailors, Coast Guardsmen, and their families. The program provides a lifetime of individually tailored assistance designed to optimize the success of our shipmates’ recovery, rehabilitation, and reintegration activities and has representatives at military treatment facilities all over the world, including partnering with some Veteran’s Affairs facilities.

A key to successful integration is meaningful employment and the Department continues to lead by example in providing employment opportunities for Wounded Warriors and veterans. Civilian careers within the DON offer a wealth of opportunities that allow Wounded Warriors to apply the wide array of skills and experience gained from their military service. Last year, veterans represented more than 50 percent of new hires, with nearly 1 in 10 having a 30 percent or more compensable service-connected disability. Additionally, nearly 60 percent of the Department’s civilian workforce has prior military experience. The Department also continues to share best practices across the Federal and private sector, and annually hosts the Wounded Warrior Hiring and Support Conference.

In addition to the successful efforts to help employ transitioning Sailors and Marines, the Department has also made tremendous strides to improve overall career readiness through the implementation of the newly designed Transition Assistance Program. Both the Navy and Marine Corps have reported compliance with the man-

datory components of the transition program required by the Veterans Opportunity to Work to Hire Heroes Act (VOW Act) and implemented new and revised curriculum to facilitate pursuit of post-military goals. By the end of this year, program enhancements will also include the program's three individualized tracks for education, technical training, and entrepreneurship.

STRENGTHENING SHIPBUILDING AND THE INDUSTRIAL BASE

Much has been said and written about the size of our Fleet. A few facts are in order. On September 11, 2001, the Navy's battle force stood at 316 ships. By 2008, after one of the great military buildups in American history, our battle force had shrunk to 278 ships. In 2008, the Navy built only three ships, and many of our shipbuilding programs were over budget or over schedule or both. Over the past 4 years, the Fleet has stabilized and many problems in our shipbuilding programs have been corrected or arrested. There are now 47 ships under contract, many under fixed-price contracts that ensure the Department receives the best value for our shipbuilding programs.

Maintaining and increasing current Fleet numbers is a challenge in the current fiscal environment. However, it is important that we succeed in this effort as our defense strategy calls upon us to focus on the maritime-centric theaters of Pacific and Central Command, while still remaining engaged globally. This is why building up the number of ships in our Fleet has been my priority from day one. With your support it will continue to be a priority as we allocate our resources moving forward.

The fiscal year 2013 shipbuilding plan projected that, by the end of the 5 years of the Future Years Defense Plan (FYDP), the Fleet, because of a large number of retirements, would have 285 ships, about the same number as exist today. Beyond the FYDP, the Fleet would again experience growth reaching 300 ships before the end of the decade. The plan maintains a flexible, balanced battle force that will prevail in combat situations, including in the most stressing A2/AD environments, while living within the reduced means allocated.

Furthermore, our shipbuilding plan aims to build a Fleet designed to support the new defense strategy and the joint force for 2020 and beyond. A force structure assessment was recently completed and it found, due to the new defense strategy, forward basing and other variables that about 300 ships will be needed to meet the Navy's future responsibilities.

Regardless of the final battle force number, the Fleet's ship count will begin to rise as major surface combatant and submarine building profiles are sustained and as the Littoral Combat Ships (LCS) and Joint High Speed Vessels (JHSVs) built during the next 5 years begin to enter fleet service.

A healthy industrial base is necessary to support the Department's priorities going forward. Our Nation faces tough economic times, so our plan, as we noted earlier, to grow the Fleet to 300 ships by 2019 means we have to work closely with the shipbuilding industry to ensure we maintain their skill and capability while growing a fleet affordable to the American people. The industrial base also includes our aircraft manufacturers, and the industry teams that develop the payloads aboard our ships. We will work to ensure diversity in supply as we move ahead, and we will look for opportunities to compete.

PROMOTING ACQUISITION EXCELLENCE AND INTEGRITY

One of the most important obligations of public service is a responsibility to be good stewards of the American people's money; it is particularly important given today's fiscal realities. Rebuilding the fleet with the right platforms continues to be a top priority, and requires efficient and smart spending based on a realistic vision of the future force. At the heart of the Department's improved stewardship and leadership is the acquisition excellence initiative in force since 2009.

The central role Navy and Marine Corps play in the Nation's defense strategy drives the acquisition programs currently underway and those planned in the future. Contract requirements, aggressive oversight, and competition drive affordability. At every appropriate opportunity the Department pursues fixed price contracts like those in use for the LCS program, or multiyear procurements like those used to purchase the *Virginia*-Class Submarines, *MV-22* Ospreys and *MH-60* helicopters. The Department continues to look for other innovative funding strategies that help ensure a consistent workload for the industrial base, as well as focus on increasing productivity and fostering innovation both in industry and government. Total ownership costs, eliminating unnecessary bureaucracy, and unproductive processes are always considered as programs are developed. Using these methods to inject affordability and refine requirements in the LCS and DDG 51 programs, the

Department cut over \$4.4 billion from the projected cost of the ships, and over \$4.9 billion in projected life-cycle costs.

To be responsible with the taxpayer's money also means we must take action against fraudulent contractors and shoddy work. The DON has greatly strengthened our suspension and debarment system, and enhanced its ability to protect the Department from unscrupulous and irresponsible contractors. NCIS has made significant investments in our major procurement fraud program and has realized a 300-percent return on investment through fines and recoveries associated with criminal prosecutions this year. During fiscal year 2012, the DON Suspending and Debarment Official (SDO) suspended or debarred 344 contractors, a 75-percent increase from the previous year. Most of this increase was the result of aggressive pursuit of "fact-based" debarments of contractors who had been terminated for default or poor performance under a DON contract or who had mischarged costs against DON contracts, but also includes conviction-based debarments taken against contractors for fraud associated with Government contracts. The Government Accountability Office (GAO) has recognized the DON for its very active procurement fraud program, which actively pursues leads of contractor misconduct from numerous sources, and effectively carries out its suspension and debarment responsibilities under the Federal Acquisition Regulations.

To protect the Department's research, development and acquisition (RDA) process from a counterintelligence (CI) perspective, NCIS has partnered with intelligence community members at locations of special interest. For example, integration of NCIS resources at University Applied Research Centers (UARC) and the Applied Research Laboratories has allowed NCIS CI agents and analysts to intensify their operational efforts and investigations that protect these prioritized programs and technologies. Operation "Bigger Game", an integrated RDA CI effort, resulted in the arrest of seven individuals affiliated with a UARC for illegally exporting high-tech microelectronics from the United States to Russian military and intelligence agencies.

Over the past decade and a half the acquisition workforce was downsized. As a result, our expertise and experience was stretched too thin. With your support the Department has been slowly increasing the number of acquisition professionals, restoring the core competencies inherent in their profession and to our responsibilities in the Department to organize, train and equip the Navy and Marine Corps. Since starting the effort 3 years ago, the Department has grown the acquisition work force by 4,700 personnel, which has been key to increasing the necessary technical authority and business skill sets, and improving the probability of program success.

Additionally the Department is keeping program managers in place longer to build up their expertise in and oversight of individual programs, which also contributes to program stability and success. The Department also invests in education for our program managers, who are sent to an intensive short course at the graduate business school at the University of North Carolina specifically targeting a better understanding of defense contractors. A pilot for mid-level managers began last year for a similar graduate level course at the University of Virginia Darden Business School. The Department is also changing the way program leaders are evaluated and now incentivizes them to work with their industry counterparts to manage costs. Finally, acquisition workforce professionalization is receiving the attention it deserves, and more resources are targeted to individual training, education, and experience for individuals in key leadership positions.

DEVELOPING AND DEPLOYING UNMANNED SYSTEMS

Unmanned systems will continue to be key military platforms, both in the maritime domain and ashore. Successful integration of the unmanned systems begins with the Sailors and Marines who support the effort. In October 2012, we established Unmanned Helicopter Reconnaissance Squadron 1 (HUQ-1), the first dedicated rotary-wing UAV squadron in the Navy, to train Sailors on the aircraft as well as provide deployable detachments. Across the entire spectrum of military operations, an integrated and hybrid force of manned and unmanned platforms is the way of the future. In the past year the Department has made significant movement forward in the development of unmanned systems.

In 2012 USS *Klakring* deployed with four MQ-8B Fire Scouts operated by Helicopter Anti-Submarine Squadron (Light) 42 to conduct operations in the FIFTH and SIXTH Fleets. The ship and squadron, which deployed with a Fire Scout detachment in 2011 in support of counterpiracy operations and operations off of Libya, continued to develop the tactics, techniques, and procedures to integrate the Fire Scout helicopters into fleet operations. Another detachment of three Fire Scouts flew over 3,000 hours of ISR missions for Marines engaged in combat operations in Afghani-

stan. The next generation Fire Scout, the MQ-8C, made its first flight in 2010 and began production in 2012. It has greater range and payload capacity and it will fly its first missions to serve with Naval Special Warfare.

In unmanned rotary-wing aviation, the Marines have continued experimenting with the Cargo Resupply Unmanned Aerial System (CRUAS), using unmanned K-MAX helicopters for resupply in Afghanistan. These UAVs carry cargo to patrol bases and forward operating bases, eliminating the need for dangerous convoys. The contract was extended for another 6-month deployment in Afghanistan, in order to build on the system's success.

A good example of integrating manned and unmanned systems is the Mine Countermeasures (MCM) Mission Module in LCS. This module includes the Remote Multi-Mission Vehicle (RMMV), which will tow the AN/AQS-20A mine hunting sonar to find mines, paired with a manned MH-60S helicopter with the Airborne Mine Neutralization System (AMNS) system to neutralize them. The development team is working with unmanned surface craft for autonomous mine sweeping and shallow water mine interdiction, as well as vertical take-off UAVs for detection and neutralization. USS *Independence* (LCS 2) has already conducted developmental testing of the RMMV and continues to develop operating concepts and procedures.

This spring will bring the first flight of the MQ-4C Triton, the unmanned element of Navy's maritime patrol system of systems. Based on the proven Global Hawk, the Triton will play a central role in building maritime domain awareness and prosecuting surface targets. Further testing and evaluation will occur in 2013. Its experimental predecessor, the BAMS-D demonstrator aircraft, continues to provide maritime surveillance in FIFTH Fleet and to develop operating concepts for the aircraft.

The Unmanned Carrier Launched Airborne Surveillance and Strike system, or UCLASS, is changing the way reconnaissance and strike capabilities are delivered from our aircraft carriers. Designed to operate alone in permissive environments or as part of the air wing in contested environments, UCLASS will conduct ISR&T and/or strike missions over extended periods of time and at extreme ranges. Unlike manned carrier aircraft, UCLASS will not require flights solely to maintain pilot proficiency. The UCLASS airframe will be employed only for operational missions and operators will maintain proficiency in the simulator, extending its useful life expectancy considerably. Its airborne mission time will not be limited by human physiology but rather will be determined by tanker availability, ordnance expenditure, or the need to conduct maintenance. At NAS Lakehurst, the X-47 Unmanned Combat Air System, Aircraft Carrier Demonstrator (UCAS-D) conducted its first launch via catapult. In December, the X-47 went to sea for the first time aboard USS *Harry S Truman* and conducted integration testing and evaluation with the flight deck crews for taxi checks and flight deck operability. Increased autonomy will continue to evolve and will continue to expand the possibilities of what can be done with unmanned systems flying from a carrier. Integrated manned and unmanned systems will provide a more effective fighting force while helping to reduce risk to our Sailors and Marines.

RECOGNIZING ENERGY AS A STRATEGIC NATIONAL SECURITY ISSUE

How the Navy and Marine Corps use, produce, and procure energy is a critical operational element. From the adoption of steam power over sail, the development of oil burning power plants, or the move to nuclear power more than half a century ago, the Navy has a history of leading in energy innovation. In this fiscally constrained environment we must use energy more efficiently and effectively. This fiscal environment also means that the Department must continue to lead on and invest in alternative energy. Failure to do so will leave a critical military vulnerability unaddressed and will expose the Department to price shocks inherent in a global commodity like oil.

The Department's energy initiatives are about combat and operational effectiveness. In wartime, energy is a tactical and operational vulnerability. Because of the massive amount of fuel that the Department uses, price shocks in the global market have a significant impact on budget resources. Every time the cost of a barrel of oil goes up a dollar, it effectively costs the Department an additional \$30 million in fuel costs. These price spikes are mostly paid out of operational funds, which mean less steaming time, less flight time, less training time for our Sailors and Marines and lack of facilities sustainment. To help address these operational vulnerabilities and threats to our combat effectiveness, in 2009 I established energy goals for the Department. These goals drive the Navy and Marine Corps to strengthen our combat capability by using energy more efficiently and by diversifying our sources of power.

Efficiency and innovation are key starting points to changing the way we use energy. USS *Makin Island*, the fleet's newest amphibious assault ship, is a great example. Designed with energy efficiency in mind, it has a unique hybrid electric power plant instead of the steam plant powering the rest of the *Wasp* class. The ship returned from its maiden deployment last year and, between the highly efficient systems and the energy awareness of the crew, saved the Navy \$15 million in fuel costs out of a budgeted \$33 million over the 7-month deployment. Plans for the two following ships, USS *America* and USS *Tripoli*, include hybrid electric systems like *Makin Island* and we are working on a similar system to back-fit it onto Flight IIA *Burke* Class DDGs.

The Marine Corps has proven and is proving that energy efficient and renewable energy equipment increases combat effectiveness. Recognizing a combat multiplier, the Marine Corps came up with an innovative process to shorten the timeline from concept to combat. In just a year, using the Experimental Forward Operating Base (ExFOB) process, the Marine Corps equipped Marines with new capabilities that reduce the burden of fuel and batteries. Since Third Battalion, Fifth Marines deployed to Helmand Province in fall of 2010 with solutions identified through ExFOB, this equipment has become a standard part of the Marine Corps kit. Marine Battalions in Afghanistan are equipped with these energy technologies so we now have sniper teams, Special Operations teams, Communication units, Infantry and Artillery Units, and teams training our Afghan partners employing ExFOB-proven gear, from solar blankets to power radios, LED lights to illuminate tents, and solar generators to provide power at forward operating bases and combat outposts. These capabilities have made a real impact: enabling a foot patrol to operate for 3 weeks without battery resupply, reducing the backpack load on Marines, and increasing self-sufficiency at operations centers. Continuing to aggressively pursue solutions, ExFOB deployed hybrid power solutions to Patrol Base Boldak in Afghanistan. With the lessons learned at Boldak, the Marine Corps is now writing requirements to redefine how they power the Force with hybrid power systems and fewer generators that are right-sized for the mission. Capabilities that increase combat power through greater energy performance have become fundamental to Marine Corps modernization.

The Department continues to develop the drop-in, advanced biofuel initiative for our ships, aircraft, and shore facilities. Under the Defense Production Act, the Department of the Navy has teamed with the Departments of Agriculture and Energy to fund the Advanced Drop-in Biofuel Initiative to help the development of multiple, geographically dispersed biorefineries. Last fall, DOD issued a multi-stage solicitation under Title III of the Defense Production Act (DPA) that sought to construct or retrofit through public-private partnerships multiple, commercial-scale next generation bio-refineries geographically located and capable of producing cost-competitive, ready drop-in biofuels that meet or exceed military specifications. Soon, DOD will finalize negotiations with several companies that have met the criteria, including demonstrating the ability to domestically produce alternative fuels by 2016–2017 that are very cost-competitive with petroleum.

This past year the Navy purchased a B20 blend (80 percent conventional/20 percent biodiesel) for the steam plant at the St. Julien's Creek Annex, near Norfolk, VA. The cost of the B20 is 13 cents per gallon less expensive than conventional fuel, and is projected to save the facility approximately \$30,000 over the 2012–2013 heating season.

Drop-in fuels are necessary so that no changes to our engines, aircraft, ships, or facilities are needed to burn the fuel and so we retain operational flexibility to use whatever fuel is available. After testing individual platforms in 2011, in 2012 the Department took an important leap forward toward the goal of globally deploying ships and aircraft in maritime operations on competitively priced biofuels by 2016. At RIMPAC, the entire *Nimitz* Carrier Strike Group, from the surface escorts to the helicopters flying patrol and logistics missions, conducted operations on a 50/50 conventional and biofuel blend. The ships of the strike group also demonstrated energy efficient technologies to reduce the overall energy use, including solid-state lighting, on-line gas turbine waterwash, and shipboard energy dashboards.

This year I issued the Department's "Strategy for Renewable Energy" to outline our path to procuring one gigawatt (GW) of renewable energy for our shore facilities by 2020. For reference, one GW can power a city the size of Orlando. This strategy will help us achieve the goal of obtaining 50 percent of our power ashore from alternative energy sources, at no additional cost to the taxpayer. The Department chartered a 1GW Task Force to create an implementation plan, calling on each region of our shore establishment to develop their own energy plans to help achieve these goals. In fiscal year 2012 we initiated four power purchase agreements for large scale renewable energy including three photovoltaic projects, each of which will provide electricity cheaper than conventional sources and will save a total of \$20 mil-

lion over the lives of the agreements, and a waste-to-energy facility at MCAS Miramar that is cost neutral when compared to conventional power. All four of these projects have been developed with third party financing.

Continued leadership in this field is vital to the Nation's future. Our allies and friends around the world are actively exploring the potential of efficiency and alternative energy to increase combat effectiveness and strategic flexibility. The Australian Navy is drafting an alternative fuels policy, and the Department is working closely with them to ensure interoperability so that our forces can use alternative fuels together. The British Army, partnered with Marines in Afghanistan, has begun to use alternative energy equipment developed by the Marines in their ExFOB program at the bases they operate in theater. These partnerships are emblematic of the types of engagements with our allies around the world on important topics such as alternative fuels, energy efficiency and renewable energy that we must continue to lead to provide secure alternatives, improve reliability of fuel supplies, and enhance combat and operational effectiveness.

Energy, fuel, and how we power our ships have always been a vital issue for the United States Navy. Those who question why the Navy should be leading in the field forget the Navy's leadership in energy throughout history. From John Paul Jones rebuilding the sailing rig of USS *Ranger* in France in order to make the ship faster and more efficient before raiding the British seacoast, to the deployment of our first nuclear powered aircraft carrier USS *Enterprise*, which was just decommissioned, the energy and fuel to propel the Fleet has been a key element of the U.S. Navy's success.

MARITIME PARTNERSHIPS AND FORWARD PRESENCE

For almost seven decades, U.S. Naval forces have maintained the stability and security of the global maritime domain, upholding the two key economic principles of free trade and freedom of navigation, which have underwritten unprecedented economic growth for the global economy. As 90 percent of worldwide trade and over half of global oil production are moved at sea, this system, and the sophisticated set of international rules and treaties upon which it is based, has become central to the economic success of the global marketplace. However its efficiencies, and the demanding timelines of a "just in time" economy, place it at risk from the destabilizing influences of rogue nations and non-state actors. While our engagement with and assurance of this global system are not without cost, the risk of instability, stagnant global economic growth and a decline in national prosperity could be dramatic.

Providing security across the global maritime domain requires more capacity and capability than any single nation is able to muster especially within the current fiscal constraints. Building partner capacity helps distribute the burden of securing the global maritime domain based on alliances, shared values and mutual trust. The Navy and Marine Corps are naturally suited to develop these relationships. Trust and partnerships across the globe cannot be surged when conflict looms if they have not been established in times of peace.

Forward presence is the key element of seapower, which can help deter or dissuade adversaries from destabilizing the system or starting a military conflict. U.S. Naval forces operating around the world underwrite the credibility of our global leadership, and give meaning to our security guarantees. They demonstrate shared commitments and concerns, and reinforce regional security without a large and expensive footprint ashore. Forward deployed naval forces allow us to provide a full range of options to the President and the Combatant Commanders; from a single Patrol Craft to a Carrier Strike Group; from a platoon of SEALs to a Marine Air-Ground Task Force; that ensure our leaders have the adaptable and flexible forces needed to respond to any challenge and retain an element of control in the escalation of conflict. The ability to concentrate forces for military operations in times of crisis, or distribute them to engage allies, partners, and friends in times of relative peace, depends on maintaining naval forces forward. As does our ability to be present during a crisis and avoid the appearance of escalation.

In addition to the exercises and operations previously described, senior leader engagement and training opportunities for our allies, partners, and friends are important components of building international relationships and trust. As Secretary, I have had the opportunity to meet with 35 heads of state and government, over 60 ministers of defense, over 80 Chiefs of Navy, as well as additional military leaders and many foreign military personnel. The U.S. Naval Academy, the U.S. Naval War College, Marine Corps University, and the Naval Post Graduate School host international students who return home with not only a first-rate education, but with

friendships and new perspectives on the United States and its people that can have a significant impact on future military-to-military relationships.

FISCAL YEAR 2014 BUDGET SUBMISSION

Every strategy is a balance of responsibilities and resources. The Department's ability to meet the demands of today's operations, in support of our Defense Strategic Guidance, depends on anticipating and preparing for the changing geopolitical landscape and having the proper resources ready to deploy. The Department will continue to maintain the capabilities required to ensure that the Navy and Marine Corps is the finest expeditionary force in the world, however proper resourcing is needed to maintain our capacity for global operations.

With the resources as laid out in the fiscal year 2014 budget request, the battle force of 2019 will include the following platforms.

Nuclear-Powered Aircraft Carriers and Air Wings

With the 2016 delivery of USS *Gerald R. Ford*, the first of a new class of nuclear-powered aircraft carriers, the number of carriers in commission returns to eleven. The Department will sustain that number at a minimum through the middle of this century. The *Ford* class of carrier is a completely new ship within a rearranged *Nimitz* hull. The *Ford* class contains new shipboard systems like an electromagnetic launch system and advanced arresting gear, and with advanced combat capabilities resident in the F-35C Lightning II Joint Strike Fighter, F/A-18E/F Super Hornet, EA-18G Growler electronic attack aircraft, E-2D Advanced Hawkeye airborne early warning aircraft, the MH-60 Sierra and Romeo tactical helicopters, and new unmanned aerial systems.

Nuclear-Powered Attack Submarines

There are nine *Virginia*-class submarines already in commission and seven more at various stages of construction. The planned fiscal year 2014–2018 Multi-Year Procurement (MYP) of nine submarines remains intact, and, with the 2013 congressional action, advanced procurement has been authorized and appropriated for a tenth boat to be ordered in 2014. I would like to thank the Congress for their support of our submarine programs. Your continued support is needed for the advance appropriation required to complete the procurement of the tenth *Virginia*-class boat. This means that these flexible, versatile platforms will be built at the rate of two per year during the FYDP with the cost-saving benefits afforded by the multiyear procurement contract.

With four guided missile submarines (SSGNs) decommissioning in 2026–2028, the Department will continue to invest in research and development for the *Virginia* Payload Module (VPM). VPM could provide future *Virginia*-class SSNs with four additional large diameter payload tubes, increasing her *Tomahawk* cruise missile capability from 12 to 40 and adding other payload options.

Guided Missile Cruisers and Destroyers

Modular construction of the DDG 1000 Class Destroyers is proceeding apace, with commissioning of all three ships of this class planned between 2015 and 2019. The *Arleigh Burke*-class DDGs (DDG 51s) remain in serial production, with plans in place for a multiyear purchase of up to ten ships through fiscal year 2017. As part of that multiyear purchase, the Navy intends to seek congressional approval for introducing the DDG 51 Flight III aboard the second fiscal year 2016 ship based on the achievement of a sufficient level of technical maturity of the Air and Missile Defense Radar (AMDR) development effort. The Flight III Destroyer will include the more powerful AMDR providing enhanced Ballistic Missile Defense (BMD) and Air Defense capability. The modernization program for in-service *Ticonderoga*-class CGs and *Arleigh Burke*-class DDGs is progressing satisfactorily, with hull, machinery, and electrical system maintenance and repairs; installation of advanced open architecture combat systems, and upgrades to weapons/sensors suites that will extend the service life and maintain the combat effectiveness of these fleet assets.

Littoral Combat Ships

With their flexible payload bays, open combat systems, advanced unmanned systems, and superb aviation and boat handling capabilities, LCSs will be an important part of our future Fleet. This spring we forward deployed the first LCS, USS *Freedom*, to Singapore and will forward deploy four by calendar year 2016. Crew rotation plans will allow for substantially more LCS forward presence than the frigates, Mine Counter-Measures ships, and coastal patrol craft they will replace, and will free our multi-mission capable destroyers for more complex missions. The Department remains fully committed to our plan of purchasing 52 Littoral Combat Ships.

Amphibious Ships

Thirty amphibious landing ships can support a two-Marine Expeditionary Brigade (MEB) forcible entry operation, with some risk. To generate 30 operationally available ships, the strategic review envisions an amphibious force consisting of 33 ships total. The objective fleet will consist of 11 big deck Amphibious ships (LHA/LHD), 11 Amphibious Transport Docks (LPD), and 10 Landing Ship Dock (LSD). To support routine forward deployments of Marine Expeditionary Units (MEUs), the amphibious force will be organized into nine, three-ship Amphibious Ready Groups (ARGs) and one four-ship ARG forward based in Japan, plus an additional big-deck Amphibious ship available to support contingency operations worldwide.

Afloat Forward Staging Bases (AFSBs)

The Navy is proposing to procure a fourth Mobile Landing Platform (MLP) in fiscal year 2014, configured to serve as an Afloat Forward Staging Base (AFSB). This AFSB will fulfill an urgent Combatant Commander requirement for sea-based support for mine warfare, Special Operations Forces (SOF), Intelligence, Surveillance and Reconnaissance (ISR), and other operations. The work demonstrated by the interim AFSB, USS *Ponce*, has been very encouraging. To speed this capability into the fleet, and to ultimately provide for continuous AFSB support anywhere in the world, we are designing and building the fiscal year 2012 MLP 3 to the AFSB configuration, resulting in a final force of two MLPs and two AFSBs. This mix will alleviate the demands on an already stressed surface combatant and amphibious fleet while reducing our reliance on shore-based infrastructure and preserving an important part of our shipbuilding industrial base.

Naval Aviation

The Department continues to evaluate the needs of naval aviation to ensure the most efficient and capable force in line with the Defense Strategic Guidance. The Navy procured the final F/A-18 Super Hornet in fiscal year 2013 for delivery in fiscal year 2015 for a total of 552 aircraft. EA-18 Growler will complete program of record procurement with 21 EA-18G in fiscal year 2014 for delivery in fiscal year 2016 for a total of 135 aircraft. The Department's review of aviation requirements has validated the decision to purchase 680 Navy and Marine Corps F-35s. The F-35 procurement remains steady, with 4 F-35C and 6 F-35B. The Marine Corps stood up the first F-35 operational squadron, VMFA-121, in November, 2012. The Fleet Replacement Squadron, VFA-101, is expected to receive its first F-35C in April 2013.

The Department of the Navy continues to monitor strike fighter capacity. Changes in the USMC force structure, accelerated transition from the legacy Hornet aircraft to the Super Hornets, high flight hour extensions for legacy Hornets and lowered utilization rates resulted in an appropriately sized strike fighter aircraft inventory. Based on current assumptions and plans, strike fighter aircraft shortfall is predicted to remain below a manageable 29 aircraft through 2023, with some risk.

In the long term, the Navy will need to replace its F/A-18E/F Fleet. Pre-Milestone A activities are underway to define the follow-on F/A-XX aircraft. Navy continues to develop the first-generation Unmanned Carrier-Launched Airborne Surveillance and Strike System (UCLASS), which will provide long-range, persistent ISR&T with precision strike capability, enhancing the carrier's future ability to provide support across the range of military operations in 2020 and beyond. UCLASS will utilize the flexibility and access inherent in carrier operations to provide the Joint Force and Combatant Commanders with on demand intelligence and strike capability against time-sensitive targets while on station.

In fiscal year 2014 the DON is seeking approval for a MYP of 32 E-2D aircraft over a longer term than originally proposed. Over the FYDP, purchases of P-8s have been reduced by eight aircraft, which reflects the Department's intent to procure all the aircraft originally planned, but at a slower rate in order to distribute the costs more evenly.

MARINE CORPS

As the Nation's ready response force, the Marine Corps, by definition, remains at a high state of readiness. The demands of a ready force require careful balance across these accounts to avoid a hollowing of the force. The Department is executing an approved multi-year plan to draw down the Corps from an end strength of 202,100 in early 2012 to 182,100 by the end of fiscal year 2016. The drawdown is on pace at approximately 5,000 Marines per year and anticipates that voluntary separations will be adequate to meet this planned rate. The Marines will resort to involuntary separations only if absolutely necessary. But, no matter how a Marine

leaves, we remain committed to providing effective transition assistance and family support.

The Joint Strike Fighter continues as the Marine Corps number one aviation program. The F-35 will replace the Marine Corps' aging legacy tactical fleet; the F/A-18A-D Hornet, the AV-8B Harrier and the EA-6B Prowler, bringing the force to one common tactical fixed-wing aircraft. The integration of F-35B will provide the dominant, multi-role, fifth-generation capabilities needed across the full spectrum of combat operations, particularly to the Marine Air Ground Task Force (MAGTF) and the Joint Force. Having successfully completed initial ship trials, dropping a variety of ordnance and completing hundreds of successful test flights, the F-35B continues to make significant progress, culminating with the standup this past November of the first operational JSF squadron, VMFA-121, in Yuma, AZ.

The Marine Corps' ground vehicle programs are also a critical element of revitalizing the force after age and operational tempo have taken their toll on the equipment. Two key programs for the Ground Combat Elements are the Joint Light Tactical Vehicle (JLTV) and the Amphibious Combat Vehicle (ACV). The JLTV will provide the Marine Corps tactical mobility with a modern expeditionary light utility vehicle. The initial planned purchase of 5,500 vehicles has been reduced based on our constrained fiscal environment, and the Marine Corps will need to refurbish the remaining High Mobility Multi-Purpose Wheeled Vehicle (HMMWV) fleet in order to fill out less dangerous missions. The ACV is central to the Marine Corps role as an amphibious force providing forcible entry and crisis response. The ACV program will develop the next generation amphibious, armored personnel carrier that will help ensure the Marine Corps can continue to bridge the sea and land domains. The Marines' Light Armor Vehicle (LAV) Mobility and Obsolescence program is on track to extend the service life of the LAV by replacing or upgrading several components including the suspension and drive systems. The Marine Corps' ability to exploit an obsolete but already produced suspension system from the Army's Stryker vehicles has saved at least \$162 million taxpayer dollars.

Of particular concern is the fact that the Marine Corps modernization accounts represent only 14 percent of the Marines' total obligation authority. Because of this level of modernization funding, even proportional cuts have disproportionate impact on the many small programs essential to modernization of the Corps. Combining this with efforts to reconstitute the force as it returns from Afghanistan, our reset strategy, which focuses on the most economical way to restore equipment readiness, is vital to the Marine Corps' future.

Keeping faith with our Marines as we reduce the force, maintaining our plans for the modernization of the force, and resetting our equipment after a decade in combat depend on appropriate funding.

CONCLUSION

The Founding Fathers, in their wisdom, placed in the Constitution the requirement that Congress "provide for and maintain a Navy." In the 21st Century, that force is as vital, or more so, to our national security as it has been throughout our Nation's history. As we commemorate the bicentennial of the Battle of Lake Erie, we continue to recognize our Navy's history in the War of 1812. Captain Oliver Hazard Perry led his men through a bloody battle, in the end reporting that "we have met the enemy, and they are ours." It was the first time that an entire squadron of the Royal Navy surrendered to an enemy force. The battle was a critical naval victory and represents more than just the skill and daring of our Navy in the Age of Sail. The joint operations that followed, with Perry's naval forces conducting an amphibious landing and providing naval gunfire support for an Army invasion of Canada, were early examples of joint power projection. It serves as a reminder that the Navy and Marine-Corps Team has a vital role to play in the defense of our Nation, but is a teammate with our joint partners who all contribute to success and victory.

The goals and programs we have discussed today will determine our future as a global force. We have worked to streamline our processes and increase efficiency, to work toward innovative new solutions to our 21st Century problems, and to eliminate programs that no longer apply in the current strategic environment. We have done this to ensure that we retain the ability to deter regional conflict and respond rapidly and decisively to emerging crises.

Our specific requests are reflected in the President's fiscal year 2014 budget submission. Today's economic environment and our Nation's fiscal constraints demand strict stewardship and leadership. The process by which we arrived at the Department's budget requests was determined, deliberate, and dedicated to our responsibility to you and the taxpayer. I can assure you that the Department has thoroughly

considered the risks and applied our available resources efficiently and carefully to align our request with the President's Defense Strategic Guidance.

Today, your Navy and Marine Corps are deployed across the spectrum of military engagement around the world, from direct combat operations to providing security in the maritime domain to humanitarian assistance. Our Sailors and Marines often seem to be everywhere except at home. Their hard work and success are based on the unparalleled professionalism, skill, and dedication that ensure their dominance in every clime and place. The Commandant, CNO, and I look forward to answering your questions. This Committee's continued and enduring support for our policies, payloads, platforms, and people enables us to fulfill the historic charge of the Founders to sail as the Shield of the Republic.

Thank you.

Senator DURBIN. Thank you, Mr. Secretary.

Now the Chief of Naval Operations, Admiral Jonathan Greenert. Your written statement will be made part of the record.

STATEMENT OF ADMIRAL JONATHAN W. GREENERT, CHIEF OF NAVAL OPERATIONS, UNITED STATES NAVY

Admiral GREENERT. Thank you, Mr. Chairman. Chairman Durbin, Chairwoman Mikulski, Vice Chairman Cochran, and distinguished members of the committee, it is my pleasure to appear before you today to testify on the Navy's fiscal year 2014 budget and our posture. I am honored to represent the 613,000 Active and Reserve sailors, Navy civilians, and their families who are serving today.

I want to thank the committee for Public Law 113-6. That bill, that appropriation, made a huge impact on our readiness, and I thank you all very much individually and collectively for your dedication to that.

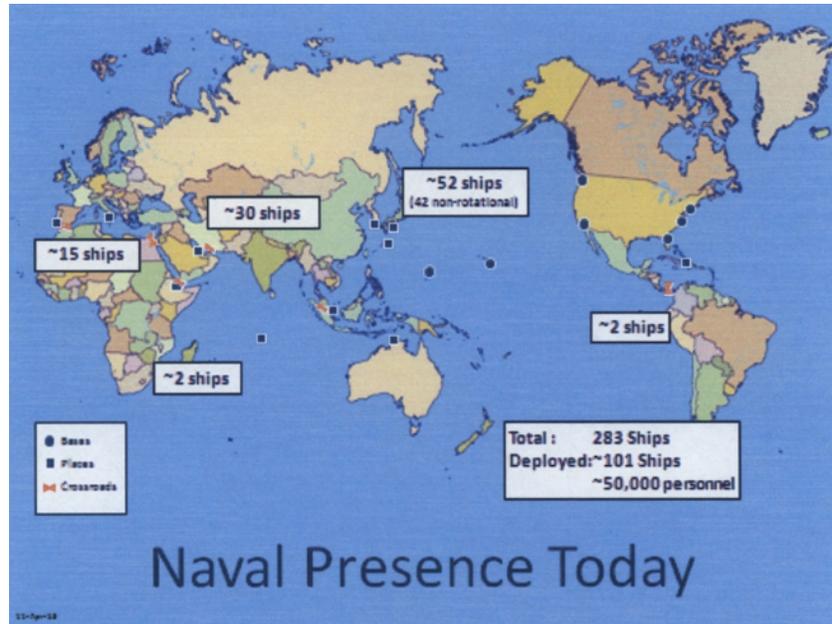
This morning, I would like to address three points: Our enduring tenets for decisionmaking, our budget strategy for 2013 and the subsequent carryover that we will have as we go into 2014, and our intended course in 2014.

Two important characteristics of our naval forces describe our mandate, and that is that we will operate forward where it matters, and that we will be ready when it matters. Our fundamental approach to meeting this responsibility remains unchanged.

We organize, man, train, and equip the Navy by viewing our decisions through what I would call lens or tenets, and they are war fighting is first, we will operate forward, and we need to be ready. Regardless of the size of our budget or the size of our fleet, these three tenets are the lens through which we will evaluate all of our decisions.

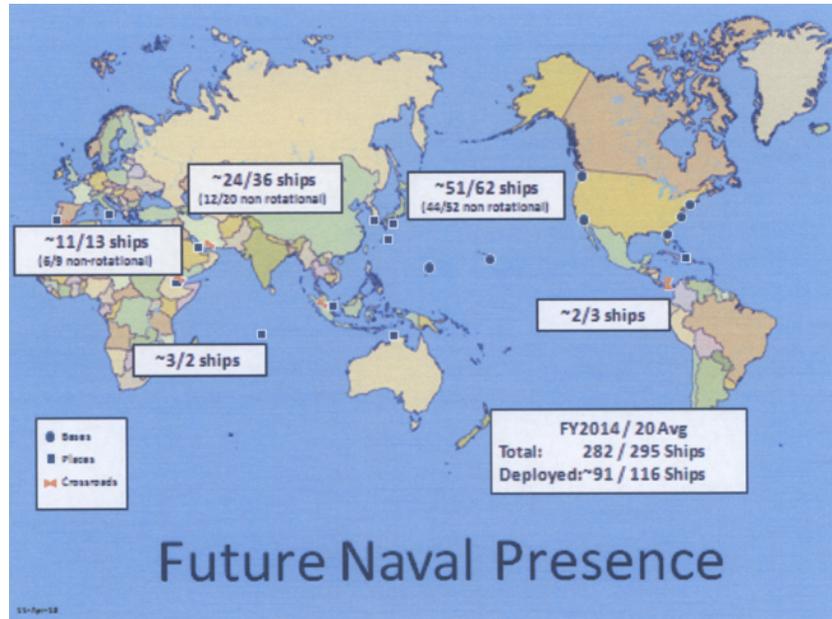
If you refer to the chart that I have provided for you that is in front, you will see that on any given day we have about 50,000 sailors and 100 ships deployed overseas, providing a forward presence around the world.

[The chart follows:]



Admiral GREENERT. The orange kind of bow ties on the chart represent what I call maritime crossroads in and around the world where shipping lanes and our security concerns tend to intersect.

A unique strength of your fleet is that it operates forward from bases represented by circles in the continental United States, and outside the continental United States, and from places that are provided by partner nations. And they are represented there on your chart by squares. These places are critical to your Navy being where it matters because they enable us to respond rapidly to crises, and they enable us to sustain forward presence with fewer ships by reducing the number of ships that need to be on rotational deployment.



Admiral GREENERT. The reverse of the chart will describe the plan for our deployments in the future, clearly showing the rebalance and shifts to the Asia-Pacific region while sustaining our presence in the Middle East.

Now in February, we faced a shortfall of about \$8.6 billion in our 2013 operations and maintenance account. Since then, thanks to the efforts of this committee in particular, we received a 2013 appropriation in March. In accordance with our priorities and our tenets, we plan to invest our remaining 2013 operations and maintenance funds to fund our must-pay items, such as contracts, leases, and utilities to reconcile our 2013 presence with our combatant commanders, and to conduct training and maintenance for forces that will be next to deploy, and to prepare to meet the 2014 Global Force Management Allocation Plan. That is my covenant with the global combatant commanders, to provide forces. And lastly, to restore critical base operations and renovation projects.

Although we intend to meet our most critical operational commitments to the combatant commanders, sequestration leaves us with a \$4.1 billion operation and maintenance shortfall, and a \$6 billion investment shortfall in 2013. This will result in our surge capacity of fully mission capable carrier strike groups and amphibious ready groups, for example, being reduced by two-thirds through 2014. Further, we will have deferred about \$1.2 billion in facility maintenance as well as depot level maintenance for 84 aircraft and 184 aircraft engines.

All combined, our operations and maintenance and our investment shortfalls will leave us with a \$9 billion carryover challenge for 2014. A continuation of sequestration in 2014 will compound this carryover challenge from \$9 billion to \$23 billion. Further, the

accounts and the activities that we were able to protect in 2013, such as manpower, and nuclear maintenance, and critical fleet operations, will be liable to reduction in this scenario.

Our people have remained resilient in the face of this uncertainty, and I frankly have been amazed throughout this process with their patience and their dedication, both of our sailors and our civilians, and, of course, their families.

Our 2014 budget submission supports the defense strategic guidance that enables us to maintain our commitments in the Middle East and our rebalance to the Asia-Pacific. Now, we prepare the 2014 budget with the following priorities: One, to deliver overseas presence in accordance with the Global Force Management Plan; two, to continue our near-term investments to address challenges in the Middle East and the Asia-Pacific region; and three, to develop long-term capabilities at the appropriate capacity to address war fighting challenges in the Middle East and the Asia-Pacific region.

Our budget submission continues to invest in the future fleet. We have requested \$44 billion in ships, submarines, manned and unmanned aircraft, weapons, cyber, and other procurement programs, like the Joint Strike Fighter, combat ship, unmanned aerial vehicles, the DDG-1000, the P-8 Poseidon, just to name a few. These investments will deliver a fleet of 300 ships by 2019 with greater interoperability and greater flexibility when you compare it with today's fleet.

We continue also to fund important high technology and asymmetric capabilities, such as a laser weapon system for small boat and drone defense, which will deploy aboard the ship, *Ponce*, in the spring of 2014. Also in 2014, we will deploy on the carrier *George Herbert Walker Bush* a prototype system that was tested to detect and defeat advanced wake-homing torpedoes.

We continue to grow our manpower by about 4,600 sailors compared to our plan in last year's budget. These new sailors will reduce our manning gaps at sea, enhance Navy cyber capabilities, and improve our waterfront training.

We will continue to address critical readiness and safety degraders, such as sexual assault, suicides, operational tempo increase, and our at-sea manning.

PREPARED STATEMENT

Mr. Chairman, this budget places our Navy on a course which enables us to meet the requirements of defense strategic guidance today, while building a relative future force, and sustaining our manpower for tomorrow. We appreciate everything you and this committee do for our sailors and civilians of our Navy as well as their families. We again ask for your support in removing the burden of sequestration so that we may better train, better equip, and deploy these brave men and women in defense of our Nation.

Thank you.

[The statement follows:]

PREPARED STATEMENT OF ADMIRAL JONATHAN W. GREENERT

Chairman Durbin, Vice Chairman Cochran, distinguished members of the committee; it is my pleasure to appear before you today to testify on the Navy's fiscal

year 2014 budget and posture. I am honored to represent the approximately 613,000 active and reserve Sailors and Navy Civilians serving today, as well as their Families.

ESTABLISHING THE BASELINE FOR FISCAL YEAR 2014

Before discussing our fiscal year 2014 budget submission, we have to clarify our current situation in fiscal year 2013. This will form the baseline for our fiscal year 2014 program. In February, Navy faced a shortfall of about \$8.6 billion in our fiscal year 2013 operations and maintenance (O&M) account due to a combination of requirements growth, the Continuing Resolution and sequestration. Since then, thanks to the Congress's efforts, we received a fiscal year 2013 appropriation in March as part of the Consolidated and Further Continuing Appropriations Act of 2013. This appropriation restored about \$4.5 billion toward our total need in operations and maintenance. As a result, we have a fiscal year 2013 shortfall in operations and maintenance of about \$4.1 billion, approximately 10 percent of the planned amount for this fiscal year.

In accordance with our priorities and strategy, we are applying our remaining O&M funds to the following:

- Pay "Must Pay Bills"*.—Ensure we have funding for bills such as utilities, contracts, and reimbursables.
- Reconcile Fiscal Year 2013 Readiness*.—Sustain operations and maintenance for the priority forces in accordance with the defense strategy that will deploy to meet the current approved fiscal year 2013 Global Force Management Allocation Plan (GFMAP), which describes the forces required to be provided by the services to the Combatant Commanders (CCDR) as directed by the Secretary of Defense. Our remaining spending plan for fiscal year 2013 will address furloughs of Civilians and sustain non-deployed ship and aircraft operations so appropriate forces prepare to deploy, and other forces operate enough to be able to safely respond if needed to support homeland defense.
- Prepare To Meet Fiscal Year 2014 GFMAP*.—Conduct training and maintenance for forces that will deploy as part of the fiscal year 2014 GFMAP, including guided missile destroyers (DDG) transferring to Rota, Spain as part of the Forward Deployed Naval Force (FDNF).
- Restore Critical Base Operations and Renovation*.—Sustain base infrastructure and port and airfield operations to support training and deployments needed for the fiscal year 2013 and fiscal year 2014 GFMAP. We will also conduct health and safety-related facility repairs and continue high-return energy efficiency projects.

However, sequestration will result in a fleet and bases less ready than planned. For example, at sea we were compelled to recommend the fiscal year 2013 GFMAP be changed to cancel one ship deployment to the Pacific, two ship deployments to Europe and cancel all but one fiscal year 2013 ship deployment to U.S. Southern Command. We continue to evaluate opportunities to add deployments to these regions as our fiscal position becomes clearer. In addition to reducing overseas deployments, we will also reduce the amount of operations and training our ships and aircraft will conduct when not deployed.

And, we reduced maintenance, including deferral of depot maintenance on 84 aircraft and 184 engines, and reducing the scope of two ship maintenance availabilities. We plan to recover this backlog during fiscal year 2014. With the Congress's approval of our proposed fiscal year 2013 reprogramming, we will restore all of our planned ship maintenance availabilities remaining in fiscal year 2013.

The impact of reduced fleet operations and maintenance will be less surge capacity, but we will retain the ability to support the fiscal year 2014 GFMAP. All our forces deploying in fiscal year 2013 and fiscal year 2014, including two carrier strike groups (CSG) and two amphibious ready groups (ARG) (one each in the Middle East and the Asia-Pacific), will be fully mission-capable and certified for Major Combat Operations. All our forces supporting operations in Afghanistan, where Navy aircraft fly about one-third of all tactical sorties, will also be fully mission-capable and certified. For surge, we will retain one additional CSG and ARG in the United States that are fully mission-capable, certified for Major Combat Operations and available to deploy within 1–2 weeks. This is about one-third of our normal surge capacity. Overall, due to reduced training and maintenance, about two-third of the fleet will be less than fully mission capable and not certified for Major Combat Operations. Historically, about half of our fleet is in this status, since ships and squadrons are in training or maintenance preparing for their next deployment. While these forces will not be ready or certified to deploy overseas, they will remain able to respond, if needed, to support homeland defense missions.

Ashore, we deferred about 16 percent of our planned fiscal year 2013 shore facility sustainment and upgrades, about \$1.2 billion worth of work. Recovering these projects could take 5 years or more, and in the meantime, our shore facility condition will degrade. We were able to sustain our Sailor and Family Readiness programs through fiscal year 2013, including Child Development Centers, Fleet and Family Support Centers, and Sexual Assault and Prevention programs. We also fully funded a judicious Tuition Assistance program for our Sailors. Despite these efforts to reduce the impact of sequestration on our people, however, we must still consider furloughs for our Navy Civilians.

Sequestration reduced the fiscal year 2013 funding for each of our investment programs by about eight percent, or about \$6.1 billion total. We are still reconciling the impact of this reduction, but due to the mechanics of sequestration and limited reprogramming authorized by the fiscal year 2013 Defense Appropriations Act it is likely we will be compelled to reduce the number of weapons we purchase and the number of aircraft we buy in some of our aviation programs due to the reduction—including one E-2D *Hawkeye*, one F-35C *Lightning II*, one P-8A *Poseidon* and two MQ-8C *Firescout*. Our ship construction programs will need to restructure schedules and shift some outfitting costs to future years to address the nearly 8 percent sequestration reduction in fiscal year 2013. This will pass on “costs to complete” that will need to be reconciled in future years. These costs will not be an insignificant challenge as they may compel Navy to cancel the procurement of future ships to complete outfitting ships that are nearing delivery.

THE IMPACT OF CONTINUED UNCERTAINTY

Over the past 4 months we slowed our spending, stopped new program starts, and proceeded very deliberately in choosing our operations, deployments, and investments. We brought “all hands on deck” to work on revised plans for everything from how we provide presence to what we buy in fiscal year 2013. In the Fleet, this is standard procedure for proceeding through a fog bank—slow, deliberate and with limited visibility ahead; effectively, most other operations and planning stop because of the dangerous near-term situation. With a fiscal year 2013 appropriation, we are now coming out of this “fog,” increasing speed, heading toward a national future, and reestablishing momentum behind our top priorities.

This momentum, however, may be short-lived. While the fiscal year 2014 budget submission includes deficit reduction proposals beyond that called for by the Budget Control Act of 2011 (BCA), it requires the BCA’s lower discretionary budget caps are replaced in fiscal year 2014 and beyond. If the discretionary caps are not revised, our fiscal year 2014 obligation authority could be reduced \$10–14 billion. This would compel Navy to again dramatically reduce operations, maintenance and procurement in fiscal year 2014, preventing us from meeting the fiscal year 2014 GFMAP and negatively impacting the industrial base. While military personnel compensation was exempted in sequestration during fiscal year 2013, if the lower discretionary budget caps of the BCA are retained, we will evaluate options to reduce personnel and personnel costs, including compensation and entitlements.

The uncertainty inherent in our fiscal outlook prevents effective long-term planning and will begin to affect the “Health of the Force.” We can ill-afford the distraction of planning for multiple budget contingencies, stopping and restarting maintenance, changing operational schedules and restructuring investment programs. This constant change negatively impacts our Sailors and Civilians and their Families here at headquarters and in the Fleet. It also precludes us from looking long-term at how we should build, train, develop and posture the future force as we end two land wars in Middle East and rebalance our effort toward the Asia-Pacific.

To begin planning for the long-term and ensure we are realistically confronting our strategic and fiscal challenges, the Secretary of Defense ordered a Strategic Choices and Management Review (SCMR). The review does not assume or accept that deep reductions to defense spending, such as those from sequestration, will endure or that they could be accommodated without a significant reduction in military capabilities. The review does reflect the Secretary’s view that the Department of Defense must constantly examine the choices that underlie our defense strategy, posture, and investments, including all past assumptions.

The SCMR will consider the 2012 Defense Strategic Guidance as the point of departure. It will define the major strategic choices and institutional challenges affecting the defense posture in the decade ahead that must be made to preserve and adapt defense strategy and management under a wide range of future circumstances. The results of this review will frame the Secretary’s guidance for the fiscal year 2015 budget and will ultimately be the foundation for the Quadrennial Defense Review due to Congress in February 2014.

OUR STRATEGIC APPROACH

Our first responsibility is to ensure Navy is able to deliver the overseas presence and capabilities required by our Defense Strategic Guidance (DSG) “Sustaining U.S. Global Leadership: Priorities for 21st Century Defense”, as manifested in the GFMAP.

Our mandate per the DSG is to be present overseas where it matters, and to be ready when it matters. A central element of the DSG to Navy is to field a ready force, with the right capabilities, postured in each region. The DSG concludes that a prompt, credible response by forward U.S. forces can demonstrate American resolve and can blunt the initial actions of an aggressor. This can in turn deter, assure, and—if necessary—control escalation, contain the conflict and prevent it from growing into a larger war.

Our fundamental approach to making decisions and implementing the DSG is unchanged since I assumed the office of the Chief of Naval Operations. We organize, man, train and equip the Navy by viewing our decisions through three lenses, or tenets. They are: Warfighting First, Operate Forward, and Be Ready. Regardless of the size of our budget or our fleet, these tenets are the key considerations we apply to each decision.

Warfighting First

“Warfighting First” is a first principle. It is our fundamental responsibility; each decision inherent in our fiscal year 2014 program was viewed in terms of its impact on warfighting. Our forces must have relevant warfighting capability today to be credible—not at some point in the future. If the credibility of our forces is lost (or perceived lost) they cannot rebuild it easily or quickly. In developing our fiscal year 2014 budget submission we did not “let perfect be the enemy of good—or good enough.” For example, if a new system or capability would provide a probability of successfully defeating a threat 60 percent of the time, we will deploy it, particularly if today’s probability of success is zero percent.

To develop future capability, “Warfighting First” compels us to look for the most effective way to defeat a threat or deliver an effect that can be realistically fielded, efficiently. The logic we use to identify our most effective capabilities is to analyze the adversary’s “kill chain” or “effects chain” and pursue an asymmetric means to “break the chain.” For example, to execute a successful attack, an adversary has to:

- Find the target.
- Determine the target’s location, course and speed (or relative motion).
- Communicate that information coherently to a platform or unit that can launch an attack.
- Execute an attack using anything from a kinetic weapon to electromagnetic systems to cyber.

Each (or any) of these “links” in the chain can be broken to defeat the threat. But some are more vulnerable than others and kinetic effects are not always the best way to break the chain. So instead of overinvesting and trying to break every part of the effects chain, we focus on those where the adversary has a vulnerability we can exploit or where we can leverage one of our own advantages asymmetrically.

Similarly, we analyze our own effects chains for strengths and weaknesses; our fiscal year 2014 budget submission emphasizes proven technologies that limit the adversary’s ability to defeat our ability to project power.

We addressed challenges in the Arabian Gulf throughout 2012 and into this year by emphasizing “Warfighting First.” For example, in response to a Central Command urgent request and with the help of Congress, we rapidly outfitted the amphibious ship USS *Ponce*, previously an amphibious ship slated for decommissioning, to be an Afloat Forward Staging Base-Interim (AFSB-I) in support of mine warfare and special operations forces in the Arabian Gulf. To improve our mine warfare capabilities we rapidly deployed Mark 18 mine-hunting unmanned underwater vehicles (UUV) and SEAFOX mine neutralization systems to *Ponce* and our mine-sweepers (MCM). These systems became force multipliers and enable our forces to find and/or clear mines twice as quickly as the forces we deployed to the Arabian Gulf in 2012—taking 1–2 weeks instead of 1–2 months depending on the size (and our knowledge) of the minefield. We tested these new capabilities and improved our ability to operate with a coalition by organizing and conducting an International Mine Countermeasures Exercise (IMCMEX) with 34 other navies in the Arabian Gulf last September. We will hold another IMCMEX next month.

In addition to improving our mine warfare capability in the Arabian Gulf, we increased our surveillance capability and our ability to counter fast attack craft and submarines in the region. Through rapid fielding efforts supported by the Secretary of Defense and the Congress, we added new electro-optical and infra-red sensors to

our nuclear aircraft carriers (CVN), upgraded the guns on our Patrol Coastal (PC) ships based in Bahrain, fielded upgraded torpedoes for our helicopters deployed in the Arabian Gulf and deployed additional anti-submarine warfare (ASW) sensors in the region. Each of these initiatives and our mine warfare improvements continue into fiscal year 2014 as part of our budget submission.

We also continued implementing the Air-Sea Battle concept as part of “Warfighting First.” We practiced and refined the concept in war games and real-world exercises including VALIANT SHIELD and Rim of the Pacific (RIMPAC) last summer. RIMPAC brought together 40 ships and submarines, more than 200 aircraft and over 25,000 personnel from 22 nations, including Russia and India for the first time. RIMPAC enabled forces to practice high-end ballistic missile defense, surface warfare and anti-submarine warfare in simulations and more than 70 live-fire missile and torpedo events. RIMPAC 14, supported by our fiscal year 2014 budget submission, will include as many or more live-fire events and nations, including China for the first time.

We reinvigorated our efforts to conduct integrated operations with the Marine Corps as the war in Afghanistan draws down and demands for naval crisis response grow in the Mediterranean and Middle East. The Navy-Marine Corps team conducted BOLD ALLIGATOR in 2012; our largest amphibious exercise in more than a decade, yielding dozens of lessons learned which we are incorporating into our capability development efforts. Some of these changes, particularly in command control organizations and communications systems, are reflected in our fiscal year 2014 program. BOLD ALLIGATOR 14, supported by our fiscal year 2014 budget submission, will build on the results of last year’s exercise and will explore the concepts and capabilities needed for a range of amphibious operations from single ARG up to large-scale amphibious assaults.

Operate Forward

The Navy and Marine Corps are our Nation’s “away team” and first responders to crisis. History has demonstrated that the Navy is at its best when we are forward and ready to respond where it matters, when it matters. To “operate forward” we focus our deployed presence at strategic maritime crossroads such as the Straits of Malacca and Hormuz or the Suez and Panama Canals. It is in these areas and others where sea lanes, resources and vital U.S. interests intersect that influence matters most.

On any given day, about 50,000 of our Sailors are underway on 145 ships and submarines, 100 of them deployed overseas as depicted in Figure 1. They are joined by about 125 land-based patrol aircraft and helicopters, 1,000 information dominance personnel, 1,000 Naval Special Warfare operators, and 4,000 Naval Combat Expeditionary Command Sailors on the ground and in inland waters.

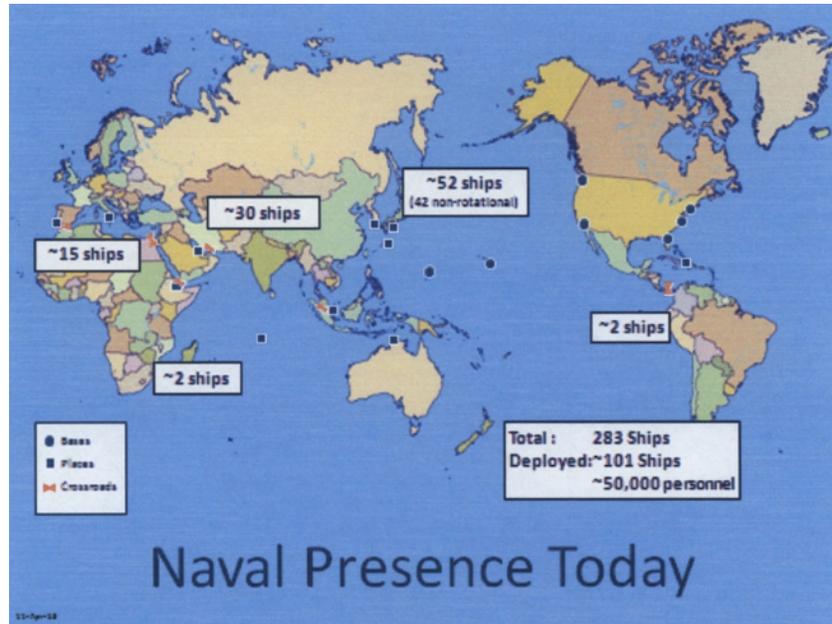


FIGURE 1

The tenet “Operate Forward” compels us to look for new ways to increase the amount of presence we can deliver at the right places—and to do so more efficiently. Each of these ways places ships overseas where they deliver continuous (“non-rotational”) presence, instead of having to deploy from the continental United States (CONUS) to provide “rotational” presence. One ship operating from an overseas port in this manner provides the same presence as about four ships operating from homeports in the United States.

There are two basic ways in which we can sustain ships overseas:

- Ships can be homeported overseas as part of the Forward Deployed Naval Force (FDNF) with their Sailors and their Families as we do in Japan and will soon do in Rota, Spain. This provides continuous presence, immediate response to crisis, and the means to build a strong relationship with the host nation.
- Ships can also Forward Station overseas and be manned by civilian or military crews that rotate out to the ship. Rotating civilian crews man our Mobile Landing Platform (MLP), Joint High Speed Vessel (JHSV), Afloat Forward Staging Base (AFSB) and Combat Logistics Force (CLF) ships. Rotating military crews man our Littoral Combat Ship (LCS) and nuclear guided missile submarines (SSGN).

Both of these ways of operating forward rely on “places” overseas where our partners and allies allow us to use their facilities to rest, repair, resupply and refuel. Our fiscal year 2014 budget submission continues to sustain development of these facilities. Overseas military construction (MILCON) for these facilities comprises only 27 percent of our fiscal year 2014 MILCON program funding, a slightly smaller percentage than in fiscal year 2013. These 8 projects will provide essential support facilities at “bases” and “places” around the world such as Guam and Japan. Without this investment our forces will be less able to operate forward and more dependent on support from CONUS.

Our posture in the Arabian Gulf will improve this year with the addition of three PCs in Bahrain for a total of eight. Further, our fiscal year 2014 program supports the homeporting of two more PCs there for a total of 10 by the end of fiscal year 2014. During fiscal year 2013 we will permanently homeport all our PCs and our four MCMs in Bahrain, instead of manning them with crews rotating from the United States. This will increase the crews’ proficiency and continue to build our relationship with partners throughout the Arabian Gulf.

In Europe, we continued preparations for the planned move of four destroyers to Rota, Spain, which highlights the benefit of FDNF ships. Conducting the European ballistic missile defense (BMD) mission today takes 10 ships deploying from CONUS. This same mission can be done with four destroyers based forward, freeing up six rotationally deployed destroyers to deploy to other regions such as the Asia-Pacific.

In the Pacific, we deployed our first LCS, USS *Freedom*, to Singapore where it will remain for two crew rotations (8 months) to evaluate LCS operational concepts. Our posture in the Asia-Pacific will increase as part of the Department's overall rebalance to the region. Our fiscal year 2014 program supports the basing of another nuclear attack submarine (SSN) in Guam (for a total of four) and the increase in the number of LCS operating from Singapore to four by fiscal year 2017. In addition to the increase in rotational forces made available by FDNF DDG in Rota and the introduction of new ships such as JHSV in Africa and South America, our efforts to shift 60 percent of our fleet to Pacific homeports will increase our day-to-day presence there by 15–20 percent.

Fundamentally, “operate forward” is about making the most effective and efficient use of what we own. Each of these initiatives reflects that idea.

Be Ready

Our fleet must be ready to meet today's challenges, today. This means more than ensuring maintenance is done and parts and fuel are on hand. Those elements are essential to readiness, but our tenet to “Be Ready” requires that our Sailors be confident in their abilities and equipment and proficient in their operations. “Be Ready” compels us in our decisionmaking to always consider what our Sailors need to be confident and proficient. We will buy proven technology that our Sailors can use and depend on instead of new, unproven equipment. We will use empirical data, such as Board of Inspection and Survey reports, as much as possible in our decision-making. This is what our Sailors experience and we must work to make them as confident as possible in the warfighting capability of themselves and their gear. Applying our tenet to “Be Ready” requires that we consider all the factors that will detract from our Sailors' ability to effectively fight when the time comes.

In the past year we increased the proficiency of our Sailors by conducting more live-fire and practical training events. In addition to exercises such as RIMPAC and BOLD ALLIGATOR, we increased live-fire air defense and surface warfare and practical ASW training in our preparations for deployment and purchased additional training missiles, sonobuoys, ammunition and targets. To enhance the proficiency of our operators more efficiently, we funded completion and installation of trainers for new systems such as the P-8A *Poseidon*, E/A-18G *Growler* and LCS.

CURRENT CONCERNS

We are encountering four major factors now that detract from our Sailors' readiness and hinder our ability to make progress in line toward the vision described in Sailing Directions. They are: Sexual assault, suicide, at-sea manning shortfalls, and high operational tempo.

Sexual Assault.—Sexual assault is a crime that happens to about two Sailors every day. Sexual assault creates an unsafe workplace and degrades the readiness of our ships and squadrons. Last year we began a concentrated effort to change our culture and get after sexual assault in our Navy. We implemented a series of measures, including:

- Completed training for all Navy military personnel, conducted by mobile training teams of experts in sexual assault prevention and response. We have received superb feedback on this training.
- Refined our reporting criteria for sexual assault to help understand victim and offender demographics, find out where these attacks happen and focus our efforts accordingly. We also required that all sexual assault incidents be briefed by unit commanders to the first flag officer in the chain of command.
- Established programs in Fleet Concentration Areas such as our Great Lakes training facility and San Diego which reduced the number of reported sexual assaults—by 60 percent in the 20-month program at Great Lakes. We established a similar program in San Diego in December 2012 and will implement programs in Europe and Japan this summer. Our San Diego program provided insights that enabled us to address contributors to sexual assault there, and we are seeing a near-term downward trend in the number of San Diego-area Navy sexual assault reports—we'll watch this closely.
- Continued quarterly meetings with all Navy 4-star commanders to review the data from our “first flag officer” reports, refine our plan and adjust our approaches as needed.

We are seeing some clear trends regarding sexual assault in the Navy. There appears to be less stigma associated with reporting sexual assault, as indicated by an increased number of sexual assault reports—in particular delayed reports of sexual assaults that occurred weeks or months earlier. Most sexual assaults are Sailors assaulting other Sailors; most victims and offenders are junior Sailors; more than half of incidents occur on base or on ship; and alcohol is a factor in the majority of sexual assaults. We are applying these findings to develop our efforts to prevent sexual assault. I see a great opportunity for future success in three main areas:

- Disrupting the “Continuum of Harm”*.—Or the chain of events and contributors that tend to be associated with sexual assault. We continue to focus, in particular, on alcohol as a factor in sexual assault. This year we fielded Alcohol Detection Devices to the fleet to help educate Sailors on their alcohol use.
- Prosecuting the offenders using specially trained investigators, victim advocates, prosecutors, and paralegals. As part of this effort we established dedicated Naval Criminal Investigative Service (NCIS) agent-teams in Norfolk, San Diego, Bangor, and Okinawa that exclusively handle adult sexual assault investigations. In Norfolk, these teams reduced the average sexual assault investigation timeline from 324 days to 80 days. NCIS is expanding this model during fiscal year 2013 to Yokosuka, Japan, Hawaii and Mayport, Florida.
- Support for Victims*.—We prioritized prompt and effective care for victims of sexual assault that maximizes the ability to apprehend offenders. We continue to train and qualify our military and civilian medical care workers to conduct Sexual Assault Forensic Exam (SAFE); all our Military Treatment Facilities and operational settings will be able to perform SAFE exams by the end of this fiscal year. To support victims through the investigation and judicial process we will complete professionalizing our Sexual Assault Response Coordinator (SARC) and Victim Advocate (VA) cadre by hiring 10 additional SARCs and 66 full-time VAs in fiscal year 2013.

Suicide.—Suicide is a growing problem in our Nation, our military, and our Navy. The number of suicides per 100,000 Sailors per year has risen steadily from 13 2 years ago to 16 in the last 12 months. To help address this trend, Navy stood up a task force to examine Navy suicide prevention and resilience-building programs as well as evaluate DOD, other service, and non-DOD approaches and programs. The task force completed their assessment this month and is providing a comprehensive set of actions for implementation. Their findings showed that while no program to date has stopped suicides in the military, there are some key factors contributing to suicide that we can address. Their recommendations are being incorporated into our existing efforts to prevent suicide, focused on education and awareness; intervention; Sailor care; and continued assessment of our progress.

In particular, the task force will revise our current collection of 123 programs designed to improve resiliency or prevent suicide and focus them on the factors they found to be most effective at preventing suicide. We will implement many of these recommendations in fiscal year 2013 and into fiscal year 2014. The Navy also works with DOD’s Defense Suicide Prevention Office to promote awareness of the Military Crisis Line, a service that provides 24/7 confidential crisis support to those in the military and their families. This line provides immediate access to care for those who may be at risk for suicide, along with additional follow-up and connection with Metal health services.

At-Sea Manning Shortfalls.—Our goal for at-sea manning is 95 percent of billets filled and 90 percent “fitted” with a Sailor having the right specialty and seniority. At the start of fiscal year 2013, we were at about 90 percent fill and 85 percent fit—5 percent short of our goal in each measure and about 7,000 short of our goal in at-sea manning. We put in place a number of initiatives to shift more Sailors to sea including Sea Duty Incentive Pay, changes to Sea-Shore rotation and shifts of Reserve Component Sailors to Active Duty. We are on track to reach our fit and fill goals by the end of fiscal year 2013. An enduring factor behind at-sea manning shortfalls is the fact we are about 4,000 Sailors below our planned and budgeted end strength. To permanently address our end strength shortfall we increased accessions by 6,000 per year and broadened and increased reenlistment bonuses for undermanned ratings, adding bonuses for 18 specialties and increasing them for 42 more. We expect to reach our end strength goal by the end of fiscal year 2013.

High Operational Tempo (OPTEMPO).—Over the last decade, our fleet shrank by about 10 percent while our deployed presence remained about the same. As a result, each ship and aviation squadron spends on average about 15 percent more days away from home per year now than it did 10 years ago. This is an average, however. Our increased OPTEMPO is not evenly distributed. Our CSGs and ARGs will deploy on average 7–8 months in fiscal year 2013, but some will deploy for 9 months or more due to emergent maintenance or the effects of sequestration on operational

schedules. Our BMD ships are similarly deploying for about 9 months at a time. To better understand how unit OPTEMPO affects individual Sailors, this year we began monitoring the time each Sailor is away from home (ITEMPO) and will use this information to guide our future decisions. For the long term, however, we have to adopt a more sustainable process to provide ready forces. For that reason, we are shifting to a “supply-based” model to prepare forces for deployment starting in fiscal year 2014. As part of this we will revise our Fleet Readiness Training Plan (FRTP) to make it more predictable and provide more presence from the same size fleet.

When Sailors are gone up to 9 months at a time, Family readiness is vitally important. Our fiscal year 2014 budget submission sustains family support programs that provide counseling, education, child care and financial advice. We also continue developing our Sailors’ readiness and protection, safety, physical fitness, inclusion and continuum of service as part of our 21st Century Sailor and Marine initiative. The actions described above to address sexual assault and suicides are part of this initiative. To improve our resourcing, management and oversight of the programs that support our Sailors and their Families, I am reorganizing my personnel headquarters to bring all these aspects of a Sailors’ total health and personal readiness under a 21st Century Sailor office led by a 2-star Admiral.

Our responsibility of support to our Sailors and their Families is most important when they are wounded, ill or injured. Navy’s “Safe Harbor” program helps about 1200 Sailors and Coast Guardsmen and their Families through their recovery with travel orders for treatment, lodging, child and respite care, employment and education assistance, mental health assistance and career counseling. We implemented a campaign over the past year that increased enrollment in Safe Harbor 30 percent by reaching out to service members who were eligible but had not signed up. Our fiscal year 2014 budget submission sustains Safe Harbor and improves the program’s level of service.

OUR COURSE FOR FISCAL YEAR 2014

Our fiscal year 2014 budget submission implements the DSG and continues our current efforts by making decisions based on our three tenets. Our approach to building our fiscal year 2014 program focused on three main areas, in order:

- First, we ensured sufficient forces and readiness to provide the presence required to meet the current and projected future GFMAP.
- Second, we sustained our fiscal year 2013 investments required to support our critical near-term capability to perform DSG missions.
- Third, we addressed our most relevant future capability requirements to support the DSG missions.

The resulting fiscal year 2014 program and associated plans implement DSG direction to rebalance our effort toward the Asia-Pacific region, support our partners in the Middle East, sustain our alliance commitments in Europe and employ low-cost, small footprint approaches to security on other regions.

1. Delivering Presence.—Our fiscal year 2014 submission includes the investments in force structure needed to meet the presence requirements of the fiscal year 2014 GFMAP. Our investments in ships and aircraft are complemented with the funding for training, maintenance and operations necessary for readiness today and to ensure they can continue to provide presence over their expected service life. Figure 2 depicts the presence levels generated by our planned investments in the fiscal year 2014 Future Years Defense Program (FYDP). Figure 2 also includes the number of “non-rotational” ships that are either homeported in the region or are Forward Stationed in the region and manned by rotational crews from CONUS.

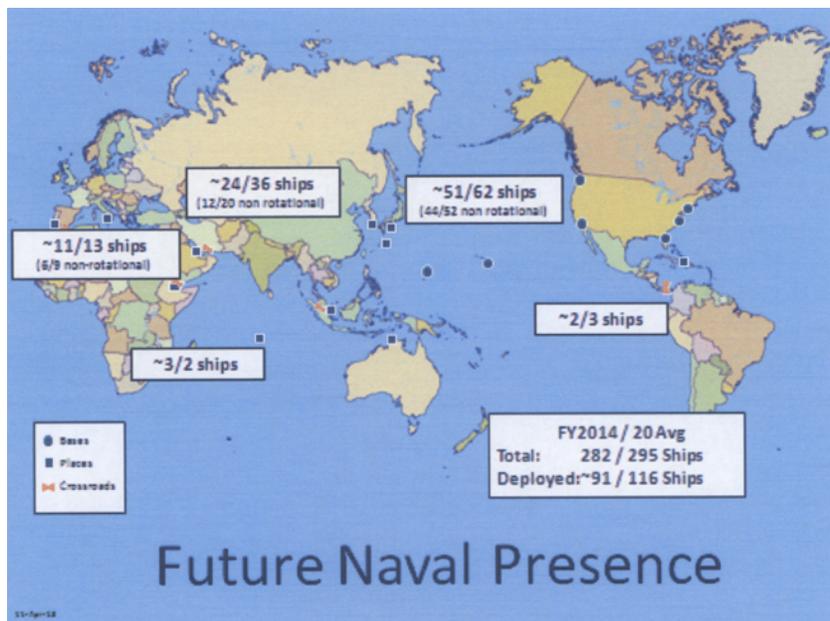


FIGURE 2

Shipbuilding.—We determined the number and type of ships required over the long-term through a comprehensive, analytically driven Force Structure Assessment (FSA). The FSA determined the day-to-day presence required to execute the DSG, informed by today's GFMAP and the introduction of new ships, systems or payloads, and concepts that deliver presence more efficiently or that better match capabilities to their theater. The FSA resulted in a required number of each type of ship to meet the projected presence requirements. Although presence is the governing factor for Navy force structure requirements, the FSA also ensured Navy's force structure would be sufficient to meet the surge requirements of CCDR operational plans and DOD Defense Planning Scenarios, informed by the DSG direction to reevaluate those plans in view of our resource limitations.

The FSA analysis resulted in a battle force requirement of 306 ships. This requirement is different from our previous 313-ship requirement because of: (1) reduced presence requirements resulting from the DSG's priorities; (2) increased forward basing of ships; (3) introduction of new payload capacity for SSNs (replacing the SSGNs); and (4) the increased use of ships manned with rotating civilian and military crews which provide more presence per ship.

Our fiscal year 2014 long-term shipbuilding plan is designed and planned to deliver the fleet, by ship type, required per our FSA over the long term. Over the fiscal year 2014–fiscal year 2018 FYDP our program will fund construction of 41 ships. Our investments are not programmed to reach the precise number and mix of ships within this FYDP, but do deliver a fleet of 300 ships by 2019 with increased capability and flexibility compared to the fleet of today. To meet the required force mix and number, however, Navy will need the means to resource, in particular, construction of the next generation nuclear ballistic missile submarine (SSBN). Deputy Secretary of Defense Carter acknowledged this resourcing challenge in his memo of March 2012 that forwarded the fiscal year 2013 Shipbuilding Plan to Congress.

Our fiscal year 2014 program continues the construction of ships that employ rotational military or civilian crews to improve their ability to operate and stay forward. Our fiscal year 2014 budget submission funds the final MLP, which will be configured as an AFSB and manned by rotating civilian crews with military detachments, and four LCS that will employ rotational military crews. During fiscal year 2014 we will deploy the first JHSV, USNS *Spearhead*, and continue the first deployment of USS *Freedom*. We will use these deployments to integrate these new, highly

adaptable platforms into the fleet and evaluate the ways we can employ their combination of persistent forward presence and flexible payload capacity.

During fiscal year 2014, seven ships will enter the fleet, including two new classes of ships. The first *Zumwalt* class DDG will deliver next year, bringing with it an all-electric integrated propulsion system and the Advanced Gun System, able to reach targets with precision up to 60 miles away. The amphibious assault ship *USS America* will join the fleet in fiscal year 2014 and empower new concepts for amphibious operations that take advantage of its expanded aviation capacity. Over the next 5 years, we will deliver 47 ships, including the *Gerald R. Ford*, the first of a new class of CVN that will provide much higher sortie generation with about 500 fewer Sailors.

Aviation.—Our aviation requirements are tied to requirements for the ships from which they operate, and on our required forward presence of land-based aircraft such as the P-8A *Poseidon*. Our fiscal year 2014 program invests in aircraft to meet those requirements. To support our carrier air wings and independent deploying ships, our fiscal year 2014 budget submission continues construction of the proven and adaptable MH-60R/S *Seahawk* and E-2D *Hawkeye*. We also continue investment in development and low-rate production of the F-35C *Lightning II* to replace our older F/A-18 *Hornet* models (A–D).

Readiness.—Our funded operations and maintenance in fiscal year 2013 will complete the manning, training, maintenance and other preparations necessary to enable Navy to meet the fiscal year 2014 GFMAP. Our fiscal year 2014 budget submission, combined with anticipated Overseas Contingency Operations (OCO) funding, fully funds our planned ship and aircraft maintenance and the ship and aircraft operations needed to execute the fiscal year 2014 GFMAP.

Our overall fiscal year 2014 readiness is dependent on OCO funding. OCO funding subsidizes about 20 percent of our ship and aircraft maintenance costs in fiscal year 2014, including depot maintenance, as our fleet supports operations in Afghanistan. We are requesting OCO funding for about 20 percent of our planned ship operations to support training and certification for deployment and deployed operations. Our dependence on OCO funding for baseline operations has decreased from \$3.3 billion in fiscal year 2011 to \$2.3 billion fiscal year 2013 as we “migrate OCO to base” funding. A more enduring funding strategy will eventually be required for Navy to maintain its current readiness and level of overseas presence into the future.

The Navy also continues to develop more efficient ways to generate presence. Our fiscal year 2014 budget submission requests investments needed to modify the Fleet Readiness Training Plan (FRTP), which is the means Navy uses to train and maintain ships and aircraft in our CSGs and ARGs in preparation for deployment. This change, called “Enhanced CSG Presence,” will enable increased overseas presence of rotationally-deployed CSGs by: lengthening the overall FRTP cycle; adding time for maintenance and training; and increasing the total deployed time of each CSG per operating cycle. This transition will take about 2 years to complete, but when completed we will have established a more sustainable process for training and maintaining our rotationally deploying ships, aircraft and crews.

Enhanced CSG Presence addresses increased use and increased overseas presence of CSGs over the last decade, since the current FRP was first developed. The current FRTP organizes the training and maintenance of ships and aircraft in the CSG to conduct one deployment (nominally 7 months) per 32-month cycle; the CSG is then available to deploy for contingencies for another 12 months. In the last several years, Requests For Forces (RFF) added to the GFMAP compelled Navy to routinely deploy CSGs twice in each operating cycle. This caused personnel to exceed DOD personnel tempo limits and expended the CVNs nuclear fuel at a higher rate than planned—causing some CVN to be constrained in the amount of operations they can do before they are refueled. Enhanced CSG Presence is designed to deploy CSGs twice each operating cycle while providing the time at home needed to stay within PERSTEMPO limits and maintain ships and aircraft. This model is more efficient because it trains and maintains the CSG once for up to two deployments. It is also a “supply-based” model because it delivers a set amount of overseas CSG presence and does not include “on demand” surge capacity except in most extreme contingencies. Our fiscal year 2014 program includes the near-term investment in personnel and shipyard capacity needed to implement Enhanced CSG Presence, but future investment in CVN and aircraft recapitalization may be needed to address increased usage over time.

Our shore establishment is a key contributor to our operational readiness. Sequestration in fiscal year 2013 reduced by more than half our planned facilities sustainment, renovation and modernization (FSRM) projects. This \$1.2 billion reduction in shore investment will be “carried over” into fiscal year 2014 and beyond

and will degrade our shore readiness over time. Our fiscal year 2014 budget submission funds FSRM at acceptable levels of risk overall, but this “carryover” will have to be addressed.

One particular area of emphasis in our facilities investment remains unaccompanied Sailor housing. In 2001, 21,000 of our junior Sailors had to live on their ship even when the ship was in port because there were no quarters ashore for them. Our military construction in fiscal year 2013 will complete our effort to provide every Sailor a room ashore by 2016, while our FSRM investments going forward will improve the quality of our Sailor’s quarters. These efforts are important to our Sailors’ quality of life and personal readiness, but also will improve the safety and security of our on-base housing.

Arctic.—Emerging projections assess that the Arctic will become passable for shipping several months out of the year within the next decade—about 10 years earlier than predicted in 2009 when we first published our Arctic Roadmap. This will place new demands on our fleet for presence in the Arctic and capabilities to operate in the Arctic environment. Between now and the start of fiscal year 2014 we will update our Arctic Roadmap, and accelerate many of the actions Navy will take in preparation for a more accessible Arctic. During fiscal year 2014 we will implement this revised roadmap, including developing with the U.S. Coast Guard plans for maintaining presence and search and rescue capability in the Arctic and pursuing exchanges with other Arctic countries to familiarize our Sailors with Arctic operations.

2. *Fielding Near-Term Capabilities.*—Mine warfare continues to be a significant emphasis in the near-term. Our fiscal year 2014 program increases investment in the new AQS-20 towed mine hunting sonar and the new unmanned surface vehicle that will tow it, freeing up manned helicopters and ships and further expanding our mine hunting capacity. Our budget submission funds upgrades for our existing helicopter-towed mine hunting sonar and MCM hull-mounted sonar and accelerates fielding of the Mk-18 UUV and Sea Fox mine neutralization system. To support our MCMs and PCs in Bahrain, Navy’s fiscal year 2014 program sustains USS *Ponce* as an AFSB-I in the Arabian Gulf and funds the outfitting of its replacement—the first MLP modified to be an AFSB.

To address the near-term threat from submarines, our fiscal year 2014 program sustains accelerated procurement of Mk-54 torpedoes, improves sustainment and replacement of today’s fixed and mobile undersea sensors and improves our current periscope detection radars on surface ships and aircraft. To counter wake-homing torpedoes we installed a prototype Surface Ship Torpedo Defense (SSTD) system on USS *George H.W. Bush* this year and it is being tested. The SSTD system will deploy with *Bush* during fiscal year 2014.

Small boats with explosives or anti-ship missiles remain a potential threat to our forces in the constrained waters of the Arabian Gulf. Our fiscal year 2014 program funds integration of the Advanced Precision Kill Weapon System (APKWS) onto our MH-60R helicopters to counter this threat. We also will test the new Laser Weapons System (LaWS) during fiscal year 2014 in the Arabian Gulf aboard USS *Ponce*. LaWS brings capabilities to defeat small boats and unmanned air vehicles (UAV) for about \$1 a shot compared to thousands or millions of dollars per artillery round or missile. To improve our ability to defeat larger surface combatants, our fiscal year 2014 program invests in development and testing of near-term modifications to existing weapons that would enable them to be used for surface warfare.

3. *Developing Future Capabilities.*—Our development of future capability is benchmarked to support our rebalance toward the Asia-Pacific and is guided in large part by the Air-Sea Battle concept, which implements the Joint Operational Access Concept. Both these concepts are designed to assure U.S. forces freedom of action and access to support deterrence, assurance of our allies and partners, and the ability to respond to crises. Our investments focus on assuring access in each domain, often by exploiting the asymmetric capability advantages of U.S. forces across domains.

Undersea.—Navy’s dominance of the undersea domain provides U.S. forces their most significant asymmetric advantage. Our fiscal year 2014 program continues improving our capability to deny the undersea to adversaries, while exploiting it for our own operations. Our ASW concepts combine U.S. air, space, cyber, surface and subsurface capabilities to prevent adversaries from effectively using the undersea domain. Navy’s fiscal year 2014 budget submission sustains and plans production of proven ASW platforms including MH-60R *Seahawk* helicopters, P-8A *Poseidon* maritime patrol aircraft, *Arleigh Burke* class destroyers and *Virginia* class nuclear submarines (SSN)—including a second SSN in fiscal year 2014 thanks to Congressional support in fiscal year 2013. Our budget submission also funds Advanced Airborne Sensors for the P-8A *Poseidon*, accelerates torpedo defense systems for our aircraft carriers, transitions the PLUS system to an acquisition program and improves Navy’s Integrated Undersea Surveillance System. To tie these manned and

unmanned air, surface and undersea systems together in a networked, our fiscal year 2014 budget submission continues development of the Undersea Warfare Decision Support System.

Our submarines and undersea vehicles can exploit their ability to circumvent anti-access challenges to conduct missions such as surveillance, strike, and ASUW into the air and surface domains with near-impunity. In addition to building two *Virginia*-class SSNs in fiscal year 2014 our budget submission continues development of the Large Displacement Unmanned Underwater Vehicle (LDUUV) and additional payloads for our existing submarines.

Air.—Our fiscal year 2014 program continues to improve the capability of our CSGs to project power despite threats to access. In fiscal year 2014 our budget submission funds two squadrons E/A-18G *Growler* electronic warfare aircraft and the Next Generation Jammer. E/A-18G provides key and critical capabilities to our CVW and expeditionary forces by jamming or deceiving adversary electromagnetic sensors while providing improved capability for sensing of adversary electromagnetic emissions. Our fiscal year 2014 budget submission also continues to invest in the development and low-rate production of the new F-35C *Lightning II*. We will continue to evaluate how to best integrate F-35C into our CVW from a training, logistics and operational perspective. In particular, we are concerned about the sustainment model and costs for F-35C and how to manage them. While we expect the F-35C to be able to do all the missions of today's F/A-18 E/F, it will also bring improved C4ISR capabilities that will make possible a number of new operational concepts.

Our fiscal year 2014 program funds the fielding of new “kill chains” that are better able to defeat adversary jamming. One chain uses infra-red sensors and weapons to provide air-to-air capability that operates outside the radiofrequency (RF) band and is therefore not susceptible to traditional RF jamming. The other kill chain uses networked sensors and weapons in the Navy Integrated Fire Control-Counter Air (NIFC-CA) system. NIFC-CA uses the Cooperative Engagement Capability (CEC) datalink between Aegis ships and E-2D aircraft and Link-16 between E-2D and F/A-18 aircraft to seamlessly share threat information between Navy ships and aircraft. NIFC-CA enables each platform to engage targets on another platform's data, even if the shooting platform does not even see the target on its own radar due to jamming or extreme range. Since NIFC-CA incorporates Link-16, other Link-16-equipped sensors such as the Army's Joint Land Attack Cruise Missile Elevated Netted Sensor (JLENS) and Airborne Warning and Control System (AWACS) could also participate in the network. We will field the first NIFC-CA equipped CSG in 2015 and will pursue greater Joint and coalition employment of NIFC-CA as part of the Air-Sea Battle Concept.

Enhancements to our manned aircraft are still limited by the range and persistence of manned platforms. Our fiscal year 2014 program continues testing and development of the X-47 Unmanned Combat Air System Demonstrator (UCAS-D) UAV, which completed flight deck trials at sea aboard USS *Harry S Truman*, its first land-based catapult launches, and is slated for its first at-sea catapult launch and recovery in late May. This spring we will finalize the requirements for the follow-on Unmanned Carrier Launched Airborne Strike and Surveillance (UCLASS) system, followed by an initial request for proposals from industry. By fiscal year 2020, UCLASS will enhance the reach and persistence of our CSGs by conducting surveillance and strike missions several hundreds of miles from the carrier and with two to three times the endurance of a manned aircraft. The UCLASS can also be equipped to take on missions such as tanking that today take several F/A-18 E/F out of the tactical missions for which they were designed.

Electromagnetic Spectrum (EMS) and Cyber.—Future conflicts will be fought and won in the electromagnetic spectrum and cyberspace, which are converging to become one continuous environment. This environment is increasingly important to defeating threats to access, since through it we can disrupt adversary sensors, command and control and weapons homing. Our fiscal year 2014 budget submission aggressively supports Navy's efforts to exploit the EMS and cyberspace. In addition to E/A-18G aircraft and Next Generation Jammer, our fiscal year 2014 budget submission funds seven SLQ-32 Surface Electronic Warfare Improvement Program (SEWIP) Block 1 upgrades and fields new deployable decoys to defeat anti-ship missiles. The fiscal year 2014 program also accelerates research and development on SEWIP Block 3, which expands the frequency range of the SLQ-32 electronic warfare system to address emerging missile threats and provides enhanced electronic attack capabilities. To disrupt adversary surveillance and communications, our fiscal year 2014 budget submission continues procurement of improvements to Navy's Ships Signal Exploitation Equipment (SSEE), which will host a growing number of electronic surveillance and attack payloads.

Improving the defense of our computer networks depends on reducing our “footprint” or the number of different networks; reducing the number of different applications on our networks; improving our day-to-day cyber “hygiene”; and developing an effective cyber workforce. Our fiscal year 2014 program continues fielding the Consolidated Afloat Network and enterprise Services (CANES) on ships and the Next Generation Network (NGEN) ashore to reduce the number of Navy networks and applications while we continue to expand the inspection of our cyber “hygiene” with improving results. To expand our cyber warfare capabilities, our fiscal year 2014 program funds the manpower and training to man and train a cyber force increase of about 1,000 personnel by fiscal year 2016 in addition to the 800 billets realigned in fiscal year 2013 from other specialties. These cyber specialists will help form 40 computer defense, attack and exploitation teams at U.S. Cyber Command. Navy studied the challenges associated with the EMS and cyber domains in 2012. We are now building on these initial capabilities with a comprehensive plan to improve our ability to exploit the EMS and cyberspace.

Amphibious Warfare.—Not all threats to access are from enemy missiles or torpedoes. Adversaries will exploit geography and coerce neighbors to not allow our forces to use their facilities. Naval forces also need the flexibility to come ashore in unexpected areas or from less predictable directions to catch the adversary off guard. Amphibious warfare exploits the inherent maneuverability of naval forces to provide an asymmetric advantage against adversary anti-access efforts. Our fiscal year 2014 budget submission funds construction of an 11th “big deck” amphibious assault ship (LHA), LHA-8, which will bring enhanced aviation capacity and a traditional well deck to expand its ability to support the full range of amphibious operations. Our fiscal year 2014 program also extends the life of USS *Peleliu* through fiscal year 2015 and sustains our ship to shore connector capacity through life extensions and recapitalization. We are complementing this investment with revised concepts for Marines to operate at sea on a larger number of ships to conduct missions from peacetime security cooperation to wartime amphibious assault.

While developing new Navy-Marine Corps operating concepts, we will address in the near-term the need for improved communications systems on our amphibious ships. Our fiscal year 2014 program continues to install the CANES on *San Antonio*-class Amphibious Transport Dock ships (LPD) and on LHAs and LHDs. This only addresses a part of our shortfall. We are analyzing the need for upgraded communications on our older amphibious ships and will correct those shortfalls in the near-term. We are also developing changes to our command and control organizations to enable our amphibious forces to scale their operations from disaggregated Amphibious Ready Groups (ARG) up to large scale operations involving multiple ARGs and CSGs.

Asia-Pacific Rebalance.—Our fiscal year 2014 program continues rebalancing our efforts toward the Asia-Pacific region in four main ways:

- Increased Presence.*—As indicated in Figures 1 and 2, our fiscal year 2014 budget submission enables Navy presence in the Asia-Pacific to increase by almost 20 percent between now and 2020. This is in large part a result of more ships operating from forward locations, including an additional SSN homeported in Guam, LCS operating from Singapore and JHSV, MLP and AFSB operating from ports throughout the region. It also reflects additional DDG and amphibious ships rotationally deployed to the Asia-Pacific after being made available by forward homeporting of DDG in Rota, Spain or because they were replaced by JHSV and LCS in Africa and South America.
- Homeporting.*—We implemented a plan in fiscal year 2013 to shift 60 percent of our fleet to be homeported on the Pacific by 2020. Our fiscal year 2014 program continues this plan.
- Capabilities.*—Our capability investments for the Asia-Pacific are guided by the Air-Sea Battle concept and the future capabilities described above will be deployed preferentially and first to the Asia-Pacific region. For example, the P-8A will conduct its first deployment to the Asia-Pacific in 2014, followed by the MQ-4C and F-35 later this decade. Our improved aviation kill chain capabilities will go first to the CVW in Japan and NIFC-CA will be first fielded to the Pacific Fleet once it completes its operational testing.
- Intellectual Capital.*—Our investments in education, exercises, interoperability and engagement continue to focus on the Asia-Pacific region. We continue to conduct more than 150 exercises annually in the Asia-Pacific and our plan for RIMPAC 14 is to continue growing in sophistication and participation, including China for the first time. We established a permanent squadron staff to support LCS in Singapore and manage Navy security cooperation activities in the South China Sea.

CONCLUSION

Budget uncertainties or reductions may slow progress toward our goals, but the tenets which guide our decisions will remain firm. Along with our primary joint partner the U.S. Marine Corps we will remain America's "force in readiness," prepared to promptly respond to crises overseas. On behalf of the approximately 613,000 Navy Sailors and Civilians, I appreciate the support that the Congress has given us to remain the world's preeminent maritime force. I can assure the Congress and the American people that we will be focused on warfighting first, operating forward and being ready.

Chairwoman MIKULSKI [presiding]. Thank you, Admiral.

General Amos, we are going to ask you to proceed. And we are glad to see you. I remember this time last year when you testified, you had had your back surgery and were under a lot of stress. You are under a different kind of stress, but we can see that you are fit, and ready for duty, and participating. So we welcome you with warmth and glad to see you in good health.

STATEMENT OF GENERAL JAMES F. AMOS, COMMANDANT, UNITED STATES MARINE CORPS

General AMOS. Chairwoman, you have got a great memory. It was a little bit painful last year, but it has been fixed, and I feel great. And thank you for remembering that.

And, Chairwoman, it is good to see you again. Vice Chairman Cochran, ranking—or members of the committee, I am pleased to appear before you today to outline the 2013 posture of your United States Marine Corps. I am equally pleased to be sitting alongside my service Secretary, the Honorable Ray Mabus, and my good friend and fellow shipmate, Admiral Jonathan Greenert, Chief of Naval Operations.

For more than 237 years, your Corps has been a people intense force. We have always known our greatest asset is the individual marine. That has not changed during 12 years of hard combat. Our unique role as America's premiere crisis response force is grounded in the legendary character and war fighting ethos of our people. Today's marines are ethical warriors, forged by challenging training and made wise through decades of combat. You can take great pride in knowing that as we gather here in this storied hearing room, some 30,000 marines are forward deployed around the world, promoting peace, protecting our Nation's interests, and securing its defense.

Sergeant Major Barrett and I recently returned from Afghanistan and can attest to the progress there. Marines have given the Afghan people a vision of success and the possibility of a secure and prosperous society. I am bullish about the positive assistance we are providing the people of the Helmand Province, and I remain optimistic about their future.

Afghanistan Security Forces have the lead now in almost every single operation. Our commanders and their marines assess the Afghan National Security Forces that they over match the Taliban in every single way and in every single engagement.

Speaking today as both as the service chief and a member of the Joint Chiefs of Staff, the foundations of our Nation's strategic guidance depends upon persistent regional stability and an international order to underwrite the global economic system. Failing to provide leadership in the collective security of the global order will

have significant consequences for the American people. Worse, a lapse in American leadership in forward engagement will create a void in which lasting security threats will be left unaddressed and new security challenges will find room to grow.

The reality of today's security environment reveals the value of forward naval presence. With declining resources to address the emerging security challenges, neo-isolationism does not advance our country's national interests. Forward deployed sea-based naval forces do, however. They support our proactive security strategy while remaining capable of shaping, deterring, and rapidly responding to crisis, all while treading lightly on our allies and our partners on their sovereign territory.

Amphibious ships and forces are a sensible and unmistakable solution in preserving our national security. Naval forces and the Marine Corps are in particular our Nation's insurance policy, a hedge against uncertainty in an unpredictable world. A balanced air ground logistics team, we respond in hours and days to America's needs, not in weeks and not in months. This is our *raison d'être*. It has always been that way.

This year's baseline budget submission of \$24.2 billion was framed by our following service led priorities: First, we will continue to provide the best-trained and equipped marine units in Afghanistan; second, we will protect the readiness of our forward deployed forces and our rotational forces; third, we will reset and reconstitute our operating forces as our marines and equipment return from nearly 12 years of persistent combat; fourth, as much as is humanly possible, we will modernize our force through investing in the individual marine first, and by replacing aging combat systems next; and lastly, as importantly, we will keep faith with our marines, our sailors, and our families.

We have remained committed to these priorities despite the fiscal year 2013 significant reductions in our facility sustainment and home station unit training accounts due to the loss of \$775 million in operations and maintenance funding due to sequestration. We have, however, traded long-term infrastructure and unit readiness for near-term deployable forces capable of meeting all current deployment requirements.

We cannot continue to sustain this level of reduction in fiscal year 2014 without immediate impact to our deployed and next-to-deployed forces, and our non-deployed crisis response forces at home. Sequestration in fiscal year 2014 will mean a direct loss to the readiness of the United States Marine Corps.

Ladies and gentlemen, your Marine Corps is well aware of the fiscal realities confronting our Nation. During these times of constrained resources, the Marine Corps remains committed to being responsible stewards of scarce public funds. In closing, the success of your marines and your Marine Corps is directly linked to the unwavering support of Congress and the American people.

PREPARED STATEMENT

You have my promise that during our economic challenges, the Marine Corps will only ask for what it needs, not for what it might want. We will continue to prioritize and make the hard decisions before coming to Congress. We will continue to offer a strategically

mobile force optimized for forward presence and rapid response. Your Marine Corps stands ready to respond whenever the Nation calls, wherever the President may direct.

Once again, I thank the committee for your continued support, and I am prepared to answer your questions.

[The statement follows:]

PREPARED STATEMENT OF GENERAL JAMES F. AMOS

MARINES AND THE NATION'S DEFENSE

Our Nation has long recognized the need for a ready expeditionary force, one able to deter those who would do us harm, swiftly intervene when they act to do so, and fight to win where the security interests of our Nation are threatened. I am pleased to report that your Marines remain that ready force. Because of the faithfulness and trust of the American people, Marines are forward deployed today; on ships at sea, at our diplomatic posts, in key security locations, and alongside our allies. They are poised to respond wherever crisis looms. Thousands of your 21st Century Marines and Sailors remain deployed to Afghanistan where they are putting relentless pressure on a disrupted enemy, while setting the conditions for a transition of security responsibilities to the Afghans themselves. Marines here at home are in the field, training at their bases and stations. Wherever they serve, whatever their mission, your Marines are ready, motivated, and eager. Their professionalism and patriotism are undimmed by over a decade of combat. They carry the timeless ethos and deep pride Marines have built over 237 years of service to this Nation. You can be proud of their service.

The need for this highly capable and ready force is more pressing now than ever. Today, we see a world marked by conflict, instability, and humanitarian disaster. We see the disruptive changes that accompany a rapidly modernizing world; a world in which tyranny is challenged, power is diffused and extremism finds fertile ground in the disenfranchised. While America's continued prosperity and security are found in a stable global order; instability, extremism, and conflict create disorder instead. In what has been described as a "new normal," extremism, economic disruption, identity politics, and social change generate new potential security threats at an accelerating pace. While we desire peace as a nation, threats to our citizens, allies and national interests compel our response when crisis occurs.

The unpredictable and chaotic security environment in which we find ourselves presents security challenges that are aligned exactly with the core competencies of the Marine Corps. While Marines have acquitted themselves well during two long campaigns ashore, our fundamental ethos and character remains that of the Nation's Expeditionary Force in Readiness. The Marine Corps is purpose-built for the very world we see emerging around us . . . purpose-built to intervene in crisis, purpose-built to forge partnerships in collective security, purpose-built to defend our Nation from the wide range of security threats it faces today.

This unique role is grounded in the special nature of the individual Marine. America's Marines hold to a professional ethos anchored in honor, discipline, fidelity, and sacrifice. Today's Marines are ethical warriors, forged in hard training and made wise through years of experience in combat. Courageous in battle and always faithful, Marines stand as pillars of just action, compassion, and moral courage. This ethos defines our warfighting philosophy and is the timeless scale upon which we continually measure ourselves . . . it has always been this way.

The Marine Corps remains first and foremost a naval service, operating in close partnership with the United States Navy. We share with them a storied heritage that predates the signing of our Constitution. Together, the two naval services leverage the seas, not only to protect the vast global commons, but also to project our national power and influence ashore where that is required. The world's coastal regions are the home to an increasing majority of the human population, and are thus the scene of frequent conflict and natural disaster. These littoral regions comprise the connective tissues that connect oceanic trade routes with the activities of populations ashore. In an era of heightened sensitivities over sovereignty, and where large foreign military footprints are unwelcome, the seas provide maritime forces with a means of less obtrusive access. Maritime expeditionary forces can be located close enough to act when crisis threatens and hours matter, without imposing a burden on host nations. Expeditionary maritime forces can operate in the air, at sea, and on land, without the necessity of infrastructure ashore. They can loiter unseen over the horizon, and can move swiftly from one crisis region to another. Impor-

tantly, maritime forces also have the ability to rapidly return to the sea when their mission is complete.

This flexibility and strategic agility make Marine forces a key tool for the Joint force in major contingencies. Operating in partnership with the Navy, the Marine air-ground-logistics task force creates the strategic asymmetries that make the joint force so effective on the modern battlefield. Amphibious and expeditionary capabilities contribute to each of the 10 mission areas of the joint force, and are directly responsive to the security demands articulated in the President's "Defense Strategic Guidance for the 21st Century". By design, Marines smoothly integrate with the other elements of the joint force, enable our interagency partners in response to disaster or humanitarian crises, and provide a naturally complementary team when working with special operations forces.

As the Nation prepares for an uncertain future, its expeditionary Marine forces provide a highly utilitarian capability, effective in a wide range of scenarios. Marines remain a cost-effective hedge against the unexpected, providing a national "insurance policy" against strategic surprise. Thanks to the support of American people, the Marine Corps remains responsive to its Congressional mandate to be the "most ready when the nation is least ready."

2012 Operational Highlights

This past year, Marines have been actively engaged in every corner of the global security environment. The Marine Corps continued to meet operational commitments in Afghanistan, while simultaneously working with more than 90 allies and partners to train, to learn, and to build effective security institutions. In addition to forces committed to Operation Enduring Freedom (OEF), our Marine Expeditionary Units (MEUs), in partnership with Navy Amphibious Ready Groups (ARGs), continued to patrol regions of likely crisis. Other task-organized Marine Air Ground Task Forces (MAGTFs), operating from expeditionary locations, supported U.S. national security objectives through forward presence, deterrence, multinational theater security cooperation exercises, and building partner capacity. Marines have been active in every geographical combatant command, serving as a key component of the joint force. Even under fiscal restraint, we will continue to support these strategically important activities to the greatest extent possible.

Afghanistan

Our number one priority remains providing the best-trained and best-equipped Marine units to Afghanistan. As long as we are engaged there, this will not change. Active and Reserve Marines continue operations in Helmand Province, comprising approximately 7,000 of the 16,000 Coalition personnel in Regional Command Southwest (RC-SW). By the end of this year, we expect our contribution will be closer to half its current size. Through distributed combat operations conducted with their Afghan counterparts, Marines have continued to deny the Taliban safe haven. Your Marines, with Coalition partners from nine nations and the Afghan National Security Force (ANSF), have restored stability in one of the most critical regions of Afghanistan, creating breathing space for the establishment of effective tools of governance. These combat operations have been marked by the continued bravery and sacrifice of American, Coalition, and Afghan service members.

One measure of our battlefield success is the continued progress in implementing the mechanisms of effective governance in Helmand Province. In 2012, citizens of Helmand conducted three successful elections for district community councils, with more than 5,000 participants vying for approximately 45 council seats. There are new district governors in 12 of 14 districts, and new provincial authorities in the capital of Lashkar Gah. Within the provincial judicial system, the numbers of judges, prosecutors, and defense counselors are steadily growing.

Provincial social conditions also show marked improvement. Marines have helped open 86 schools, providing a new normal of daily classroom participation by over 121,000 children. This total includes more than 28,000 female students, a 432-percent increase since 2005.

Healthcare is another area of vast improvement. In 2006, only six health clinics served the needs of the population of Helmand province, an area nearly twice the size of Maryland. Six years later, 57 health care facilities provide basic health services to more than half of the population. Infrastructure improvements currently underway include a \$130 million major electrical power system project and additional major road construction projects.

Transitioning from counter-insurgency operations to security force assistance in Afghanistan, we are adjusting our force posture into an advisory role in support of the ANSF. U.S.-led missions have given way to U.S.-Afghan partnered missions; and now are transitioning once again to missions conducted entirely by Afghan

forces with only advisory support from U.S. forces. As nearly all Districts in RC-SW have entered the transition process, the next year remains a delicate and extremely important time. Afghan local authorities, supported by the ANSF and their citizens, have welcomed their responsibility to lead and are taking it upon themselves to contribute to the transition process.

I recently returned from visiting your Marines in Helmand province, and I can attest to the progress there. Marines have given the people of Helmand a vision for a secure and prosperous society, and the responsibilities that come with that freedom. The Marines are proud of what they and their predecessors have accomplished, and want to see this mission through to completion.

That mission is not complete until the massive project of retrograding our equipment from our dispersed operating locations across southern Afghanistan is completed. I am happy to report to you the tremendous progress our Marines have made in recovering and redeploying our equipment. Our logisticians have spearheaded a recovery effort that has been proactive, cost-effective, and in keeping with the high stewardship of taxpayer resources for which the Corps is known. Much of our equipment, unneeded in Afghanistan but required for home-station training, has been successfully returned to the United States, where it can be refurbished and re-issued. We are proud to preserve our reputation as the frugal force.

Global Crisis Response

Concomitant with our Afghan commitments, Marines have been vigilant around the globe, responding to crises ranging from civil conflict to natural disasters. Crisis response is a core competency of your expeditionary force in readiness. The Marine Corps provides six MEUs operating from the continental U.S., and one operating from its bases in Japan. Teamed with Navy ARGs, these expeditionary forces provide a rotational forward presence around the globe. Special-purpose MAGTFs, capable of rapidly responding when conditions deteriorate, augment the MEUs from forward security locations in key regions. The recent deployment of our 24th MEU and the Iwo Jima ARG is instructive. As this Navy-Marine expeditionary team transited the Mediterranean Sea and operated off the horn of Africa, they participated in their normal syllabus of exercises and operations to include African Lion with the Moroccan military, Eager Lion with the Jordanian Navy and the International Mine Countermeasures Exercise that included more than 30 international partners. While forward deployed participating in these partnership initiatives, however, they also provided an essential response capability for our national leadership when U.S. interests or citizens were threatened due to violence in Syria, Gaza, Sudan, Libya, Egypt, and Yemen. These forces planned against a variety of scenarios and were poised to swiftly intervene from the sea in each of these cases. Although past the end of their scheduled deployment, this Navy-Marine team was extended on-station, and maneuvered throughout the region in order to ensure our Nation could respond if crisis necessitated intervention to protect our citizens. If even one of these smoldering situations had ignited into the flames of crisis, our Marines would have been quickly on the scene, protecting human life, preserving our interests, and evacuating our citizens. For our diplomats and citizens in these troubled parts of the world, there is no substitute for the capabilities brought by forward-deployed Marines and their Navy partners. Their ability to quickly respond to a variety of missions gave decision makers at all levels time to develop their plans, created options for execution, and provided assurance that there was a force ready to be called on if needed. This utility, flexibility and forward presence is an essential feature of our Nation's ability to respond to crisis at a moment's notice.

In 2012, our diplomatic posts and embassies remained highly visible symbols of U.S. presence and commitment. In the threat environment posed by the new normal, the protection offered by host states is often threatened by groups and organizations that do not respect the conventions of the state system. Marines are a key component in ensuring the security of these most vulnerable nodes of U.S. presence. Marine Security Guards are currently deployed to 152 embassies and consulates around the world. With Congressional guidance, we are seeking to increase this number in close coordination with the State Department. Marine Embassy Security detachments and Fleet Anti-terrorism Security Teams (FAST), alongside their State Department colleagues, also protect our diplomatic missions against a range of threats. During 2012, specialized FAST Marines deployed to reinforce U.S. diplomatic missions abroad, providing physical security and force protection. Last year we provided each Geographic Combatant Commander with FAST support to aid in protecting U.S. interests worldwide. These teams provided immediate relief in Libya following the deadly terrorist attack on the consulate that claimed the lives of the Ambassador and three other Americans. As demonstrations spread across the Middle East and North Africa, Marines from an additional FAST platoon deployed to

Yemen when violent protests threatened American diplomatic personnel. These specially trained Marines remain forward deployed at naval commands around the globe, poised to respond on short notice when our citizens and diplomats are threatened.

Humanitarian Assistance and Disaster Relief

Over the past decade, in the Asia-Pacific Area alone, major natural disasters have claimed the lives of an average of 70,000 people each year. American leadership in response to global natural disaster is a clear and unambiguous demonstration of our strength, our values, and our good intentions. This demonstration gives credibility to our security promises, strengthens the value of our deterrence, and creates goodwill among our potential partners. Although built for war and maintained forward to protect our security interests, the utility of expeditionary Marine forces makes them a natural response option when disaster strikes. Forward-deployed Marines responded to numerous natural disasters over the past year, smoothly integrating as a contributor to multiagency and multinational relief efforts. As an example, just this last December, Marines from the III Marine Expeditionary Force supported a USAID-led response by providing disaster relief in the aftermath of super typhoon Pablo in the Philippines. When hours mattered and the survival of large populations was at stake, Marines from their forward bases in Japan quickly organized and executed their participation in the U.S. relief effort. KC-130J Hercules transport planes delivered critical food packages and other supplies to Manila for distribution by the Philippine military. This is but one example of a regular feature of the global security environment, and the utility of your forward-postured Marines.

Defense Support to Civil Authorities

In a similar vein, when Hurricane Sandy struck our own Nation in October 2012, more than 300 Marines and Sailors from the 26th Marine Expeditionary Unit provided critical recovery and relief operations in support of Americans in need in New York City and Long Island. Marines were one part of a multiagency response that included ships of the USS *Wasp* ARG and other military assets. Marine aviation conducted disaster relief assessments and provided the necessary airlift for Marines to deploy into the hardest-hit areas. On the ground, Marines successfully coordinated with local leaders and residents for priority relief requirements, providing critical supplies and assisting with clearing debris and helping restore normalcy to people's lives. The swiftness of the Marine response, and their ability to conduct relief efforts from the sea made them an important contributor, without imposing additional strain on the roads, airfields, and infrastructure supporting the broader relief effort.

Security Cooperation

In 2012, Marines participated in more than 200 security cooperation engagements, including multilateral and bilateral exercises, training, and military-to-military engagements. Forward-deployed MEUs participated in joint and coalition exercises around the globe from Morocco to the Philippines, strengthening our partnerships with allies such as Kuwait, Oman, Saudi Arabia, United Arab Emirates, Jordan, Thailand, Malaysia, Indonesia, Korea, and Japan.

In Europe, Marine trainers deployed to support battalions of the Georgian Army, strengthening a decade-long partnership with that nation. Because of this small investment of Marines, Georgian battalions have been effectively fighting alongside U.S. Marines in Afghanistan since 2008. Marines continue to provide forces and leadership to activities such as the Black Sea Rotational Force, an annual U.S. European Command initiative with the Romanians, Bulgarians, and other Black Sea regional allies.

In Africa, a Special Purpose MAGTF, tailored to conduct theater security cooperation in support of OEF-Trans Sahara, trained counter-terrorism forces, and supported coalition forces combating al-Qaeda affiliates across the Maghreb region. This MAGTF also trained with forces from the African Union Mission in Somalia (AMISOM), providing well-trained African peacekeeping forces that are currently countering the Al Shabaab terrorist group in Somalia.

In Australia, our new rotational units continued to expand the training and partnership opportunities offered by one of our strongest and oldest allies in the Pacific. This past year, Marine Rotational Force Darwin conducted bilateral training with their hosts on the superb training ranges available in Northern Australia. The partnership of our Australian allies is a cornerstone of our Pacific rebalance. Marines are natural partners for an Australian military that continues to expand its expeditionary capabilities. As the Australians take delivery of their new big-deck amphibious ships, U.S. Marines look forward to more combined training opportunities and reinforced crisis response capabilities. From Darwin, Marines embarked aboard USS

Germantown to participate in the annual Landing Force Cooperation and Readiness Afloat Training (LF CARAT) amphibious patrol of the Southeast Asian neighborhood. Through LF CARAT, Marines conducted training exercises with our partners in Thailand, Indonesia, and Malaysia.

Maintaining a sound international economic system and a just international order are the foundations of our Nation's Defense Strategic Guidance. Your Marines remain forward deployed around the world, projecting U.S. influence, responding to contingencies, and building strong international relationships. By doing so, we significantly enhanced the security and stability of the global commons and contributed to the mechanisms of collective security that underpin the global economy and our own return to prosperity.

FISCAL YEAR 2014 BUDGET SUBMISSION HIGHLIGHTS

As we move into fiscal year 2014 and beyond, our budget submission balances our force structure, our readiness, and our capability to meet national security commitments. A critical measure of the effectiveness of our Marine Corps is its readiness. Our readiness is preserved through a careful balance of high-quality people, well-trained units, modernized equipment, well-maintained installations, and a force level sufficient to accomplish our many missions. Failure in any one of these pillars of readiness begins to set the conditions for an eventual hollowing of the force. We will do everything within our power to avoid this outcome and request your continued support. The linkage between resources and readiness is immediate and visible, and our fiscal restraint has caused us to pay keen attention to our priorities. To guide us as we optimize investments and readiness in our force, our priorities are as follows:

- We will continue to provide the best-trained and equipped Marine units to Afghanistan.
- We will continue to protect the readiness of our forward-deployed rotational forces within the means available.
- We will reset and reconstitute our operating forces as our Marines and equipment return from more than a decade of combat.
- We will modernize our force through investments in human capital and by replacing aging combat systems.
- We will keep faith with our Marines, our Sailors, and our families.

This year we are seeking \$24.2 billion to fund our baseline operations. This funding allows the Marine Corps to continue to provide forward-deployed and engaged forces, rapid crisis response capabilities, and the necessary training to ensure readiness for our forces to fulfill strategic demands. In addition, this funding provides adequate resources for us to reset our combat-worn equipment, rebalance to the Asia-Pacific region, and keep faith with our Marines, Sailors, and their families.

Two years ago, the Marine Corps initiated a Force Structure Review (FSR) whose mission was to re-shape the Marine Corps for a Post-OEF environment. This FSR sought to find ways to meet our national security responsibilities in the most resource-efficient manner possible. Our goal was to provide the most ready, capable, and cost-effective Marine Corps our Nation could afford. Last year, we reported on our approved multi-year plan to draw down the Corps from the end strength of 202,100 in fiscal year 2012 to 182,100 by the end of fiscal year 2016. I am pleased to report that these reductions are being made in a measured and responsible way, maintaining our commitment to provide adequate transition time, effective transition assistance, and family support for our Marines who have given so much to our Nation . . . we remain committed to doing so.

We will continue to reshape the force, ever mindful of our operational requirements and our responsibility to keep faith with the Marines that fulfill them. As the Nation's principal crisis response force, we must maintain a continuous high state of readiness in both our forward deployed and ready forces at home station. Maintaining an expeditionary force in a high state of readiness creates a hedge against the unexpected, giving the Nation the ability to swiftly contain crisis, respond to disaster, and buy time for strategic decisionmakers. For us, a hollow force is not an option. This not only enables joint success, but also allows selected follow-on capabilities of the joint force to be maintained at more cost-effective readiness levels. Marines are poised to swiftly fill the temporal gap between crisis initiation and when the joint force is fully prepared to conduct operations; buying time for the deployment of the larger joint force in major contingencies. Readiness is a key to making this possible.

This high state of readiness is necessary for security of our global interests, but financing near-term readiness has caused us to continually decrement our modernization and infrastructure accounts. To meet strategic guidance during the cur-

rent period of fiscal austerity, the Marine Corps has funded near-term manpower and readiness accounts at the cost of significantly increased risk in longer-term equipment modernization. Over the long-term, resourcing short-term readiness by borrowing-forward from long-term investment resources is unsustainable, and will eventually degrade unit readiness to an unacceptable level. Full implementation of sequestration and the associated cap reductions in the coming years will require a top to bottom re-examination of priorities, missions, and what it will take to continue to be the Nation's Expeditionary Force in Readiness.

The current period of fiscal austerity significantly pressurizes each of our appropriation accounts, especially operations and maintenance, equipment modernization, and military personnel. Our challenge in balancing modernization and end-strength costs is especially acute, as we invest nearly 60 cents of every appropriated \$1 on our most vital assets, our personnel. Our ground materiel modernization investment accounts comprise a mere 10 percent of our baseline budget. Because of this significant variance between personnel and ground modernization funding, even proportional cuts across the Services have disproportionate impacts on our already pressurized small investment programs. In the Marine Corps' ground investment portfolio, the top 25 programs consume 60 percent of the available budget, while the remaining 40 percent supports 171 small programs. These small programs are essential to equipping individual Marines and providing their qualitative edge. These programs, and the small businesses they support, have limited flexibility to respond to reduced funding, and are increasingly vulnerable as resource shortfalls become more acute.

Sustained combat operations in the harsh environments of Iraq and Afghanistan have also significantly degraded the readiness of our existing ground equipment. Our combat equipment has aged far faster than it would have given normal peacetime utilization rates. Accordingly, we are requesting funding to support the reset and restoration of our equipment to ensure we provide Marines the most combat-ready equipment needed to respond to future crisis and contingencies around the world.

We are proud of our reputation for frugality, and will always remain good stewards of every defense \$1 we are entrusted with. In a period of budget austerity, we offer a strategically mobile force optimized for forward presence and rapid crisis response for a notably small portion of the Department of Defense (DOD) budget. The Marine Corps will remain ready to fulfill its role as the crisis response force of choice for our Nation's leaders.

SHARED NAVAL INVESTMENTS

The Department of the Navy's (DON) investment in amphibious warships, maritime prepositioning ships, ship-to-shore connectors, mine countermeasures, and the Navy Expeditionary Combat Command (NECC) represent critical Navy investments that also support the Marine Corps. Due to current fiscal challenges, we have agreed to take risk in the number of amphibious ships to a fiscally constrained fleet of 33 amphibious warships, producing 30 operationally available ships if readiness levels are significantly improved. Thirty operationally available amphibious warships allow for the employment of two Marine Expeditionary Brigades (MEBs), the minimum capability and capacity necessary to fulfill our Combatant Commander commitments for sea-based forcible entry. This represents a minimal capacity for a maritime nation with global interests and key dependencies on the stability of the global system. By way of comparison, a two brigade force was necessary to wrest control of the mid-size city of Fallujah from insurgents in 2004. Two brigades of forcible entry capacity are required to create access for the rest of the joint force should defense of our interests make it necessary. There are no acceptable substitutes for this capability within our national defense inventory. This fiscal year, the total amphibious warship inventory will rise to 31 ships with the delivery of LPD-25. Within the next 2 years, the inventory will decline before rising to an average of 33 amphibious warships across the 30-year shipbuilding plan.

The Navy's programs and plans to sustain fleet quantities of landing craft include the Landing Craft, Air Cushion (LCAC) Service Life Extension (SLEP), LCAC Fleet Maintenance Program (FMP), and the Ship-to-Shore Connector (SSC) program which will produce the replacement LCAC-100 class craft to maintain the non-displacement ship-to-shore capability of the fleet. The LCU Sustainment Program is the single program to maintain the displacement component of the connector fleet. The Surface Connector (X) is Navy's planned program to replace and recapitalize the aging LCU. These Navy programs are important to Marines, and are essential for our Nation's ability to project its influence from the sea. Additionally, we support the Navy's idea to extend the life of select LCAC SLEP craft for 10 years to reduce

inventory shortfalls in the 2020s. The Marine Corps actively supports and depends upon these programs.

To complement our amphibious capabilities, the Maritime Prepositioning Force (MPF) program is designed to rapidly deploy the combat equipment and logistics required to support Marine Air Ground Task Forces from the sea. The MPF provides the capability to rapidly equip MAGTF personnel, who fly in to marry up with their gear. Although Maritime Prepositioning Ship Squadron One (MPS Squadron One)—home ported in Rota, Spain—was eliminated in 2012, efforts are currently underway to enhance MPS Squadron Two (Diego Garcia) and MPS Squadron Three (Guam) to ensure the two remaining squadrons are optimized for employment across the full range of military operations. The current 12-ship inventory has been re-organized into two Maritime Prepositioning Ship Squadrons that possess new sea basing-enabling capabilities, including at-sea selective offload of equipment and supplies, thereby providing Combatant Commanders a greater range and depth of sea-based capabilities. An additional two ships will be added during fiscal year 2015, for a total of 14 ships, seven in each MPS Squadron. Additionally, the Marine Corps Prepositioning Program in Norway (MCPN) is being reorganized to provide Combatant Commanders with balanced MAGTF equipment set for training and operations. This combination of prepositioned equipment locations, afloat and ashore, greatly enhances our ability to swiftly establish critical combat capabilities in times of major crisis.

INVESTING IN OUR MARINES

The core of our overall readiness and combat effectiveness resides in the individual Marine. Recruiting and retaining high-quality people is essential to attaining a dedicated and professional Marine Corps. Recruiting provides the lifeblood of our Corps; the foundational step in making Marines. To maintain a force comprised of the best and brightest of America's youth, the Marine Corps uses a variety of officer and enlisted recruiting processes that stress high mental, moral, and physical standards. We retain the most qualified Marines through a competitive career designation process for officers, and a thorough evaluation process for enlisted Marines. Both processes measure, analyze, and evaluate our Marines performance and accomplishments for competitive retention.

Our ability to attract young men and women is tied directly to our ability to establish and foster a dialogue with the American people. We do this through an aggressive outreach and advertising campaign that seeks to reach all sectors of American society. We continue to seek qualified young men and women of any race, religion, or cultural background who are willing to commit to our demanding standards.

Marine Reserve Forces continue to serve as a strong force multiplier of the total force, and are a high-payoff investment in capability. Since September 11, 2001, more than 60,000 Marine Reservists, from all across the United States, have participated in over 80,000 activations or mobilizations. Our Reserve Marines are uniquely well-positioned to seamlessly integrate with the active component, to reinforce our service priorities, and to provide a reservoir of capacity for future national emergencies. Our Reserve Marines are well-equipped and highly trained professionals, providing an essential shock absorber for the active component in the uncertain global environment.

Professional Military Education (PME) is designed to produce leaders who are proficient in the thinking skills necessary to face the complexity of conflict we expect in the future. As such, PME represents a key, cost-effective investment in our most valued resource—our Marines. Marine Corps University (MCU), a part of Training and Education Command (TECOM), is a regionally accredited, degree-granting institution committed to providing world-class educational opportunities through both resident and distance/outreach programs. Marine Corps University is a globally recognized, world-class PME institution that is designed to advance the study and application of the operational art. Our commitment to improve the quality of our PME programs and advance the PME opportunities for our Marines is unwavering. Beginning in fiscal year 2011, military construction projects totaling \$180 million have helped dramatically improve MCU's educational facilities, to include staff non-commissioned officer academies across our installations as well as an expansion of our primary campus in Quantico. In addition, we will continue to improve the quality and quantity of our active duty and civilian faculty.

INVESTING IN READY UNITS

The Marine Corps will continue to meet the requirements of strategic guidance while resetting and reconstituting the force in-stride. Our reconstitution efforts will restore our core combat capabilities and will ensure units are ready for operations

across the spectrum of conflict. Sustaining combat operations for more than a decade has required the use of a large share of the available assets from our home bases and stations. This has produced ready forces where they have mattered most, but has taken a toll on nondeployed Marine units. Currently, 65 percent of nondeployed units are experiencing degraded readiness due to portions of their equipment being redistributed to support units deploying forward. While necessary in times of crisis, this commitment of our “seed corn” to current contingencies degrades our ability to train and constitute ready units for their full range of missions over time. Unbalanced readiness across the force increases risk to timely response to unexpected crises or large-scale contingencies. We will continue to emphasize our reset and reconstitution efforts that cost-effectively restore combat equipment and return it to units for training.

Vital to maintaining readiness is the operations and maintenance (O&M) funding to train in our core missions and maintain our equipment. MAGTF readiness continues to improve with larger scale naval exercises that are maximized to enhance our ability to operate from the sea. Over the next 2 years, we anticipate incremental increases in the core training readiness of units as Marines return home from Afghanistan and have time to train to their full range of capabilities. The peacetime availability and readiness of amphibious warships and maritime prepositioning ships are critical dependencies for training readiness, and for supporting expeditionary, amphibious operations around the globe.

The Geographic Combatant Commanders (GCCs) continue to register an increased demand for crisis response and amphibious forces in order to meet requirements across the range of military operations. Forward deployments provide deterrence, reassure our allies, posture our forces for crisis response, and enable rapid contingency response to major conflict. GCCs recognize and appreciate the agility and operational reach of ready expeditionary capabilities. As we construct the forces for the next decade, we will continue to seek cost-effective ways of saying “yes” to joint commanders on the leading edge of our national security effort, while preserving skills and training necessary for larger contingencies. The multipurpose nature of Marine forces makes them a cost-effective investment for a wide range of application.

In addition to our traditional crisis response and expeditionary capabilities, the Marine Corps has reinforced its contributions to our Marine Special Operations Command (MARSOC) and Marine Forces Cyber Command (MARFORCYBER). The demand for our expeditionary MARSOC forces remains high as these Marines provide critically needed capability and capacity to theater special operations commands supporting both Special Operations Command (SOCOM) and the GCC operational requirements. Marines have excelled as special operators, combining the Marine ethos with the training and skills of the special operations community. Additionally, the Marine Corps continues to expand its capability and capacity for cyberspace operations; including offensive and defensive cyber capabilities. The Marine Corps Information Operations Command (MCIOC) supports deployed MAGTFs, integrating information operations in support of forward-deployed forces and joint commanders.

INVESTING IN MODERNIZATION

Across the spectrum of conflict, our adversaries have adapted their tactics to counter our significant technological advantage. Even many “low-end” threats are now equipped with modern technologies and weapons. Our adversaries oppose us with tools of the information age, including modern communications, intelligence, and cyber capabilities. While state-sponsored opponents continue their development of advanced technologies, non-state threats have likewise become increasingly sophisticated and lethal. An increasing number of threats now possess intelligence capabilities, precision munitions, and unmanned systems. This “rise of the rest” erodes the technological advantage we have enjoyed for decades, making the qualitative advantages of the modern Joint force even more important. This situation creates an imperative for maintaining our investments in new equipment, better technology, research, and development.

Our desire for our Marines to maintain a qualitative edge over their opponents applies equally to both our large-scale weapons programs, and the numerous small programs that equip our individual Marines with modern capabilities. This modernization mandate is a fundamental pillar of a ready force, shared by all of the services. With the smallest modernization budget in the Department of Defense, the Marine Corps continually seeks to leverage the investments of other services, carefully meting-out our modernization resources to those investment areas which are

the most fiscally prudent and those which promise the most operationally effective payoffs.

Innovative war-fighting approaches and can-do leadership are hallmarks of the Corps, but these cannot overcome the vulnerabilities created by our rapidly aging fleet of vehicles, systems, and aircraft. Long-term shortfalls in modernization will have an immediate impact on readiness and will ultimately cost lives on the battlefield. At some point, sustaining fleets of severely worn vehicles becomes inefficient and no longer cost-effective. This inefficiency reduces available modernization resources from an already small account, degrading our ability to effectively operate in today's complex security environment. Our modernization investment requires a balanced approach across the Air-Ground-Logistics Team.

Aviation Combat Element Modernization

On average, more than 40 percent of our aviation force is deployed at any time, with an additional 25 percent preparing to deploy. All told, this means two-thirds of Marine Aviation forces are currently deployed or preparing to deploy. This creates an increasing cost burden as we work to sustain our heavily used and rapidly aging fleet of aircraft.

Accordingly, even as we invest in new aircraft as a part of our aviation modernization, we must take every opportunity to drive down operations and sustainment (O&S) costs while ensuring the continued safety, reliability, and operational relevance of our "legacy" and recently fielded platforms. The F/A-18A-D, originally designed for a 6,000-hour service life, has reached an average usage of 6,800 hours. Ongoing upgrades and analysis have extended service life to 8,000 hours, but this buys only limited time. A service life extension program to increase service life to 10,000 hours would rely heavily on depot capacity, rapid engineering assessment, and adequate funding. Our aging AV-8B fleet depends on careful stewardship of its supply chain and targeted capability enhancements to keep it relevant through the mid-twenties. Similar oversight and investment in the CH-53E, UH-1N, and AH-1W will keep our helicopter fleet operating while the next generation is fielded. On a positive note, the MV-22 program has continued to excel in combat and crisis environments, even as it has reduced flight hour costs by 18 percent over the past 2 years. We intend to find similar savings throughout Marine aviation.

To do so, we will use our Aviation Plan—a phased, multiyear approach to modernization that encompasses aircraft transitions, readiness, aircraft inventory shortfalls, manpower challenges, safety and fiscal requirements. The following programs form the backbone of our aviation modernization effort:

—*F-35B*.—As we modernize Marine fixed-wing aviation assets for the future, the continued development and fielding of the short take-off and vertical landing (STOVL) F-35B Joint Strike Fighter remains the centerpiece of our effort. The capability inherent in a STOVL jet allows the Marine Corps to operate in harsh conditions and from remote locations where few airfields are available for conventional aircraft. It is also specifically designed to operate from amphibious ships—a capability that no other tactical fifth-generation aircraft possesses. The ability to employ a fifth-generation aircraft from 11 big-deck amphibious ships doubles the number of "aircraft carriers" from which the United States can employ this game-changing capability. The expanded flexibility of STOVL capabilities operating both at-sea and from austere land bases is essential, especially in the Pacific. Once fully fielded, the F-35B will replace three legacy aircraft—F/A-18, EA-6B, and AV-8B. Training continues for our F-35B pilots. In 2012, we flew more than 500 hours and trained 15 pilots. Just recently, in November 2012, we established our first operational squadron, VMFA-121, at MCAS Yuma. Continued funding and support from Congress for this program is of utmost importance for the Marine Corps as we continue with a plan to "sundown" three different legacy platforms.

—*MV-22B*.—The MV-22B Osprey has performed exceedingly well for the Corps and the Joint Force. This revolutionary tiltrotor aircraft has changed the way Marines operate on the battlefield, giving American and Coalition forces a maneuver advantage and an operational reach unmatched by any other tactical aircraft. The MV-22B has successfully conducted multiple combat deployments to Iraq, six deployments with MEUs at sea, and is currently on its seventh deployment to Afghanistan. In the Pacific, we have fielded our first permanent forward-deployed Osprey squadron, VMM-265, in Okinawa. Our squadron fielding plan continues apace as we replace the last of our Vietnam-era CH-46 helicopters. The MV-22B's proven combat capability reinforces the necessity that we continue to procure the full program of record quantities. The record of performance and safety this aircraft brings in support of Marines and the joint force on today's battlefields has more than proven its value to the Nation.

- CH-53K*.—The CH-53K is a new-build heavy lift helicopter that improves on the legacy CH-53E design to increase operational capability, reliability, maintainability, and survivability; while reducing cost. The CH-53K will transport 27,000 pounds of external cargo under high altitude/hot conditions out to 110 nautical miles, nearly three times the lift capacity of the legacy CH-53E. It is the only naval rotorcraft able to lift all Marine Corps air-transportable equipment from amphibious warships and the Maritime Prepositioned Force. Our Force Structure Review has validated the need for a CH-53K program of record of eight CH-53K squadrons.
- UH-1/AH-1*.—The H-1 program, composed of the UH-1Y utility and the AH-1Z attack helicopters, is a single acquisition program that leverages 85 percent commonality of major components between the two platforms. This commonality enhances deployability and maintainability while reducing training requirements and logistical footprints. Both aircraft are in full-rate production. The H-1 procurement objective is 160 UH-1Ys and 189 AH-1Zs for a total of 349 aircraft. Currently, 181 H-1 aircraft are on contract, with 72 UH-1Ys and 30 AH-1Zs delivered to date. The UH-1Y has supported sustained combat operations in OEF since November 2009. The AH-1Z completed its first deployment alongside the UH-1Y in June 2012 as part of the 11th MEU. The AH-1Z performed extremely well on its initial MEU deployment. These aircraft had high Mission Capable (MC) readiness rates while deployed (89.9 percent MC for AH-1Z, 94.4 percent MC for UH-1Y). All subsequent West Coast MEUs are sourced with UH-1Y and AH-1Z aircraft. The continued procurement and rapid transition to these two platforms from legacy UH-1N and AH-1W assets in our rotary-wing squadrons remains a priority.
- KC-130J*.—The new KC-130J Hercules has been fielded throughout our active component, bringing increased capability, performance, and survivability with lower operating and sustainment costs to the Marine Air Ground Task Force. Using the Harvest HAWK weapon mission kit, the KC-130J is providing extended endurance Close Air Support to our Marines in harm's way. Currently, we have procured 48 KC-130Js of the stated program of record requirement totaling 79 aircraft. Continued procurement of the program of record will allow us to fully integrate our active and reserve force with this unique, multimission assault support platform.
- Unmanned Aerial Systems (UAS)*.—Marine Corps operations rely heavily on a layer of small UAS systems that complement the larger systems provided by the joint force. These smaller systems provide direct support for forces operating from sea-based platforms, and enable critical low-altitude and immediate responsiveness that enable small units on the ground. The RQ-7B Shadow unmanned aircraft system has provided excellent intelligence, surveillance, reconnaissance, and battlefield management capabilities in Afghanistan. The RQ-21A Small Tactical Unmanned Aircraft System is uniquely capable of operating from ship or shore, is transportable by High Mobility Multi-Purpose Wheeled Vehicles (HMMWV), and will be an integral part of the future MAGTF. We remain committed to these two critical programs.
- Ground/Air Task Oriented Radar (G/ATOR)*.—The TPS-80 G/ATOR system is the three dimensional short/medium range radar designed to detect low observable/low radar cross section targets such as cruise missiles, UAS, aircraft, rockets, mortars, and artillery shells. G/ATOR replaces five legacy radar systems and supports air surveillance, fire finding, and air traffic control missions. G/ATOR provides fire quality data that supports the integrated fire control concept and the extension of defensive and strike capabilities from the sea to landward in the littorals.

Ground Combat Element Modernization

Age and operational tempo have taken a toll on our Ground Combat Element's (GCE) equipment, creating a requirement to recapitalize and modernize key components. Essential to modernizing the GCE is a comprehensive technologically advanced vehicle portfolio. Two key initiatives to modernize the GCE are the Amphibious Combat Vehicle (ACV) and the Joint Light Tactical Vehicle (JLTV). These systems, coupled with the recapitalization of our Family of Light Armored Vehicles (LAV), a refurbishment of a portion of our legacy High Mobility Multi-Purpose Wheeled Vehicle (HMMWV) fleet, and improvements in advanced simulations systems, are critical to sustaining individual and unit combat readiness while ensuring core capabilities of the GCE.

Amphibious operations are a core mission of the Marine Corps. Amphibious operations is a category which includes a broad range of missions including reinforcing diplomatic facilities from sea-based platforms, conducting strikes and raids against

terrorism targets, delivering aid in the case of humanitarian disaster, and conducting forcible entry where our forces are not invited. The future security environment dictates that we maintain a robust capability to operate from the sea, placing special demands on our equipment. When operating in a maritime environment, Marine systems are exposed to the effects of salt water and extreme weather. Our operational concepts depend on rapid maneuver in littoral waters by which we avoid threat strengths and exploit weaknesses. Thus, our combat systems must bridge the gap between sea and land. Our tactics exploit swift action by Marines ashore, mandating a seamless transition from maneuver at sea to maneuver on land. In every operating environment we must provide a modicum of protection for our Marines while preserving all-terrain mobility and minimizing weight. The specialized craft utilized by Marines support the unique missions of the sea-based crisis response force and are essential for swift maneuver and forcible entry across a range of environments.

Amphibious Combat Vehicle (ACV).—Many of our systems show the signs of age, but none more than the current Amphibious Assault Vehicle (AAV) which has been in service since 1972. The legacy AAV has served the Corps well for over 40 years, but faces multiple component obsolescence issues that affect readiness, sustainment costs, safety, and our ability to respond from the sea. The Amphibious Combat Vehicle (ACV) is needed to replace this aging fleet. To meet the demands of both amphibious crisis response and forcible entry, the ACV program will develop and field an advanced generation, fully amphibious, armored personnel carrier to Marine Corps expeditionary forces. The ACV will provide the ability to maneuver from the sea and to conduct amphibious operations and combat operations ashore by providing the capability to self-deploy from amphibious ships and to seamlessly transition between sea and land domains. The ACV will enable the efficient, tactical mobility of infantry combat forces from ships to inland objectives across beach landing zones under uncertain, nonpermissive, or hostile conditions in order to facilitate the rapid buildup of combat power ashore. Bridging this sea-land gap with surface vehicles is a necessary complement to the maneuver capabilities brought by our MV-22 aircraft. Our objective in the ACV acquisition program is to provide a sufficient quantity of vehicles to ensure we can meet the requirement of the surface assault force for forcible entry and sustain MAGTF operations.

During the interval in which we design, build and field the ACV, we must ensure the continued safety, reliability, and operational capability of our “legacy” AAV. The current AAV platform faces significant maintenance challenges and obsolescence issues. Accordingly, AAV sustainment efforts, to include the AAV Upgrade program, remain a top Marine Corps recapitalization effort priority until fielding of the ACV.

Joint Light Tactical Vehicle (JLTV).—The Joint Light Tactical Vehicle (JLTV) will provide the Marine Corps with modern expeditionary light combat and tactical mobility while increasing the protection afforded our Marines in the light utility vehicle fleet. Working closely with the Army as the lead Service, the Marine Corps is a partner in developing this key system for the tactical-wheeled vehicle fleet of the Joint Force. A relatively light system is necessary to retain our expeditionary capabilities aboard amphibious warships, and to support transport by rotary wing aircraft. The program also seeks to provide a level of protection that is an improvement over the HMMWV. As a reflection of a constrained fiscal environment, our initial planned purchase is 5,500 vehicles, only enough to meet critical needs in the most dangerous combat mission profiles of the light vehicle fleet. The JLTV development will benefit from early user and life cycle cost analysis to ensure its long-term cost-effectiveness. The Marine Corps also seeks funding to refurbish the balance of the HMMWV fleet that will be retained. This is a cost-effective strategy to use these older vehicles in mission profiles where a lack of the advanced capabilities of the JLTV can be mitigated.

Light Armored Vehicle (LAV).—The Family of Light Armored Vehicles (LAVs) enables combined arms reconnaissance and security missions in support of the GCE. This family of vehicles has proven itself over more than two decades of combat, and is an essential element of the combat power of the MAGTF. Heavily utilized in crisis response, conventional combat, irregular environments and stability operations, this fleet now requires robust recapitalization and modernization in order to sustain its capabilities. Additionally, obsolescence issues with several critical components threaten the sustainability of the LAVs through the expected end of service. Funding is requested to maintain the operational availability of these platforms and provide upgrades to adapt to the current and anticipated operating environments.

Ground Training Simulation Systems.—Modernization efforts in ground training simulation systems have capitalized on advancements in technology developed over a decade of preparing Marines for combat deployments in Iraq and Afghanistan. Leveraging our success with these programs, we will further enhance combat train-

ing to maintain our readiness for the current and future security environments. These critical simulation systems develop combat unit proficiency in core skills such as command and control, leadership decisionmaking, and combined arms coordination. They develop proficiency in individual skills through combat convoy vehicle operator training, advanced gunnery training, and individual marksmanship. These systems complement necessary live ammunition and range training, but allow the fundamentals of these capabilities to be practiced in a much more cost-effective manner. Training simulation systems conserve training and maintenance funds, reduce ammunition expenditures, and mitigate limited availability of training ranges.

Joint Nonlethal Weapons Program.—As DOD's Executive Agent for the Joint Nonlethal Weapons Program, the Marine Corps also continues its efforts, in concert with the other Services, to advance nonlethal technologies, and to provide capabilities in support of operational commanders and our Allies to minimize collateral damage and unnecessary loss of life. These capabilities are becoming increasingly relevant in the security environment of the new normal of instability, non-state actors, and a desire to minimize collateral damage.

Logistics Combat Element Modernization

Our logistics modernization efforts include the Global Combat Support System-Marine Corps (GCSS-MC) as the Information Technology enabler for logistics supply chain management throughout the Marine Corps. When fully developed, GCSS-MC will provide an unprecedented capability for inventory accountability, providing accurate logistics data to commanders and logisticians in near real-time at any location in the world.

The past decade's operational tempo and the continuing evolution of warfare have also emphasized the importance of engineer equipment modernization. Explosive Ordnance Disposal (EOD) capability has become increasingly important with the rise of the improvised explosive device as the enemy's weapon of choice. Development of the Advanced EOD Robotics System and Route Reconnaissance and Clearance Sets have proven themselves in combat, saving lives and preempting casualties.

Energy Modernization

Expeditionary Energy is a multiyear initiative integrated with our approach to amphibious and expeditionary operations. Over the last decade of combat, Marines have increased their lethality and situational awareness, but at the expense of increased requirements for fuel and batteries. These dependencies increase the logistics footprint and combat weight of our force, impairing our expeditionary responsiveness. The Marine Corps takes seriously the necessity to increase energy efficiency, deploy renewable energy technology where it makes sense, and train Marines to employ resources more efficiently. We have made tremendous strides in weaning ourselves from external energy dependencies, and we remain committed to continue our investments in expeditionary energy. For expeditionary Marines operating in austere environments, these energy efficiency measures represent a significant increase in combat effectiveness.

INVESTING IN INSTALLATIONS AND INFRASTRUCTURE

Infrastructure Sustainment

Marine Corps Installations are a foundational support element to our Air-Ground-Logistics teams. Our bases and stations serve as launch platforms for our combat deployments, and are host to the realistic training and facilities that make our Marines successful on the battlefield. Our installations also provide for the safety and support of our military families, our combat equipment, and our civilian workforce. The quality of life for our Marines, Sailors, and families is measurably impacted by the condition of our facilities. Our installation commanders are required to be good stewards of their properties, to respect natural and cultural resources and to operate in a manner that sustains the environment and their mission. We will continue to ensure that Marine Corps facilities are well-planned, built, and maintained, and that they cost-effectively support Marine Corps readiness. To maintain our physical infrastructure and the complementary ability to train and deploy highly ready forces, we must adequately resource the sustainment and readiness of our bases and stations.

In fiscal year 2014, the Marine Corps Facilities Investment strategy ensures that our infrastructure can adequately support Marine Corps' needs. The proposed fiscal year 2014 budget provides \$653 million for facilities sustainment of Marine Corps facilities and infrastructure, maintaining funding at 90 percent of the sustainment model requirement. Our budget request adequately supports environmental compliance, family housing improvements, and the replacement of inadequate and obsolete

facilities across our installations. The fiscal year 2014 budget request provides proper stewardship of Marine Corps infrastructure. Sequestration necessitates significant cuts in facilities investments and subsequent degradation in infrastructure conditions and readiness.

With over \$800 million requested in fiscal year 2014 for required Military Construction projects, we are prioritizing funding to support new mission and new platform requirements, force structure repositioning, replacement of aging infrastructure, and support to enduring missions. Our efforts to improve force protection, safety, and physical security requirements are continuous.

The fiscal year 2014 budget provides \$69 million for military construction and \$31 million for operations and maintenance funding to continue improvements in our installations energy posture. This funding will target energy efficiency goals established by the Energy Independence and Security Act of 2007 aimed at reducing consumption by 30 percent from a 2003 baseline. Additional efficiencies will be gained by decentralizing older, inefficient steam heating plants and by improving our energy management and control systems. Overall, our planned investments are intended to increase energy security on our installations while reducing the cost of purchased utilities. Lean and efficient basing infrastructure allows us to put every precious \$1 to use making Marines and deploying them where they are needed most.

To enable essential changes in training requirements as well as new weapon systems, we are seeking Congressional support to expand the Combat Center at Twentynine Palms, California, extend the existing withdrawal of land for the Chocolate Mountain Aerial Gunnery Range, California, as well as purchase private property to expand the Townsend Bombing Range in Georgia. At Twentynine Palms, we are requesting the withdrawal of approximately 150,000 acres from the public domain as well as the purchase of approximately 2,500 acres of California State Land and 10,000 acres of privately held land enabling it to support training and exercises for a Marine Expeditionary Brigade size force. The Marine Corps is also requesting to extend the existing withdrawal of land for the Chocolate Mountain Aerial Gunnery Range in southern California. The current withdrawal expires in 2014 and requires renewal by Congress so that this vital range can continue its use for air and ground training. Finally, the current 5,000 acre Townsend Bombing Range, adjacent to Savannah, is not large enough to meet the required safety or space requirements for use of precision guided munitions. We are seeking to purchase privately held land to increase this facility as well, allowing us to drop a wider range of ordnance in training. This is a critically important Marine Corps aviation training requirement that would be safely supported with the proposed expansion by approximately 28,000 acres. For decades, Townsend Range has been used by the joint aviation community as a centrally located and preferred Air-to-Ground training facility on the east coast; the fielding of the F-35 Joint Strike Fighter to all three Services makes the expansion of Townsend Range even more critical.

ORIENTING TO THE FUTURE

Rebalancing Toward the Pacific

As the world's leading democracy and largest economy, the United States is a global Nation with economic and security interests inextricably linked to the Asia-Pacific. The arc extending from the chain of our own Alaskan islands down the Asian continent follows a vast littoral and archipelagic swath that is home to close allies, emerging partners, and potential threats. It contains vast resources, vibrant populations, and great cities. It continues through the narrow straits of Southeast Asia and extends all the way into the Indian Ocean. Our return to prosperity as a nation (and thus achieve our lasting security) depends on the restoration of global growth. No engine of growth is more powerful than the Asia-Pacific. Rebalancing to the Pacific theater is a central element of strategy. Geographically, culturally, economically, even by name, the "Pacific" is a maritime theater. The vast stretches of ocean, the thousands of small islands that dot its map, and the vast inland waterways that shape its demography are all artifacts of this maritime character, and have implications for the types of forces required to achieve our security there. The tyranny of distance underscores the value of forward deployed maritime forces in the Pacific region. The Navy-Marine Corps team is uniquely suited to operate in this vast blue water and littoral environment. Marines have a long legacy of serving in the Pacific; it is where the Marine Corps "came of age." We are proud of our heritage in that theater through a world war and the many smaller conflicts, crises, and contingencies that have followed. Strategic imperatives demand that our Nation continues to build on the presence of Sailors and Marines who operate daily throughout this region.

As we draw down our presence in Afghanistan we will reset in stride, resuming our Unit Deployment Program in Okinawa and re-establishing our force posture in the Pacific. The Marine Corps has developed a comprehensive campaign for a future force lay down in the Pacific that retains the ability to contribute a stabilizing presence, continues to contribute to deterrence and regional stability in Northeast Asia, revitalizes our traditional partnerships while developing new ones, and postures forces to take advantage of key partnership opportunities in Southeast Asia. Our desired end state through this rebalance is four geographically distributed and operationally resilient Marine Air Ground Task Forces (MAGTFs) trained and prepared to conduct combined arms and amphibious operations in support of the global requirements of the joint force.

In the Pacific, forward presence is a key necessity for timely response to crisis. Where hours matter, a response measured in weeks or months wanes in relevance. Expeditionary Marine forces operating in the Western Pacific can trim 2 weeks off the response time of units coming from the continental U.S. Forward naval presence and training with our Pacific allies demonstrates our commitment to the region, and builds trust that cannot be surged during times of crisis.

Innovation and Experimentation

The Marine Corps has remained at the forefront of innovation, especially during the last decade. Through experimentation and realistic training, the Marine Corps has adapted to the challenges of the modern operating environment, and has developed new concepts, tactics, techniques, and procedures to ensure Marines are prepared to meet the challenges of the future. Two key components of our training innovation are our Marine Corps' Tactics and Operations Group (MCTOG) and our Marine Corps Logistics Operations Group (MCLOG). These organizations represent the collective wisdom of years of combat operations rapidly turned directly into our training curricula. Combined with the Marine Aviation Weapons and Tactics Squadron One (MAWTS-1), we are implementing a professionalization syllabus and certification process for our mid-level combat leaders.

Through a rigorous process of wargaming, technological assessment, and experimentation, the Marine Corps Warfighting Laboratory (MCWL), works closely with the Office of Naval Research and other partners to produce material and nonmaterial solutions for our operating forces. This mix of combat veterans, technical experts, and forward thinkers conducts timely innovation to meet current needs and emerging threats. We intend to build on this ability to adapt and innovate through MCWL and the Marine Corps University. Leveraging the human capital represented in a combat-proven generation of Marines is essential for our future force.

Large Scale Exercises

Nations around the world, many of whom are our allies, are purchasing and constructing amphibious capabilities at an increasing rate. Even as total fleet numbers decline, the number and tonnage of amphibious fleets is on the rise, and the growth of expeditionary maritime capabilities is similarly resurgent. Our allies and partners, especially in the Pacific, continue to improve amphibious arsenals and realize the importance for this capability, as do our competitors and potential adversaries. The forward-deployed Navy-Marine Corps amphibious team continues to be a significant power projection capability and a compelling model for other countries to emulate. Our ability to train with and mentor this global force development is essential.

In 2012, the Navy-Marine team conducted a number of large-scale amphibious exercises to revitalize, refine, and strengthen our core amphibious competencies. Exercises such as Bold Alligator on the U.S. East Coast, Cobra Gold in Thailand, and SsangYong in South Korea each draw significant international participation. Our allies have seen the broad utility of expeditionary forces in achieving national security objectives, and are investing to achieve these capabilities themselves. These large exercise series, and others like them, leverage the explosive growth of amphibious capabilities among our allies and partners. They contribute not only to the training readiness of our own forces, but also achieve combined training objectives with our allies. They demonstrate our collective ability to provide the mechanisms of collective security in the global commons. The investment of operating funds to conduct these large-scale exercises not only trains forces, but also builds strong security relationships.

KEEPING FAITH WITH OUR MARINES, SAILORS AND FAMILIES

Family Readiness

The Marine Corps remains acutely aware of the critical relationship between quality of life and Marine Corps combat readiness. The strong support of Congress

in providing quality of life funding continues to yield needed enhancements in family support programs. Our Marine Corps Family Team Building (MCFTB) trainers and Family Readiness Officers support the Unit, Personal and Family Readiness Program to ensure Marines and their families maintain a high level of family readiness. Over the last year, we have made significant strides in making our entire syllabus of MCFTB training available online via computer based training modules. As of March 1, families are now able to register for an account and utilize computer-based training on our Marine-Net training Web site. With over 227,000 subscribers and growing, our online family readiness Web site, e-Marine, continues to be a valuable and innovative tool to securely and safely share family readiness information while improving lines of communication within individual commands. Marines, family members, and unit commanders can access documents, view photos and videos, participate in forums, and receive important information about their Marine's unit from anywhere in the world.

Wounded Warriors

The Marine Corps' Wounded Warrior Regiment (WWR) is a fundamental component of the Marine Corps' pledge to "keep faith" with those who have served. The WWR supports Marines wounded in combat, those who fall severely ill, and those injured in the line of duty. The WWR administers the Marine Corps' Recovery Care Coordination Program that ensures medical and nonmedical needs fully integrate with programs such as the Warrior Athlete Reconditioning Program. Facilities such as our new Warrior Hope and Care Centers provide necessary specialized facilities that allow us to support our wounded warriors and their families.

Key to this care is ensuring Marines execute recovery plans that enable their successful return to duty or reintegration to their civilian communities. Around the country, we have established District Injured Support Cell Coordinators who assist Marines transitioning from active duty to veteran status. Our WWR Medical Staff provides medical subject matter expertise, advocacy, and liaison to the medical community. The Sergeant Merlin German Wounded Warrior Call Center conducts an average of 7,000 outreach calls per month and receives calls for assistance 24 hours a day from both active duty and veteran Marines. Our contact centers conduct outreach to Marines who remain with their parent command ensuring their needs are met. Depending upon the individual Marine's requirements, these programs and services are coordinated for optimal care delivery, proving that Wounded Warrior care is not a process, but a persistent relationship between the Marine Corps and our Marines.

One of my greatest concerns is the long-term care and support for our wounded veterans. Many of our young men and women have sustained injuries that will necessitate support for the remainder of their lives. Given the youthfulness of this wounded population, this represents a debt to our Nation's warriors that will have to be paid for several decades. Our Wounded Warrior capabilities are an enduring measure of our commitment to keep faith with our young men and women, and we expect this capability will continue well beyond our return from Afghanistan.

Resiliency

We continue to invest, treat, and care for our Marines with Post-Traumatic Stress (PTS) and Traumatic Brain Injury (TBI). We are working to ensure that Marines understand that, "it's OK to not be OK." Our efforts will continue to ensure that Marines seek help and are provided effective care when they need it. We stress that all Marines and Sailors have a responsibility to look out for one another and to assist anyone who might be struggling.

PTS and TBI are invisible enemies we cannot ignore. We are thoroughly screening all Marines and Sailors prior to deployment, enhancing the delivery of care in theater and identifying and testing all at-risk personnel as they return from deployment. Enhanced resilience, achieved through training and improved physical, spiritual, and psychological fitness, can decrease post-traumatic stress, decrease incidents of undesirable and destructive behaviors, and lead to greater likelihood for future good health. Most service members who seek and receive psychological health support improve, and are eligible to remain on active duty.

Since January 2010, we have been building Operational Stress Control and Readiness (OSCAR) teams at the unit level. These teams consist of selected unit Marines, leaders, medical and religious personnel, and mental health professionals who work together to provide a network of support. This model empowers Marines with leadership skills to break stigma and act as sensors for the commander by noticing small changes in behavior and taking action early. OSCAR teams strengthen Marines, mitigate stress, identify those at risk and treat those who need support, with the goal of swiftly re-integrating Marines back into the force. This investment comes

at a cost, and places increased demand on an already stressed Navy medical capacity.

In fiscal year 2013, we will continue to advance our Marine Total Fitness concept to develop Marines of exemplary physical, psychological, spiritual, and social character. Marine Total Fitness infuses fitness-based information and concepts into all aspects of a Marine's training and readiness and prepares Marines to successfully operate in and respond to the rigors, demands, and stressors of both combat and garrison.

Sexual Assault Prevention and Response (SAPR)

Sexual assault is a crime. Like other serious crimes, it is incompatible with our core values, negatively impacts individual Marines, and directly undermines readiness, unit cohesion, and morale. Protecting our Marines and eradicating sexual assault from our ranks are top priorities for me and our Corps. I believe we are making real and tangible progress. Over the last year, we have taken deliberate and substantive steps toward dramatic changes in our sexual assault prevention and response capabilities. The focus of effort has been on changing our culture—specifically, changing the behavior of those who might commit sexual assault and the actions of those who respond to it. We believe that all Marines are part of the solution, from small unit leaders to peer and bystander intervention, to legal professionals, to unit commanders. In April 2012, I handpicked a two-star general to lead an Operational Planning Team (OPT) comprised of our Corps' most credible officers and senior enlisted Marines. They were tasked with defining the sexual assault problem in our Corps and providing me recommendations on how we could eliminate it from within our ranks. This study led to our Sexual Assault Prevention and Response Campaign Plan. While recognizing that there is no single solution to preventing and responding to sexual assault, this plan makes every Marine accountable in our fight against it. We reconfigured the entire SAPR program at the Headquarters level, assigning oversight to a General Officer and a newly established team of experts. In an unprecedented move, we pulled one of our very best Colonels from his operational command to implement the initiatives outlined in the Campaign Plan. We brought back all of our General Officers to Quantico in July for 2 days of training and cross-leveling of their responsibilities in turning this crime around. On the heels of that effort, the Sergeant Major of the Marine Corps brought all of his top senior enlisted leaders back to D.C. in August to deliver the same message.

The campaign's first phase consisted of 42 tasks, including new large-scale training initiatives at all levels. It was comprised of Command Team Training for senior leaders, bystander intervention training for Non-Commissioned Officers, and All Hands training for every single Marine. In these training sessions, we employed ethical decision games and interactive discussions to engage all Marines in this difficult topic. To achieve long-term cultural change, this training will be sustained through enhancing the training curricula in all of our professional schools, customizing the training based on the rank and experience of the individual Marine.

Protection of the victims of sexual assault, even while cases make their way through the legal system, is an immediate and enduring requirement which we take very seriously. Regarding response to sexual assault, we professionalized our victim advocate community by revising our advocacy training and implementing credentialing requirements for SAPR personnel. Additionally, we have added 47 full-time Sexual Assault Response Coordinator and Victim Advocate billets for fiscal year 2013. We have completely reorganized our legal community to improve our ability to successfully prosecute these complex cases after they have been investigated. The centerpiece of this new model is the Regional Complex Trial Team, which ensures we have the right prosecutor on the right case. Our complex trial teams are staffed with experienced military prosecutors and augmented by civilian—Highly Qualified Experts—giving us a wealth of experience to prosecute complex sexual assault cases. These teams will not only be able to prosecute "special victims" type cases, but all types of complex cases.

This effort complements our Campaign Plan's central Phase II initiative: the establishment of Sexual Assault Response Teams (SARTs). SARTs will be established regionally to prevent a fragmented approach to victim care. This requires continued collaboration with various entities, such as the U.S. Navy Bureau of Medicine and Surgery and Naval Criminal Investigative Service (NCIS), adding to the enhanced training and surge capability that NCIS has already implemented to expedite assault investigations.

Perhaps counter-intuitively, one potential manifestation of our intensified institutional response will likely be an increase in unrestricted reported cases. If this represents an increase in the bonds of trust between our junior Marines and their chain of command, I will consider that a successful step on the path to eliminating

this issue in the Marine Corps. Eliminating sexual assault in our ranks is our ultimate goal, and I will stay personally and actively engaged in leading this campaign.

Suicide Prevention

During 2012, the Marine Corps experienced a rise in suicides and suicide attempts after 2 encouraging years of declining numbers. During calendar years 2010 and 2011, 37 and 32 Marines, respectively, died by suicide. For calendar year 2012, the number of suicides increased to 48. We remain committed to preventing this great tragedy. Suicide is an issue that belies simple or quick solutions; it is an important issue that demands our continual attention. We have learned that the most effective methodology for us to prevent suicides is vigilant and persistently engaged leadership at every level. Proactive leaders are alert to those at risk for suicide and take action to help Marines optimize their physical, psychological, social, and spiritual aspects of their lives. To counter suicide, affirming and restoring the indomitable spirit of Marines is an enduring mission.

Our primary challenge remains teaching Marines to engage our many services early, before problems worsen to the point where they contemplate or attempt suicide. Last year we signed the first formal policy and procedural guidance for the Marine Corps Suicide Prevention Program. “Never Leave a Marine Behind” suicide prevention training focuses on how Marines can help one another, and how they can seek help early before a situation becomes a crisis. In 2012, we also expanded our successful—DSTRESS—Line worldwide, which provides anonymous 24/7 counseling services to any Marine, Sailor, or family member. Additionally, we have trained and implemented Suicide Prevention Program Officers for every battalion and squadron. We will continue focusing our efforts on preserving the health of our greatest and most cherished resource, our Marines, Sailors, and their families.

Civilian Marine Workforce

Civilian Marines exemplify our core values. They embrace esprit de corps, teamwork, and pride in belonging to our Nation’s Corps of Marines. The 95 percent of our civilian workforce that is employed outside the Headquarters element in the Pentagon, are located at our installations, bases, and stations; they are the guards at our gates, the clerks who pay our bills, the therapists who treat our wounded, the experts who repair our equipment, our information technology support, and the teachers who instruct our children. Sixty-eight percent of our civilian Marines are veterans who have chosen to continue to serve our Nation. Of those, a full 13 percent have a certified disability. Still, our civilian workforce is very small in comparison with similar organizations. The Marine Corps maintains a very frugal ratio of one civilian to every 10 active duty Marines. Our civilian nonappropriated funded workforce continues to steadfastly provide vital support to our Marines, reserve Marines, their families, and our wounded, ill, and injured. Since 2009, the Marine Corps has taken proactive measures to prioritize civilian requirements and realign resources to retain an affordable and efficient workforce directly linked to our mission. In our effort to restrain growth, we implemented a hiring freeze from December 2010 through December 2011 to achieve our appropriated funded civilian end strength commensurate with a goal of 17,501. We started into this era of budgetary uncertainty not fully recovered from the hiring freeze and we have no chance of recovering in fiscal year 2013. In pursuit of the leanest possible institution, the Marine Corps’ 2013 budget restrains growth in our civilian Marine workforce; our 2014 and beyond budget plans are based on a stabilized workforce. Further civilian reductions will severely jeopardize our ability to meet mission requirements.

Women in Service Restriction Review

The Marine Corps continues its efforts to review the laws, policies, and regulations that restrict the service of female Marines. As our policies evolve, we must ensure the effectiveness of our combat units, the long-term physical well-being of all of our Marines, and the broadest possible career opportunities for all. To that end, I initiated a measured, deliberate, and responsible research effort to provide the meaningful data necessary to make fact-based recommendations to the senior leadership of the Department of Defense and Congress. Our research efforts will continue as we implement the January 24, 2013 Secretary of Defense decision to rescind the 1994 Direct Ground Combat Definition and Assignment Rule. Additionally, in order for us to collect performance data in our most demanding and rigorous ground combat skills training environment, female graduates of our Basic Officer Course at The Basic School are afforded the opportunity to volunteer to attend our Infantry Officers Course. That effort is ongoing and will continue into 2016 as we collect the necessary data.

During this past year, we requested and received approval for an exception to the 1994 Ground Combat Exclusion Rule. Under this Exception to Policy (ETP), the Ma-

rine Corps opened 371 Marine and 60 Navy positions in combat arms units previously closed to females. These 19 previously closed operational units include artillery, tanks, assault amphibians, combat engineers, and low altitude air defense communities. The assessments and feedback from these units to date has been encouraging.

Following SECDEF's required notification to Congress later this spring, we intend to further expand the ETP beyond these original 19 battalions to include opening Military Occupational Specialties (MOSs) within Air-Naval Gunfire Liaison Company units and the 0203 Ground Intelligence Officer MOS. During 2013, ETP participants and Commanders will continue to provide assessments which will afford our leadership the opportunity to address issues such as optimum cohort size, mentorship, and career development. Currently, 90 percent of our military occupational specialties are open to females.

Additionally this year, the Marine Corps will continue our measured, deliberate, and responsible research effort by completing our review and validation of standards for those MOSs with the greatest physical demands. Once complete, our goal is to correlate and norm these proposed physical standards with our already established Physical Fitness Test (PFT)/Combat Fitness Test (CFT). The goal is to develop a safe, predictive mechanism to use during the MOS assignment process for all Marines, both male and female, to ensure they are assigned where they have the greatest likelihood to excel to their fullest potential.

Returning Quality Citizens

It is vital that we meet the needs of our Marines who transition from service. In March 2012, we implemented the new Transition Readiness Seminar (TRS) to maximize the transition-readiness of all service members. In accordance with the Veterans Opportunity to Work (VOW) to Hire Heroes Act, TRS revolutionized our approach to meet the individual goals of each Marine as he or she transitions to the next phase in their life. The seminar is a week long program which includes a mandatory standardized core curriculum and also provides four well-defined military-civilian pathways: (1) College/Education/University, (2) Career/Technical Training, (3) Employment, or (4) Entrepreneurial. Each pathway has associated resources and additional tools to better prepare our Veteran Marines. An essential feature of the TRS is that it allows Marines to choose and receive transition information and education in line with each Marine's future goals and objectives.

SUMMARY

Even in challenging times, our great Nation remains the world's largest economy and an indispensable leader in the global community of nations. Our interests span the globe, and our prosperity and security are to be found in the protection of a just international order. That order is threatened daily by the instabilities of a modernizing world, putting our citizens, our interests, and our allies at risk. While we seek peace as a nation, the headlines remind us that those who would do us harm continue to bring conflict to our doorstep. The Marine Corps remains the Nation's ready hedge against unpredictable crises, an insurance policy that buys time when hours matter. In special partnership with the Navy, and on the ready leading edge of the larger Joint force, your Marines provide the capability to respond to today's crisis, with today's force . . . TODAY. The American people can rest assured that their Marines are poised around the globe, ready to respond swiftly when danger, difficulty or disaster strikes.

I pledge that your Marine Corps will continue to work with Congress and the Department to provide the Nation's ready expeditionary force with economy, frugality, and good stewardship. Through Congress, the American people entrust us with their most-precious capital: their sons, their daughters, and their hard-earned resources. With your continued support, we will carefully invest this capital to provide young Marines with the ethos, training, and equipment that have made them successful for over two centuries. We will uphold high standards of training, leadership and discipline. We will keep faith with our Wounded Warriors. We will care for our families. Most importantly, we will ensure that your Marines are ready when the Nation needs us the most. We will do this all with dignity, humility, and a keen sensitivity to the sacred trust the American people have placed in us. Thank-you for your continued faith in us. We remain . . . Semper Fidelis.

MARINE CORPS DEPLOYMENTS

Senator DURBIN [presiding]. Thank you very much.

I might remind my colleagues that we have a 12 o'clock vote. I am going to try to give everyone a chance to ask questions before we have to leave for that vote. I will ask the following question: General Amos, we were advised this morning that the Marine Corps has just received approval to deploy a task force to Morón Air Base in Spain. They started moving aircraft and personnel this past weekend. There was an article that was published in February, but at the time, the location and makeup of the force had not been released. The purpose of the deployment I understand is to help U.S.-Africa command more rapidly respond to events in North Africa. I would like to ask you this question: What precipitated this decision, and what do you anticipate the marines will be called on to do in this new assignment?

General AMOS. Chairman, thanks for the opportunity to talk about it. Yesterday morning, six MV-22 Ospreys left New River to stage in Maine on their way across the Atlantic. They will be followed by—the force will be comprised of about 550 marines and sailors, and they will predominantly be based, to begin with, out of Morón, Spain.

Their job is to provide a crisis response capability for the combatant commander. General Ham, when he was the combatant commander, and I talked about it. You take a look at the forces that would be available in the Africa theater, and with the exception of just a few special operations forces (SOF) and, of course, marines at embassies and security forces, there are very few others that he has available to respond to a crisis.

So this is an opportunity now to provide that crisis response force. It will have a marine infantry company reinforced. It will have signals intelligence, cyber capabilities, and logistics. And they will be able to respond to both—he and to the combatant commander, EUCOM, as they see fit.

Senator DURBIN. It is my understanding that current deployment to Sigonella in Italy has resulted in the frequent deployment of 15- to 20-man teams to advise, assist, and train friendly militaries in Africa. The most recent iteration deployed from Camp Lejeune was about 130. The numbers you have given us sound at least comparable, if not substantially more, than Sigonella. What will be the difference in the types of assignments that this new unit might face?

General AMOS. Chairman, the Sigonella detachment, which we stood up almost a year ago now, is predominantly for training, advising, and assisting, giving General Ham then, now General Rodriguez, the ability to actually do in small teams, train with his African partners.

This response team that I just described, the crisis response force, it can do training, but it also if something happens, you now have an asset that you can move very quickly, along with the C-130 tankers and the V-22s. You can move it very quickly in the Africa continent to respond to a crisis.

Senator DURBIN. So have you been given any indication of at least the area of potential deployment?

General AMOS. Sir, I do not right now. When I talked to General Ham to begin with, I told him, I said, "You can—we will provide this force. You can put it on the African continent anywhere that

you have—the State Department makes arrangements.” Right now, they are temporarily going to Morón, Spain as a placeholder. But, sir, I cannot tell you where they are going to go. I think they are going to move some time, and I would not surprise me to find them moving around the Africa continent.

F-35 JOINT STRIKE FIGHTER

Senator DURBIN. Thank you very much. I just have a minute and a half remaining. The question I am about to ask is going to be the subject of a later hearing, but I would like to at least get a response from Admiral Greenert or Secretary Mabus about the current status of the Joint Strike Fighter program as it relates to your branch of the service.

Admiral, this has been going on for 12 years. Some \$9 billion has been spent. It is my understanding the average cost of the aircraft, even discounted in volume, is going to be 50 percent more than anticipated. I am also told that as of this point, only 43 percent of the program has been flight tested some 12 years after it was initiated.

Can you tell me your feeling about the status of this program and whether or not it is going to provide the aircraft that the Navy needs at a sustainable cost?

Admiral GREENERT. Well, we are—the Navy is looking at the C version, the carrier version. It is the third of the three. So the tests are more in the beginning stages for that class.

So far I am satisfied with those tests, but most of them are aerodynamics and the airplane itself; that is, the frame and the engines. Satisfactory so far. But for me, we still need to get the tail hook to work right. That is on a track. And for me, we have to be able to have software that can employ all the weapons that the Hornet, our Super Hornet, plays because this aircraft has to integrate into the air wing at sea. I cannot just have it as an adjunct.

And so what we need is a tail hook, the helmet to get done, the software to get done, and test it properly so that it can employ all the weapons so that at that time, right around 2017, 2018, it can embed into the air wing.

Right now, I am optimistic, but we will see.

Senator DURBIN. I am not going to dwell on this. There are plenty of questions I could ask both General Amos, Secretary Mabus, and yourself to follow up. There will be a separate hearing on this Joint Strike Fighter. I think it is important that we at this level, at the Appropriations Committee, ask some of these important questions about this critical program.

I am trying to now to take a look at the order of precedence and recognition here, and it is my understanding that Senator Shelby, the ranking Republican on the Senate Appropriations Committee, is next.

Senator SHELBY. Well, you are kind. Thank you.

Senator DURBIN. We have a lot of rank issues here, which we have to resolve.

Senator SHELBY. Thank you, Mr. Secretary. Mr. Secretary, the Navy's joint high speed vessel, as you are familiar with, I think is a valuable addition to the Navy. You have said that here before. It has an expansive mission bay of some 20,000 square feet, which

enables a ship to move 600 tons of cargo at over 35 knots, while carrying over 300 combat ready troops.

Given the speed—given the ship's speed, cargo capability, and ability to maneuver in the shallow waters, would it not be prudent for the Navy to look at expanding the joint high speed vessel mission beyond theater transport, or what do you have in mind?

JOINT HIGH SPEED VESSEL

Secretary MABUS. And as the Commandant said, thank you for the opportunity to talk about this vessel that we are so proud of. It is one of our most flexible platforms. It does the things that you described, and we have already begun to expand its role into theater cooperation.

I visited the first joint high speed vessel, the research vessel, the *Swift*, off the coast of Africa when it was doing African partnership station. And I also saw the same ship off the coast of Panama when it was doing partnership related activities with our Central American partners and allies.

And so from everything from transporting marines, soldiers, and their equipment for either combat or training or lift throughout the vast distances of the Pacific, for example, to doing partnership engagements, to other missions that as we get these ships into the fleet, see their capabilities, we can expand. But we are very happy with this ship and with this program.

Senator SHELBY. You like what you see, do you not?

Secretary MABUS. We do.

Admiral GREENERT. Senator, may I make a comment? I have just assigned a three-star panel to do exactly what you said, to expand the concept of the operation working with the Marine Corps to find out what we can do. This, in my view, is a vessel with a lot of potential.

Senator SHELBY. The 300 combat, you are generally speaking of marines, are you not?

Admiral GREENERT. Generally speaking, yes, sir, and more.

LITTORAL COMBAT SHIP

Senator SHELBY. Admiral, I have one quick question for you. It is my understanding that the littoral combat ships (LCSs) 4 through 8 have experienced some schedule delays beyond their originally scheduled delivery date. Could you provide clarification to the committee on the revised delivery schedule for these ships, and do you believe that the delay in delivery of these ships represents anything out of the ordinary for that of a second ship of a new ship class? In other words, are you satisfied that the current delivery schedule will meet the needs of the Navy, I think is the bottom line.

Admiral GREENERT. Bottom line is, Senator, I believe that the current delivery schedule will meet the needs of the Navy. I will provide for the record the exact delivery.

Senator SHELBY. Okay.

Admiral GREENERT. But these were mostly scheduling. It was mostly just some hitches that you get here and there when you get a new class of ship. Mr. Stackley and I are very comfortable with the schedule they are on now.

Senator SHELBY. Secretary Mabus, when the authorized dual buy acquisition strategy that you are very familiar with comes to a conclusion in 2015, what factors will the Navy consider when determining how to proceed with procuring additional littoral combat ships? Some of the criteria.

Secretary MABUS. Senator, one of the things that the Chief of Naval Operations (CNO) has done is set up another panel on LCS to come up with the way it should be used, the concept of operations, lessons learned. We just deployed *Freedom* (LCS-1) to Singapore. It got there this week for an 8-month deployment. We are planning to put four in Singapore. And it is our plan today to buy 52 of these incredibly capable vessels.

And as we see the operational qualities and capabilities of both variants, and how it fits into the existing fleet, and how it fits into our existing deployments, we will be making those decisions. But right now, from everything we have seen, both versions are performing very well.

Senator SHELBY. Thank you. Thank you, Mr. Chairman.

Senator DURBIN. Senator Murray.

Senator MURRAY. Thank you very much to all of you for being here and your testimony. I want to thank you all for specifically addressing sexual assault in your written remarks and testimony, and I am encouraged by some of the efforts that are being taken on these incredibly important issues.

SEXUAL ASSAULT PREVENTION PROGRAMS

I understand that Secretary Hagel released a new Department of Defense Instruction on Sexual Assault Prevention and Response Program Procedures on March 28. Secretary, let me start with you. How did those efforts that you took within your service inform the development of that instruction in particular?

Secretary MABUS. Thank you, Senator. The office, our Sexual Assault Prevention Office unique in the Pentagon, reports directly to me. I put it in the Secretariat because I think this is such a crucial issue facing our force. That office worked very closely with the DOD-wide effort to come up with best practices, to come up with some of the lessons that we are learning and beginning to learn, but also to highlight perhaps some of the differences that services face because of our different circumstances and the different ways we deploy and we are employed.

I will give you one very quick example. We, after a very close look, found that we had few problems at boot camp, but our problems began at A-school where all our enlisted sailors go immediately after boot camp. And so our focus—part of our focus has been on correcting the problems at that school, which perhaps may be unique to the Navy.

The other thing that we deploy at sea on myriad different kinds of ships and types of ships and making sure that we can get the—number one, the instructions to the entire fleet, the training to the entire fleet, but also sexual assault response coordinators, Naval Criminal Investigative Service (NCIS) investigators, to the sites where these things may be needed.

And if I could be permitted, just one other thing. I have been asked if I am concerned about sexual assault, and my reply has

been that is not an accurate description, and I do not think it applies to either General Amos or Admiral Greenert. I am angry about it. This is an attack on our sailors and marines, and it is an attack from the inside. And it is something we simply have to fix.

If somebody was walking around taking shots at random at our sailors and marines, we would fix it. And this is no less of an attack on the integrity and the structure of our force.

Senator MURRAY. I appreciate that response.

General Amos, let me ask you. In your testimony, you described a number of good steps you have taken to combat military sexual assault in the Marine Corps, and talked about how sexual assault is entirely incompatible with the culture of the Marine Corps. But I am just concerned by a recent USA Today article that talked about the results of the survey. And according to the report, of all the services, the Marine Corps has the highest percentage of female servicemembers reporting they were sexually assaulted. Do you have any thoughts on why that might be?

General AMOS. Senator, thanks, and I thought you would bring that up. If you were not, I was going to because I thought the article, while well written, the historical data in there is shameful. It is shameful for the Marine Corps, not for USA Today. But it is historical data. When I saw that article, I went back and I sat with my team that has been after this now for—since probably about last May. And we have a major campaign plan under way to change the culture of the Marine Corps.

The data that was collected to accommodate that survey, while shameful, it is historical data. It was taken 10 months before the implementation of what we are doing right now. It begins with me. It begins with the Sergeant Major of the Marine Corps.

And, Senator, I want you to know we are committed to changing the culture. Everything I put in my posture statements are things that we are doing. I went back yesterday and I just said, “Okay, help me understand why this is—what is the reality versus what might have appeared in the paper?” And if you would not mind, I would like to just read a couple of things to you as a result of the survey.

The survey was conducted at the height of what we call phase one, which is the strike phase, the thing to change our culture from the top to the bottom. So it covers the period that was 10 months before we even began these latest efforts.

Confirmed our reports that 97 percent of all marine members indicated that they received training within the last 12 months. I mean, high quality staffer training in the last 12 months, 97 percent. It indicates that 93 percent of the females and 88 percent of the male marines would actively intervene in the situation where they saw or observed a sexual assault taking place. I mean, that is significant. That is the bystander training intervention that Secretary Mabus was talking about, and that is key to turning around sexual assault. You cannot just turn your back to your brother or your sister. You have to intervene to do something about it.

It shows that Marine Corps women are more likely than other service women to indicate awareness of victim advocates present on their installation and to do something about it. It indicates that Marine Corps women are more likely than other service women to

indicate that, one, they were offered chaplain services, medical forensic services, satisfied with the quality—this is important to me—of sexual assault advocacy services, satisfied with the quality of counseling.

Some of the things that also came out as a result of this is what we have done to reorganize the actual legal aspect—

Senator MURRAY. My time has expired, and I want to recognize that. I appreciate your looking back at the historical data, but I think it is just imminent upon all of us to really take this seriously. And I appreciate your doing it, and we are going to stay on top of that.

And my time unfortunately is out. And, General, if I can talk with you again on this in the future, I would appreciate it.

General AMOS. Senator, I will come by and pay an office call with you.

ASIA-PACIFIC FOCUS OF FORCES

Senator DURBIN. Thank you.

Senator Cochran.

Senator COCHRAN. Let me ask, I suppose, the Secretary and then the others of the panel can respond to this, too.

Our posture in the Asia-Pacific is obviously increasing, and this is a focus of some importance in our military force generally, but particularly for the Navy and Marine Corps. More and more ships are being deployed to the area. More attention is being paid to Asia—the Asia-Pacific region.

Is this giving anybody cause for concern, or do we also at the same time have an initiative under way to try to be sensitive to countries like China specifically, who may be having thoughts that we are doing this in a provocative way? What is the situation with that; is there an overview comment that can be made?

Secretary MABUS. You described what we are doing very well, Senator, in terms of moving assets into the Pacific, in terms of moving both ships, sailors, and marines into that area. We have been very transparent about doing this, and we have been very transparent about the reasons for doing this. America is a Pacific power. America and our economic well-being depends in large measure on free access, free commerce, free trade in the Pacific.

Now I would argue that the U.S. Navy, of which you were a proud part a few decades ago along with me, has never left the Pacific, and we have been a stabilizing force in the Pacific for scores of years. This is not aimed at any one country. This is not aimed at any particular event. What this is aimed at is the recognition of the importance of the Western Pacific, of the importance of our alliance there, of the importance of making sure that we have the— an adequate presence to keep those open sea lanes, to keep those— that freedom of trade, to keep the global economies free and moving as we have done for so many years now.

Senator COCHRAN. Thank you, Mr. Chairman.

SEQUESTRATION IMPACTS

Senator DURBIN. Senator Feinstein.

Senator FEINSTEIN. Thank you very much, Mr. Chairman. I have three quick questions.

Admiral Greenert, in reading your written remarks, page 4 and 5, you say that sequestration in fiscal year 2013 is 8 percent, about \$6.1 billion total. And then if the caps are not revised, the 2014 number would be \$10 to \$14 billion, which over 2 years could add up to \$20 billion.

What kind of a blow would that be? I think, you know, we have to look at this now as a continuing thing and what it is going to do to us. It is fine for 1 year, but you add year 2, year 3, year 4, and it is a real problem. So in 2 years if this continues, what impact would it have on the United States Navy?

Admiral GREENERT. Senator, my concern, particularly in that regard is that when you look at what we were able to do in 2013 in the investment account, \$6 billion, we lost some units; that is, units of purchase, some aircraft. We were able to retain most of the ships we were building by taking a part of that budget, that 6 to 8 percent, that you would use to build a ship, and it is called "the cost to complete." That is your documents. That is your training. That is your ancillary equipment. And we deferred that to when the ship would be complete so that we did not lose the ship in that year.

I have taken that shot. So now when I get into the next year and I have that kind of billions of dollars, I am very concerned being able to sustain the shipbuilding account and the aircraft account.

We are very tightly wound in those two accounts and the industrial base. Senator, the bottom line is, my concern is the industrial base, that somewhere along the line I am building not enough ships or not enough aircraft to sustain the competitive industrial base, not just the big primes, but the secondary and tertiary people and industries that provide components.

MARINE SECURITY GUARDS

Senator FEINSTEIN. Thank you. Do you mind if I just take a minute more?

General Amos, the last time we talked, you were going to send 1,000 marines to various posts, diplomatic posts. Has that begun, and what is the result?

General AMOS. Senator, it has been approved via the National Defense Authorization Act (NDAA), as you are aware, we have three embassies right now that the State Department has approved to try to stand up a marine security guard detachment there between now and June. There are five more between now and the end of the fiscal year.

We are in concert with the State Department. We are working with them because, as you know, they have to provide the facilities for the marines to go to. So we are on track for that right now. It will be a gradual growth of that thousand, and we are excited about it.

JOHNSON VALLEY LAND ACQUISITION

Senator FEINSTEIN. Good. Thank you very much.

Secretary Mabus, in 2009, and this is a big California problem right now, I met with Major General Eugene Payne, then the Assistant Deputy Commandant for Installations and Logistics, and Major General Melvin Spiese, then Commanding General of Train-

ing and Education, to try to find a compromise between the Navy and off road recreation enthusiasts regarding the expansion of Marine Corps Air Ground Combat Center at Twentynine Palms.

We have the largest off-road vehicle area—I did not realize this—with hundreds of thousands of people using it in a place called Johnson Valley. To make a long story short, we got a solution in the following ways: Certain lands were reserved for off-highway vehicle (OHV) recreation managed by the Bureau of Land Management (BLM), lands were transferred to the Navy to become part of the Twentynine Palms Base, and lands to be jointly used by both marines and for OHV recreation. This arrangement was called Alternative Six in the Navy's Environmental Impact Statement for Base Expansion and Joint Use.

The Navy ultimately selected this option as their preferred alternative and issued a record of decision on February 11, 2013. Last week, legislation was introduced in the House by Representative Paul Cook, which proposed a new strategy for this marine training at Twentynine Palms. The bill would not transfer any Johnson Valley land to the Navy for base expansion, but instead require the Secretary of the Interior to authorize military use of the area twice a year for sustained combined arms live fire training.

What is the Marine Corps view of this particular legislation, and will it eviscerate the agreement that we came to in 2009?

Secretary MABUS. Senator, you laid out very accurately how much work went into that agreement and the compromises reached. And as you pointed out, the Navy—the Department of the Navy working with the Marine Corps made that its record of decision, and that is the position that we stand by.

Senator FEINSTEIN. So you will stand by it with respect to the House bill.

Secretary MABUS. Senator, I am not familiar with the House bill.

Senator FEINSTEIN. Okay. I think it will become familiar.

Secretary MABUS. But I am very familiar with what we have done.

Senator FEINSTEIN. Right, okay. But you are still supportive of that, and that is what I wanted to know. So thank you very much.

Thank you, Mr. Chairman.

Senator DURBIN. Thank you.

Senator COLLINS.

Senator COLLINS. Thank you, Mr. Chairman.

Mr. Secretary, Admiral, General, thank you for being here today. I very much appreciate your service and have enjoyed working with all of you.

Secretary Mabus, last year you testified before us that the Navy would certainly like to take advantage of the opportunity to use competitive multiyear procurements in order to procure more ships and achieve savings to the taxpayers. And as you are well aware, Congress has been very eager to work with you in that regard. We authorized these competitive multiyear contracts and authorized the Navy to procure up to 10 destroyers in last year's authorization act, and provided an additional billion dollars for that purpose.

We risk throwing away significant savings on the order of hundreds of millions of dollars as well as undermining the stability of the industrial base that we have worked so hard together to pre-

serve if we do not take advantage of this opportunity. It is my understanding that the Navy would need to notify Congress in the next 2 weeks in order to sign the contracts before the current bids from the shipbuilders expire because they were submitted some 10 months ago.

What is the status of the multiyear procurement contract for the DDG-51? And if this is something the admiral should comment on, whichever one of you should comment.

DDG-51 PROCUREMENT

Secretary MABUS. I will take the first view and ask Admiral Greenert to come in with more details. But we have been, as you pointed out, we get a big savings from this multiyear. And thanks to particularly this committee authorizing an additional DDG-51 up to 10 ships in the next 5 years, 5-year multiyear, we will see significant savings. And the—putting a third DDG in fiscal year 2012—fiscal year 2013 to be—which will make 10 over this 10-year period.

We have been working very closely with the two shipyards involved to make sure in terms of their bids expiring, in terms of locking in these savings. And frankly, the culprit here is sequestration because you provided the correct amount of money in the appropriations bill for 2013 to accomplish this. Sequestration then took its percentage out of the amount of money that you provided.

So that is what we have been working on internally and with this committee, with the shipbuilders, to make sure that we have those funds to do that. But we are very cognizant of that, and Secretary Stackley has been working with—both CNO and I have both been very involved in this because of the importance of it and because of the amount of money that we can save and get more ships for the Navy.

Senator COLLINS. It really is a win-win for the Navy and for the taxpayers as well.

On Monday, the Navy delivered a 118-page report on the investment plan for the modernization of naval shipyards. I know that others need to question, and my time is going to expire, so I am going to put a question into the record on that report with the chairman's permission.

But I want to thank you for the comprehensive nature of the report and for accelerating a project that is important in consolidating some of the workshops at the Portsmouth Naval Shipyard in Kittery. That is going to help the yard be even more efficient.

And I think it is important that the Navy validated concerns that a lot of us had that the GAO had identified about the huge backlog at our four public shipyards. So I look forward to continuing to work with you on that. And I will submit my other questions for the record in the hopes of giving my colleagues more time.

Thank you.

Senator DURBIN. Thanks, Senator Collins. Of course, that will be included in the record.

VIRGINIA-CLASS SUBMARINE PROCUREMENT

Senator DURBIN. Senator Reed.

Senator REED. Thank you very much, Mr. Chairman.

Gentleman, thank you for your distinguished service to the Navy, and to the Marine Corps, and to the Nation.

One of the most successful shipbuilding programs is the *Virginia*-class submarine in terms of cost, and on time delivery, and many other dimensions. And, Mr. Secretary or the CNO, I understand that you are ready to award the Block IV contract. Do you have a sense of timing when that might take place?

Admiral GREENERT. I will take that for the record and get back to you, sir.

Senator REED. Thank you very much.

Admiral GREENERT. It is coming along very well, but I will get you the details.

[The information follows:]

Contract award is expected in October 2013.

Senator REED. Do you have also a notion of the size of the block? There has been some discussion of 10 ships or—

Admiral GREENERT. Ten.

Senator REED. Ten, very good. Thank you. And as you know from Senator Collins' comments, we have been able to structure this as a multiyear procurement. We have two boats in this budget. And it helps in terms of efficiency, and I think, again, it is one of those programs that is very cost-effective and very necessary.

Secretary MABUS. If I could just add—

Senator REED. Absolutely, Mr. Secretary.

Secretary MABUS [continuing]. It is one of our very best programs. These boats are coming in ahead of schedule in the case of the—

Senator REED. *Mississippi*.

Secretary MABUS [continuing]. Incredibly well-named USS *Mississippi*.

It came in probably a year ahead of schedule and right on budget.

OHIO-CLASS SUBMARINE REPLACEMENT PROGRAM

Senator REED. That is a tribute to Senator Cochran and the Secretary of the Navy just coincidentally. But it is very aptly named.

Let me just shift to another program which is critical to our national security, and that is the *Ohio*-class replacement. And, in fact, given its recognized ability to avoid detection, its invulnerability, it becomes more and more critical to the triad. And I wonder, Mr. Secretary or the CNO, if you can comment on its growing importance in terms of the need for it at sea.

Secretary MABUS. Well, that need has been amply documented, justified. We are on track with all the research and development (R&D) and early development work to begin construction in 2021 for the first boat to put to sea in 2029, which would be exactly on schedule. We are also working very closely with our partners, the British, on the common missile compartment since they are buying for their successor class the same missile compartment using the same missiles.

But one word of caution: We are on track today. It is a large program. It is an expensive program. Actually two words of caution: One is sequestration holds the potential to upset this timeline in

a fairly dramatic way; and second, as we get closer to time, there will have to be, as I believe Deputy Secretary of Defense Carter said in his transmittal of the shipbuilding report last year, a discussion in terms of the *Ohio*-class replacement and the rest of our shipbuilding programs in terms of how we finance this, because for a period of time they are building these *Ohio*-class replacements. As I said, a very expensive, incredibly important program. But we need to keep the rest of our shipbuilding base intact.

Senator REED. If I can follow up, Admiral Greenert: Is there a possibility that if we slip this, that it will reach a point at which we cannot have as many ballistic missile submarines at sea as we need for deterrence and for strategic posture?

Admiral GREENERT. That is feasible, but unacceptable, I would say, Senator. Yes, so we cannot slip it. And the Secretary had it right. People ask me what is my number one program of concern, and I would tell you it is the *Ohio* replacement program. I look at that more than any other one.

Senator REED. Well, thank you, Admiral. Just one point is that this is, I would say, the most survivable leg of the triad. And it is not just the Navy's program. It is a national program. And I wonder if there is any consideration of supporting the Navy's efforts with funds that are more generically defense rather than more specifically Navy.

Secretary MABUS. I think that was the conversation I was referring to that we had.

Senator REED. Oh, I thank you very much. I wanted to make sure that was clear.

One final point. My time has expired. But, General Amos, thank you for your great marines and what they do. And I know you have got money in for Bold Alligator. It is important to let these marines test their skills before they are called upon to do it against hostile fires. And so I thank you.

Senator DURBIN. Senator Coats. We are on the roll call.

Senator COATS. Thank you, Mr. Chairman. I am conscious of the fact that we have to leave shortly, so I will be as brief as I possibly can. But I know that if you are not there before me, the majority leader will hold it open. I am not so sure that that applies to the other—works the other way around.

Sequester has been brought up numerous times here, and I would just throw my two cents worth in here. I was happy to be part of the group that gave you the flexibility you needed. My thought on all of this is that this is not the best way to address our spending problems. We need to replace sequester with a long-term plan that puts us on the right direction toward fiscal health.

In that regard, clearly the ability, at least on the spending side, to separate the essential functions from the like to do but cannot afford to do right now, from the—you know—maybe that has run its course and we do not need to do it anymore from the why did that get in there in the first place. That flexibility absolutely has to be part of what I think a long-term plan that replaces sequester is. I am glad you had the flexibility, but we need to provide that in the long-term plan.

And then unless we recognize that entitlement reform is eating up the discretionary, everything this committee has to deal with

here. Getting to the essential functions and providing for the common defense is the highest, in my view, the highest essential function that this country has to address and that the Congress has to address. So I want to be part of doing that and making that the top priority because it affects America's security. And then if we could throw in tax reform with that, we might have something.

But let me just say, Admiral Greenert, in 2012, in an article in Proceedings, you said, "Future conflicts will be won in the arena of electromagnetic spectrum and cyber space. We must merge then master those realms." Now, first of all, I want to thank you for your visit to Crane where we do a lot of this stuff, and I know it is not necessarily in the highest profile of the Navy because it is not on the coast. But you met some of the 3,000 engineers, scientists, and technicians out there, and I very much thank you for doing that.

General Amos, Secretary Mabus has been there also, and it would be a great trifecta for us if you would—if I could host you on a visit out there. I would ask you to talk to Admiral Greenert in terms of the value of that because we do a lot of things there for the Marines across the range of functions, and it would be a great honor for you if, say, on a trip somewhere you could make a stop at that point.

So, but, Admiral Greenert, just in the interest of time, if you could just comment a little bit about this article and this future warfare preparation that we need to address, and give me your thoughts on that for the record.

Admiral GREENERT. Well, what I have found is a lot of potential adversaries and really a lot of technology today is in the electromagnetic spectrum. And what I mean is people detecting what we emit in that entire spectrum.

We are using it for everything today: Wi-Fi, cell phones, you name it. So what do we—how do we—what do we know about it? What do we know? Our ships and airplanes and all of our units, what is our electromagnetic spectrum signature we did not know?

So, number one, we have got to get our electromagnetic hygiene right. How much energy are we putting out and what frequency, because in the cold war we called that emission control, and we need to get back to that. Number two, then we have got to look at our radar, sonars, and all of those things, why we are using the frequency we use, and then reduce the number of antenna we have and make them more flexible and then frequency hop so we can control our own. Then number three, our detection. How do we use it? That is, the things that we use to detect electromagnetic, things in the electromagnetic spectrum. And then lastly, let us know it, use it, understand it, control it, and then we can take cyber to a whole new level because it is another domain that we can enter with our cyber capabilities.

Senator COATS. Thank you. Thanks to the three of you for all your years of service. I think it is extraordinary what you have provided the Nation, and very much appreciate it.

Thank you, Mr. Chairman.

Senator DURBIN. Thanks, Senator Coats.

ADDITIONAL COMMITTEE QUESTIONS

We are on the roll call, which is going to end very briefly. I want to thank our witnesses for coming today. The dialogue will continue about the fiscal year 2014 budget.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. RAY MABUS

QUESTION SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. The Defense Department (DOD) spent \$660 million on Tuition Assistance in fiscal year 2012. Servicemembers took almost 900,000 voluntary education courses across DOD, including more than 130,000 courses in the Navy and more than 77,000 courses in the Marine Corps. We know from an investigation by the Senate HELP Committee that half of those funds go to for-profit colleges. The report concluded that, "it is unclear whether the revenues translate into meaningful educational benefits for military students."

What is the Navy doing to ensure that Sailors and Marines receive a quality education and also what is Navy doing to ensure that Tuition Assistance has the high standards our servicemembers rely on to perform in the military and wherever their career takes them?

Answer. The Navy and Marine Corps only authorize tuition assistance funding to educational institutions accredited by a U.S. Department of Education-recognized accrediting organization, as required by Department of Defense and Department of the Navy policy.

The Navy and Marine Corps do not distinguish between non-profit and for-profit schools as long as the institution has signed the DOD Memorandum of Understanding (MOU), which establishes eligibility criteria for institutions that provide education programs through the DOD Tuition Assistance program, and meets the U.S. Department of Education accreditation standards.

The Navy and Marine Corps ensure accountability by requiring Sailors and Marines to have a Navy College Office or Marine Corps Education Services Office approved educational plan before tuition assistance funding can be approved and before classes may begin.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

Question. Secretary Mabus, you have been clear that the Navy and Marine Corps must operate forward and be ready to respond when called upon. Would you discuss the consequences of reduced funding on readiness this year and what it means for next year? What are you doing this year to mitigate the impact and can you describe in more detail what the degradation of surge capacity would mean?

Answer.

NAVY

Under sequestration, Navy is focusing readiness efforts on deployed and next-to-deploy units to meet the approved fiscal year 2013 Global Force Management Allocation Plan (GFMAP) and prepare to meet the fiscal year 2014 GFMAP. While this allows us to meet the adjudicated Combatant Commander (COCOM) needs, it comes at the cost of surge capacity.

Navy projects that over two thirds of all Fleet units will not meet material and training conditions for deployment by the end of fiscal year 2013. Historically, this would be near 50 percent given our tiered training and rotational force. Under historical funding levels (base plus OCO—overseas contingency operations), it would take most of fiscal year 2014 to recover to normal surge force generation capacity. Continued sequestration in fiscal year 2014 would exacerbate Navy's surge capacity shortfall, delay recovery by further reducing training and operations for non-deployed units, and build maintenance backlogs requiring years to recover.

The immediate impacts of the current \$4.1 billion fiscal year 2013 shortfall in Operations and Maintenance, Navy (OMN) funding include a reduction in deployments (one fewer carrier in CENTCOM and no further SOUTHCOM ship deployments), reduced steaming days and training opportunities for non-deployed ships, and reduced flying hours for non-deployed air wings (resulting in two air wings being at min-

imum safety levels by the end of fiscal year 2013). As the proficiency of non-deployed crews and air wings degrades, the ability to respond to emergent COCOM demands in a timely manner will be reduced. Any need for these forces to deploy would require extensive just-in-time training and preparations, delaying availability of ready forces to the COCOM.

The total impact to Navy's surge capacity will depend on the length and magnitude of the OMN funding shortfall. As crews train at minimal levels for longer periods and maintenance backlogs grow larger, the time and costs required to recover increase dramatically.

MARINE CORPS

America's "Force in Readiness" must maintain a high state of readiness at all times to respond to contingencies and commitments throughout the globe. Despite the constrained funding resulting from sequestration, the passing of H.R. 933 mitigated most of the near-term operational impacts in fiscal year 2013. The Marine Corps will meet near-term readiness commitments for deployed and next-to-deploy forces and continue to rebalance to the Pacific and support the Marine Rotational Force Darwin and the Unit Deployment Program.

While the Marine Corps is capable of meeting all deployment requirements for our near-term deployable forces in fiscal year 2013, we have mortgaged our long-term infrastructure and the unit readiness of our home station units. We cannot continue to sustain these levels of reductions in fiscal year 2014 without immediate impact to our deployed and next to deploy forces and our non-deployed crisis response forces at home.

Facilities sustainment reductions, that were used to mitigate shortfalls in fiscal year 2013, would be unsustainable and would degrade home station training and quality of life for Marines and their families. The curtailment of training and maintenance would degrade the readiness of non-deployed crisis response forces. Over half of Marine Corps ground units and one-third of Marine Corps aviation combat units would remain below acceptable readiness levels. Sequestration would also adversely impact operations and exercises in fiscal year 2014 and beyond.

Sequestration's impacts on the availability of amphibious and maritime prepositioning ships are a concern for maintaining the Marine Corps' forward amphibious presence. The combat readiness of these ships is a foundational requirement for training for and executing expeditionary force presence and amphibious force projection operations. As such, reduced amphibious ship availability and readiness could present a significant challenge to the training and maintenance of Naval Expeditionary Forces, thus driving overall readiness levels lower. Continued Congressional support for the Navy's shipbuilding and surface ship-to-shore connector programs is vital to retain and maintain an adequate fleet of modern combat-ready amphibious ships, which provide continuous naval expeditionary presence and project power across the globe.

AUTOMATED TEST AND RETEST

Question. Would the use of Automated Test and Retest (ATRT) technology decrease costs associated with testing on naval platforms, to include surface ships, submarines and aviation assets?

Answer. Automated test and analysis technologies, like ATRT by Innovative Defense Technologies (IDT), possess the capability to reduce time associated with testing and analysis through automation. To date, automated test and analysis technologies have provided opportunities for cost avoidance and improved testing processes vice cost savings. Automated test and analysis technologies provide an opportunity to increase the depth and breadth of testing coverage, typically unachievable through manual methods, thus improving quality for complex computer programs without a budget increase for testing and evaluation.

Question. Are there instances in which the Department of the Navy SBIR policy with respect to ATRT technologies has not been observed? If so, what corrective actions were taken?

Answer. No, the Navy has always adhered to its Small Business Innovation Research (SBIR) policy with automated test and analysis technologies. The Navy awarded SBIR contracts to IDT in 2006 (Phase I) and 2011 (Phase III) for ATRT and has obligated over \$50 million against those contracts for ATRT SBIR projects within Program Executive Offices for Submarines, Integrated Warfare Systems, Carriers, Ships, Littoral Combat Ship (LCS) and Command, Control, Communication, Computers and Intelligence. The Navy's support of the ATRT SBIR directly aided in the maturity of this capability through its broad usage across many Navy programs, thus enabling this small business to become competitive in the automated

testing and analysis marketplace. Specifically, IDT was recently selected by Lockheed Martin Mission Systems and Training (LM MST) to accomplish the automated testing and analysis requirements under the AEGIS Combat System Engineering Agent (CSEA) contract.

QUESTION SUBMITTED BY SENATOR RICHARD C. SHELBY

Question. In its fiscal year 2014 budget, the Navy chose to terminate funding for the Reentry Systems Application Program (RSAP). RSAP is an important national security program essential to sustaining the ballistic missile industrial base and reentry capability of our nuclear forces. Without adequate RSAP funding, the ballistic missile industrial base will be significantly weakened, and our military will lose the benefit of hundreds of technical experts striving to maintain and improve missile technology. Why would the Navy eliminate an entire program that seems to be so important to our nuclear deterrent?

Answer. In order to sustain the sea-based strategic deterrent, research and development is required to ensure a safe, credible, reliable, and effective Submarine Launched Ballistic Missile capability. The Reentry Systems Application Program (RSAP) is a research and development (R&D) program that successfully contributed to the development of the Trident II D5 Life Extension Program (D5LE).

Due to fiscal constraints and allocation of funds to higher Navy funding priorities, such as the Ohio Replacement Program, the Navy did not fund RSAP in the fiscal year 2014 budget. The Navy will continue to assess the scope and requirements of this program for inclusion in future budget submissions based on funding availability and the ability of D5LE to serve as the initial payload for the Ohio Replacement Program.

QUESTIONS SUBMITTED BY SENATOR SUSAN M. COLLINS

Question. Section 231 of title 10, United States Code, requires the Secretary of Defense to provide the Annual Naval Vessel Construction Plan providing a detailed construction plan of combatant and support vessels for the Navy over the next 30 fiscal years. This document is supposed to be delivered with the budget request, but the Congress has not yet received this document.

What is the status of the Annual Naval Vessel Construction Plan?

Answer. The Department of Defense submitted the Annual Report to Congress on the Long-Range Plan for the Construction of Naval Vessels for fiscal year 2014 to Congress on May 10, 2013.

Question. On April 22, 2013, the Navy delivered a 118-page report on the Investment Plan for the Modernization of Naval Shipyards. This was a report that I and other Senators requested following a 2010 GAO report that identified significant shortfalls in shipyard infrastructure. I want to thank you for the comprehensive nature of this report and for accelerating a project to consolidate some of the workshops at Portsmouth Naval Shipyard to the fiscal year 2014 budget. This project will make the yard even more efficient than it already is.

I want to share two findings from your report with the Committee because they really sum up the overall report. The first finding is that the overall condition of the shipyard infrastructure is worse than Navy infrastructure on average. The average naval shipyard facility age is 60 years. But what amazed me the most is that the average drydock is 79 years old, and some facilities as old as 198 years old. Overall, Naval shipyards have a \$3.45 billion facility maintenance backlog, which is higher than the overall Navy average. This backlog includes \$1.18 billion of critical backlogs, which are defined as mission essential facilities with a rating of less than 60. I understand that the Navy would like to implement an investment plan to eliminate the \$3.5 billion backlog in 10 years, but the Navy is unable to eliminate the backlog for 17 years because of fiscal constraints.

Would you elaborate on what specific barriers exist delaying the backlog for 17 years?

Answer. The current fiscal environment compounded by competing priorities has created barriers to infrastructure investment. The Navy recognizes the importance of infrastructure investments to improve mission-essential facilities as quickly as possible, especially given the critical nature of Naval Shipyard facilities and requirements for uninterrupted service for aircraft carrier and submarine depot maintenance, and increased the level of investment to address the backlog at mission essential facilities. This investment is approximately 40 percent higher than the average investment in other Navy installations, which is appropriate considering that naval shipyard infrastructure is below the Navy average. Ideally, we want to accom-

plish these efforts within a decade; however, due to competing requirements for our resources, we plan to accomplish our goals by 2029.

Question. Secretary Mabus, in your testimony you describe that the forward presence Seapower provides helps to deter or dissuade adversaries and demonstrates American resolve and commitments to security of sea lanes and regions around the world without a large and expensive footprint ashore. It is this unique and important characteristic that, in my view, makes the Navy well-suited to protecting and extending U.S. interests around the world, especially given the Nation's weariness with large land wars and occupations.

Can you elaborate on your vision for the Navy's role during the next several decades?

Answer. A key element of our global defense posture is forward and ready naval forces that serve as a central element of America's capacity to act and influence where it matters, when it matters most. The Navy/Marine Corps team will provide America's leaders with an expansive range of options to shape and respond to the challenges of the 21st century:

- Because we operate forward while respecting the sovereignty of others, naval forces will remain particularly well-suited to build the trust and confidence that underpin our strong alliances and partnerships, strengthen international cooperation, promote maritime security and ensure free access to the maritime commons.
- As they have done for decades, forward-operating naval forces will continue to be poised to respond rapidly to crises. Naval forces' inherent mobility allows them to quickly move to areas affected by unforeseen developments, employing forward-deployed forces that are versatile enough to respond to a range of missions in varied locations, and then reinforce and sustain expeditionary power as needed.
- Operating forward around the world, naval forces strengthen homeland defense by detecting and defeating threats as far from the United States as possible. From ballistic missile defense to the screening and high seas interdiction of suspicious ships, the Navy will continue to provide a wide spectrum of capabilities that seamlessly integrate with the joint force, other elements of the U.S. Government, as well as our international allies and partners.
- Naval forces will reassure our allies and partners and deter aggression through the certain ability to rapidly deny an adversary's objectives or to impose unacceptable costs. Our ballistic missile submarine (SSBN) force—the most survivable leg of the strategic nuclear triad—will continue to play an essential role in the Nation's ability to deter adversaries from employing weapons of mass destruction (WMD).
- Should deterrence fail, the Navy-Marine Corps team stands ready to defeat adversaries in combat. Naval forces—operating as integral elements of a joint or combined force—will enable the United States and its allies to take the fight directly to the enemy whenever and wherever required.

As the United States continues to fulfill its global responsibilities in an evolving world, forward and ready naval forces will be ever more vital to America's national security and prosperity.

QUESTIONS SUBMITTED TO ADMIRAL JONATHAN W. GREENERT

QUESTION SUBMITTED BY SENATOR JACK REED

Question. Admiral Greenert, I understand that you are ready to award the Block IV contract. Do you have a sense of when that might take place?

Answer. Contract award is expected in October 2013.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

Question. Admiral Greenert, you have been clear that the Navy and Marine Corps must operate forward and be ready to respond when called upon. Would you discuss the consequences of reduced funding on readiness this year and what it means for next year? What are you doing this year to mitigate the impact and can you describe in more detail what the degradation of surge capacity would mean?

Answer. Under sequestration, Navy is focusing readiness efforts on deployed and next-to-deploy units to meet the approved fiscal year 2013 Global Force Management Allocation Plan (GFMAP) and prepare to meet the fiscal year 2014 GFMAP. While this allows us to meet the adjudicated Combatant Commander (COCOM) needs, it comes at the cost of surge capacity.

Navy projects that over two thirds of all Fleet units will not meet material and training conditions for deployment by the end of fiscal year 2013. Historically, this would be near 50 percent given our tiered training and rotational force. Under historical funding levels (base plus OCO), it would take most of fiscal year 2014 to recover to normal surge force generation capacity. Continued sequestration in fiscal year 2014 would exacerbate Navy's surge capacity shortfall, delay recovery by further reducing training and operations for non-deployed units, and build maintenance backlogs requiring years to recover.

The immediate impacts of the current \$4.1 billion fiscal year 2013 shortfall in Operations and Maintenance, Navy (OMN) funding include a reduction in deployments (one fewer carrier in CENTCOM and no further SOUTHCOM ship deployments), reduced steaming days and training opportunities for non-deployed ships, and reduced flying hours for non-deployed air wings (resulting in two air wings being at minimum safety levels by the end of fiscal year 2013). As the proficiency of non-deployed crews and air wings degrades, the ability to respond to emergent COCOM demands in a timely manner will be reduced. Any need for these forces to deploy would require extensive just-in-time training and preparations, delaying availability of ready forces to the COCOM.

Our ability to assess the longer term impact to Navy's surge capacity will depend on the status of the fiscal year 2014 budget request (to include OCO), the amount of general transfer authority received in fiscal year 2013 and the number of fiscal year 2013 operations and maintenance issues which carry over to fiscal year 2014 as a result of sequestration. Generally speaking, as crews train at minimal levels for longer periods and maintenance backlogs grow larger, the time and costs required to recover increase dramatically.

Question. Admiral Greenert, the Navy has made significant progress in development of the Electromagnetic Railgun. Could you describe the Navy's efforts and plans concerning the railgun and also describe the potential advantages of the technology? Are there cost benefits of employing this technology?

Answer. Railgun is an innovative technology with promising potential to impact multiple war-fighting gaps both afloat and ashore, including integrated air and missile defense, naval surface fire support, strike, surface warfare, and air warfare missions. Railgun is in a science and technology phase. Key technology developments and demonstrations are still required in the areas of power storage, transfer and replenishment, shipboard integration and safety, repetitive-rate fires, and hypervelocity projectile development and control prior to it transitioning to an acquisition program.

Navy has invested \$334 million during the period fiscal year 2005–2013. Progress to date is very promising in critical technologies for barrel life, power system density, and tactical barrel design.

The ongoing development plan calls for ONR to continue Railgun development at the current level of effort through fiscal year 2017. This phase is focused on developing an actively cooled tactical Railgun barrel and pulsed power components that are cooled for repetitive firing rate operations. This year ONR also initiated a science and technology effort to develop a hypervelocity projectile (HVP) that can travel at speeds greater than Mach 5 (1700 m/s). The HVP design goal is to enable multimission capability and compatibility for use in multiple gun platforms including Railgun. Critical projectile technologies are being developed and test fired from both Railguns and powder guns.

We are committed to cost-saving collaboration with the Office of the Secretary of Defense Strategic Capabilities Office, which recently initiated an experiment to test Railgun as part of a forward base defense strategy. Savings through common system design and shared technology products are anticipated.

The potential advantages of this technology are illustrated by operational analyses and physics-based modeling. The results of a growing body of analysis support Railgun's war-fighting impact across a range of mission sets. Lethality modeling and kinetic impact testing have shown the lethal effectiveness of a Railgun hypervelocity projectile. Additionally, the compact size of the projectile and elimination of gun powder and rocket motor propellants leads to increased safety as well as many more rounds being stored in ship magazines.

A large cost benefit can be anticipated across the entire mission set from successful development and implementation of Railgun technology that meets performance requirements. The relatively low cost projected for a Railgun precision guided projectile means that each engagement including missile threats is much cheaper than using current defensive methods, even when multiple Railgun rounds are required. Railgun has great potential to shift the cost curve sharply to our advantage.

QUESTIONS SUBMITTED BY SENATOR SUSAN M. COLLINS

Question. Admiral Greenert, you state in your testimony that the 2014 budget submission supports the defense strategic guidance to enable the Navy to maintain commitments in the Middle East and the rebalance to Asia-Pacific. Secretary Mabus, in your testimony you characterized the Navy's operational tempo in 2012 as "high" and that almost half the fleet was at sea and more than 70,000 Sailors and Marines were deployed on a daily basis conducting combat and maritime security operations, exercises with our international partners, and humanitarian assistance missions.

Following the Navy's \$10.7 billion reduction in fiscal year 2013 funding due to sequestration and the budget uncertainty in fiscal year 2014 and beyond, can the Navy possibly maintain the same pace of operations it is currently conducting?

Answer. In response to fiscal pressures in fiscal year 2013, we were compelled to recommend the fiscal year 2013 GFMAP be changed to cancel one ship deployment to the Pacific, two ship deployments to Europe and cancel all but one fiscal year 2013 ship deployment to U.S. Southern Command. We continue to evaluate opportunities to add deployments to these regions as our fiscal position becomes clearer. In addition to reducing overseas deployments, we have also reduced the amount of operations and training our ships and aircraft conduct when not deployed.

The President's fiscal year 2014 budget fully funds Navy's commitments under the fiscal year 2014 Global Force Management Allocation Plan (GFMAP). Our ability to assess the longer term impact to Navy's pace of operations will depend on the status of the fiscal year 2014 budget request (to include OCO), the amount of general transfer authority received in fiscal year 2013 and the number of fiscal year 2013 operations and maintenance issues which carry over to fiscal year 2014 as a result of sequestration. Generally speaking, as crews train at minimal levels for longer periods and maintenance backlogs grow larger, the time and costs required to recover increase dramatically.

Question. In January 2013, the Navy modified the long-standing goal of a 313-ship Navy to a goal of a 306-ship Navy. In its July 2012 report on the cost of the fiscal year 2013 30-year shipbuilding plan, the Congressional Budget Office estimates that the plan would cost an average of \$20 billion per year in fiscal year 2012 dollars, or approximately 19 percent more than the Navy estimates, to implement.

Do you believe the Navy will reach its goal of 306 ships in the future?

Answer. Yes. The Annual Long-Range Plan for Construction of Naval Vessels for fiscal year 2014 reaches 300 ships in 2019, and the Navy force structure reaches the required inventory level of 306 ships in 2037.

In the 2020s, we reach the required levels of large surface combatants, nuclear attack submarines (SSNs), amphibious ships, and aircraft carriers, leaving us short of only small surface combatants and support ships.

Question. Secretary of Defense Chuck Hagel has announced yet another strategic review of the Department of Defense, which is expected to be completed by the end of May. There have been no less than six comprehensive reviews since 1989, and yet the relative share of the DOD budget allocated to each of the services has remained nearly constant throughout all of these reviews. If the real, tough choices were being made to reflect the changing strategic environment over time, I would expect to see at least some shift in how the budget is allocated among the military services.

Do you agree that reallocations within the budget rather than equal budget cuts across each of the services is a reasonable expectation following a strategic review?

Answer. With any change in strategic direction, it's reasonable to expect changes to capability and force structure requirements that may not align to a constant relative share of funding. Pending the results of future strategic reviews, I cannot speculate on specific resource or funding allocations.

Question. The strategic guidance and related defense priorities call for rebalancing toward the Asia-Pacific region and put heavy reliance on unmanned systems and special operations forces.

How many ships and what types of ships are being relocated to the Asia-Pacific region in support of this new posture during the next 5 years?

Answer. Navy's President's fiscal year 2014 budget continues our emphasis on the Asia-Pacific rebalance to achieve 60 percent of the fleet homeported in the Asia-Pacific region by 2020 and providing deploying platforms with the newest capabilities to the region.

From fiscal year 2013 to fiscal year 2018, the Navy will deliver the following new construction ships to San Diego: two *America*-class amphibious assault ships (LHA); two *San Antonio*-class amphibious transport docks (LPD); three *Arleigh Burke*-class guided missile destroyers (DDG); two *Zumwalt*-class DDGs; and ten total *Freedom*

and *Independence*-class littoral combat ships (LCS). One additional new *Arleigh Burke* DDG will be delivered to Pearl Harbor.

From fiscal year 2013 to fiscal year 2018, the Navy will relocate the following ships: nine *Virginia*-class fast attack submarines (SSN) to San Diego and Pearl Harbor to backfill decommissioning *Los Angeles*-class SSNs; one SSN to Guam from San Diego; and two aircraft carriers (CVN) back to San Diego upon completing their midlife refueling. Also from fiscal year 2013 to fiscal year 2018, the Navy's Military Sealift Command (MSC) will relocate four new Joint High Speed Vessels (JHSV) and one High Speed Transport (HST) in the Asia-Pacific Region. In accordance with MSC's business model, these MSC ships operate without a designated homeport.

QUESTIONS SUBMITTED BY SENATOR DANIEL COATS

Question. The Navy's fiscal year 2014 budget request for sonobuoy procurement is a significant increase over previous year's levels. I'm aware of how important these acoustic sensors are to the Navy's anti-submarine warfare capability. Could you please comment on this increase and its importance to the Navy's overall mission readiness?

Answer. The increase in sonobuoy procurement funding will improve Navy's overall Anti-Submarine Warfare (ASW) mission readiness. Most importantly, this funding puts sonobuoy procurement on a trajectory to meet the minimum inventory requirements for the entire family of air-delivered acoustic sensors by the end of the Future Years Defense Program (FYDP). Additionally, the Air ASW community is migrating from a primarily passive to a more capable and sophisticated Multi-static Active Coherent (MAC) capability, which will enable a more effective and efficient wide area search for submarines. The MAC capability provides the foundation for the P-8A Poseidon's ability to detect submarines. Accordingly, our inventory of MAC sonobuoys must be built up to support Combatant Commander ASW mission execution requirements. Finally, this funding profile will enable Navy to train more frequently with sonobuoys, improving the readiness of our forces to support Fleet and Combatant Commander ASW requirements.

Question. I am concerned that 2025 is too long to wait for the Navy to realize its goal of improved Electromagnetic decisionmaking across the fleet given the vast array of threats we face today. Are there any laws or regulations that need to be changed to accelerate this timetable?

Answer. Currently there are no laws or regulations that need to be changed to accelerate a delivery date. Major efforts are underway to improve Electromagnetic decisionmaking, the majority of which are scheduled to deliver prior to 2025. Examples are available upon request.

Question. What opportunities exist for greater cooperation between the U.S. Navy and Coast Guard? What is the status of the National Fleet Program?

Answer. The U.S. Navy and U.S. Coast Guard have and will continue to seek opportunities for closer cooperation. In these times of fiscal austerity, seeking these opportunities enables both Services to leverage each other's capabilities and resources. Some current examples include:

- Numerous formal agreements exist between the Navy and Coast Guard to promote the sharing of capabilities and resources. This includes leveraging each other's training systems through the use of common schools for several enlisted ratings, pilot training, and system-specific technical training that provides significant savings in training overhead costs to both services. Last year, Navy and Coast Guard finalized an agreement to base our ships and aircraft at each other's airfields, port facilities, and shore installation to help reduce infrastructure costs. Navy and Coast Guard have already exercised this agreement to base Coast Guard Cutter Valiant at Naval Station Mayport and are currently exploring other cooperative basing opportunities.
- Both Services utilize several common systems and platforms. For example, both Services operate the H-60 and C-130 aircraft which provides efficiencies in the procurement and life cycle sustainment costs of these aircraft. Similarly, the Coast Guard's National Security Cutter and the Navy's Littoral Combat Ship share many common systems and spare parts facilitating Navy-Coast Guard logistics integration initiatives.
- Coast Guard Law Enforcement Detachments routinely embark Navy ships for counter-drug, counter-piracy, and other operations which leverage the naval warfighting capability of our ships and the law enforcement capability of the Coast Guard all from the same platform.
- The Commandant and I and our staffs regularly hold formal talks to discuss opportunities for increased cooperation. Additionally, the Coast Guard and Navy

have assigned liaison officers to corresponding staffs to help identify and promote opportunities for increased cooperation between the services.

The National Fleet Program remains a central tenet of the Navy and Coast Guard's cooperative efforts. The Navy and Coast Guard best serve the Nation when we deliberately prepare our forces for integrated maritime operations. Such preparation ensures the Nation has capable and ready forces to address the full spectrum of national requirements from routine peacetime operations to crisis and sustained conflict.

Discussion of the National Fleet Program was a central topic at the May 2012 Warfighter Talks between myself and the Commandant of the Coast Guard (Commandant). At these talks, the Commandant and I directed our staffs to update the National Fleet Policy to include the creation of a flag-level National Fleet Board to provide oversight and governance to the multiple Navy-Coast Guard teams working on interoperability and commonality issues. This board will ensure the Navy and Coast Guard continue to develop complimentary and non-redundant multi-mission assets that optimize our effectiveness across the full spectrum of naval and maritime missions. The Commandant and I also signed a joint shipbuilding letter re-emphasizing our commitment to the National Fleet Program and highlighting the complementary and non-redundant nature of our respective shipbuilding programs.

The U.S. Navy and U.S. Coast Guard remain committed maritime partners both now and in the future. The capability we each provide is critical to the defense of this Nation and our national interests. As we both face challenging fiscal times, our Services will continually seek opportunities for closer cooperation.

Question. I salute the Navy for making an unprecedented effort to find areas of commonality between Navy SSP and the Air Force. Despite significant technical differences between the Minuteman and Trident II D5, do you feel there are potential areas where efforts can be shared by both the Air Force and the Navy in order to gain efficiencies, preserve the knowledge base, and reduce total costs? Is this something you are willing to discuss with your Air Force counterpart?

Answer. Yes, there are potential opportunities for strategic collaboration between the Air Force and the Navy for sustainment of ballistic missile systems, and we are investigating those opportunities. The Navy and the Air Force are both addressing the challenges of sustaining aging strategic weapon systems and have begun to work collaboratively to ensure these capabilities are retained in the long-term to meet our requirements. We are seeking opportunities to leverage technologies and make the best use of scarce resources. We are already seeing benefits to the department from efforts on the Joint Warhead Fuze Modernization program, which are adaptable to the Navy's W88 and the Air Forces W87 and W78 reentry systems.

The Navy and the Air Force have established an Executive Steering Group to identify and investigate potential collaboration opportunities and oversee collaborative investments for sustainment of our strategic systems. As a part of this effort, technology area working groups have been established to study collaboration opportunities in the areas of Reentry, Guidance, Propulsion, Launcher, Radiation Hardened Electronics, Ground Test and Flight Test systems, and Nuclear Weapons Security/Surety. We are assessing the spectrum of potential commonality with the goal of using commonality where appropriate while ensuring essential diversity where needed to ensure that one technical issue does not overly impact the Nation's strategic deterrent.

Question. Why is it important for the U.S. Navy to have a state-of-the-art museum in the Nation's Capital? How will a relocated National Museum of the U.S. Navy, leveraged with non-Federal resources, raise public awareness on the need for a strong U.S. Navy? Do you plan on charging admission fees?

Answer. The move of the National Museum of the United States Navy would be a major step in the Navy's strategic plan to energize public and private awareness of the integral role Navy plays in our defense and in the protection of our interests as a maritime nation. The move is designed to galvanize internal and external support for Navy history and heritage and to leverage non-Federal resources to accomplish that mission. A state-of-the-art museum in the Nation's Capital would:

- Make Navy history and heritage readily accessible to the American public by moving the National Museum of the United States Navy outside of the security boundary of the Washington Navy Yard.
- The museum has been in its current location without significant renovation, since its founding in 1963 by Admiral Arleigh Burke.
- Since September 2001, public access to the Museum has been increasingly difficult due to increasing security requirements. The result has been a significant decrease in visitorship, from a high of nearly 400,000 annually in the late 1990s, to less than 100,000 in 2012.

- Enable the Navy to preserve the entire Navy Headquarters Art collection (over 18,000 items) at the new location, as well as preserving numerous other “at risk” artifacts.
- The new facility would significantly expand the capability and capacity for the museum to conduct educational programs for students in the National Capital Region through a state-of-the-art STEM program. In addition, it would support the STEM efforts of the Navy museum system across the country and at all educational levels from K–12 to undergraduate to graduate.
- Finally, the move to a publicly accessible, state-of-the-art facility in the Nation’s Capital would significantly increase private/non-profit support for the museum and thereby decrease the requirement for appropriated funds. The goal is for the non-profit partner to fund exhibit design, development, construction, and installation at a cost of approximately \$150 million. Further, the goal is for a combination of non-profit and volunteer support to defray approximately two-thirds of the sustained operating costs of the National Museum.

Navy does not plan on charging admission fees.

Question. The multi-volume Dictionary of American Naval Fighting Ship (DANFS) is woefully out of date. How much would it cost over the FYDP to update DANFS?

Answer. Naval History and Heritage Command (NHHC) defines as “out of date” any ship’s history that is either incomplete or non-existent. There are many other complete ships histories in DANFS that do not meet current historiographical standards, but are not included in this response.

The total cost to use contract labor over the FYDP to update DANFS would be \$10,800,000 or \$2,160,000 annually. Using term Federal employees would probably cost less, based on a GS–9 pay grade requirement for the work. The estimated cost over the FYDP to use 22 term GS–9 Federal employees from fiscal year 2015–2019 would be \$9,143,200 or \$1,828,640 annually. The positions would be eliminated once the work was completed. However, due to the Federal employee hiring freeze and challenging budget environment NHHC currently is not authorized the additional term FTE discussed above.

Once DANFS is up to date, projected historian capacity at the command by fiscal year 2019 would reach a level where the program would be self-sustaining.

QUESTIONS SUBMITTED TO GENERAL JAMES F. AMOS

QUESTIONS SUBMITTED BY SENATOR DIANNE FEINSTEIN

Question. In 2009, I met with Major General Eugene Payne, Jr. (then Assistant Deputy Commandant for Installations and Logistics) and Major General Melvin Spiese (then Commanding General Training and Education Command) to try to find a compromise between the Navy and off-road recreation enthusiasts regarding the expansion of the Marine Corps Air Ground Combat Center at Twentynine Palms.

While the Navy’s initial proposal contemplated an expansion that may have required nearly all 188,000 acres of Johnson Valley, the largest off-road recreation area in the Nation, to be dedicated to military training, General Payne and General Spiese graciously agreed to study an alternative that would allow the area to be apportioned in the following way:

- Lands reserved for OHV recreation and managed by the BLM;
- Lands to be transferred to the Navy to become part of the Twentynine Palms base; and
- Lands to be jointly used by both the Marines and for OHV recreation.

Under this arrangement, described as Alternative 6 in the Navy’s Environmental Impact Statement for the base expansion, the joint-use area would be available to the Marines for 2 months each year to conduct Marine Expeditionary Brigade-level training and available for recreational use the remaining 10 months of the year. The Navy ultimately selected this option as their preferred alternative and issued a Record of Decision on February 11, 2013.

Last week, legislation was introduced in the House by Rep. Paul Cook which proposes a new strategy for Marine training at Twentynine Palms. It is my understanding that the bill would not transfer any Johnson Valley land to the Navy for base expansion, but instead require the Secretary of the Interior to authorize military use of the area twice a year for sustained, combined arms, live-fire training.

What is the Marine Corps’ view of this legislation?

Answer. Although H.R. 1676 proposes to withdraw Johnson Valley for recreational and military use, the bill limits military readiness by not allowing the Marine Corps to adequately train for the full range of military operations; namely, Marine Expeditionary Brigade (MEB) level training. The hallmark of Marine Corps combat success

is their effective use of combined arms techniques. Successful employment of this highly specialized and complex war fighting approach requires air-ground training that includes simultaneous live-fire and maneuver. H.R. 1676 significantly restricts training to only the proposed 42 days per year and imposes severe limitations on allowed equipment, weapons systems, and ordnance; restrictions that effectively negate any training value. Specifically, the bill does not include an exclusive military use area, thereby limiting the use of dud producing ordnance—such as artillery rounds and aviation delivered bombs. Use of these is an essential part of combined arms training. In short, this proposal prevents the Marine Corps from accomplishing the necessary MEB level training, the precise reason why the Marine Corps requested the withdrawal of Johnson Valley in the first place. Accordingly, USMC does not support this bill. We believe the DON record of decision addressing MEB training at Twentynine Palms and the Administration's legislative proposal strikes the balance between military training, public access and safety in Johnson Valley.

Question. If Congress were to approve the House bill, what impact would this have on military readiness?

Answer. This bill would have a negative effect on Marine Corps readiness by not filling the current lack of a Marine Expeditionary Brigade (MEB) level, combined arms training area. MEBs must train to be able to conduct intensive operations over extended distances—to include integrating live-fire artillery, mortars, tanks, and aviation fires with maneuver—while simultaneously receiving real-time logistical support. Nine years of study and analysis validated that the only viable alternative to support MEB level, combined arms, live-fire training was to expand the Marine Corps Air Ground Combat Center (MCAGCC) training area into Johnson Valley.

It is my understanding that the House bill is inspired largely out of concern for the economic impact that base expansion will have on the local economy. The fear is that if the Johnson Valley OHV Area is dramatically reduced from its current size, fewer people will visit the area, reducing local tax revenues.

Question. What is the latest available information regarding how base expansion will impact the local economy?

Answer. The Final Environmental Impact Statement analyzed how the base expansion would impact the local economy. The analysis indicates that the expansion would generate an additional 110 jobs, \$4 million in salaries, and \$7.5 million in additional regional sales. This would offset a projected loss from the recreational and film industries of \$1.5 million in sales and \$216,000 in taxes. For point of reference, the Retail Trade and Accommodation/Food Services sectors of Yucca Valley, Apple Valley and Victorville (the three largest local communities realizing economic benefits from the off-highway vehicle (OHV) community for which data is available) generate about \$1.1 billion annually in sales. Of particular note, the King of the Hammers Race, the single largest generator of economic activity associated with OHV recreation in Johnson Valley that constitutes an estimated 15 percent of the total yearly visitation to Johnson Valley, would continue under the Administration's proposal.

Question. Is there anything the Navy do to try to off-set the impact that base expansion might have on the local economy and potential lost revenue to local government? For example, does the Department of Defense have authority to provide funds to local jurisdictions to mitigate the impact of base expansion?

Answer. As indicated above, the additional 110 jobs, \$4 million in salaries, and \$7.5 million in additional regional sales would offset the loss from the recreational and film industries of \$1.5 million in sales and \$216,000 in taxes. The Department of the Navy has no mechanism to make payments in lieu of taxes; however, it should be recognized that even before the expansion, the base is a significant economic contributor to the local economy. For example, the base's 2012 workforce payroll is approximately \$600 million, most of which is spent in the local area by personnel stationed and employed on the base. In addition, the U.S. Department of Education contributes to San Bernardino County school impact aid of approximately \$1.8 million a year, and in 2012 the base contracted with local vendors in the amount of \$28 million.

The potential loss of Johnson Valley land is a serious concern for OHV-users and others who visit the area to camping, hiking, rock-hounding and general outdoor recreation.

Question. Can you please describe the efforts the Navy has taken to address these concerns in the expansion plan?

Answer. The Administration proposal would set aside 43,000 acres of Johnson Valley exclusively for recreational use and an additional 43,000 acres for shared use with exclusive recreational use 10 months out of the year. USMC would use and manage the shared use area for only two 30-day periods per year. We propose Congress designate the shared use area and remaining portion of Johnson Valley as an

off-highway vehicle recreation area. This designation would ensure that this 86,000 acre area would be forever available for off-highway vehicle recreation. USMC and Bureau of Land Management (BLM) would coordinate management of the Johnson Valley off-highway vehicle recreation area via a Recreation Management Group, which would include the views of stakeholders such as off-highway vehicle user groups and race organizers, the State of California, and environmental advocates. A key component of the plan will be development and implementation of a barrier plan to ensure safe public access. This plan will include installation of fencing, berms, gates and signs as well as increased security during training events and an educational component. The Administration's proposal would establish an exclusive military use area of 103,000 acres.

QUESTION SUBMITTED BY SENATOR THAD COCHRAN

Question. General Amos, you have been clear that the Navy and Marine Corps must operate forward and be ready to respond when called upon. Would you discuss the consequences of reduced funding on readiness this year and what it means for next year? What are you doing this year to mitigate the impact and can you describe in more detail what the degradation of surge capacity would mean?

Answer. America's "Force in Readiness" must maintain a high state of readiness at all times to respond to contingencies and commitments throughout the globe. Despite the constrained funding resulting from sequestration, the passing of H.R. 933 mitigated most of the near-term operational impacts in fiscal year 2013. The Marine Corps will meet near-term readiness commitments for deployed and next-to-deploy forces and continue to rebalance to the Pacific and support the Marine Rotational Force Darwin and the Unit Deployment Program.

While the Marine Corps is capable of meeting all deployment requirements for our near-term deployable forces in fiscal year 2013, we have mortgaged our long-term infrastructure and the unit readiness of our home station units. We cannot continue to sustain these levels of reductions in fiscal year 2014 without immediate impact to our deployed and next to deploy forces and our non-deployed crisis response forces at home.

Facilities sustainment reductions, that were used to mitigate shortfalls in fiscal year 2013, would be unsustainable and would degrade home station training and quality of life for Marines and their families. The curtailment of training and maintenance would degrade the readiness of non-deployed crisis response forces. Over half of Marine Corps ground units and one-third of Marine Corps aviation combat units would remain below acceptable readiness levels. Sequestration would also adversely impact operations and exercises in fiscal year 2014 and beyond.

Sequestration's impacts on the availability of amphibious and maritime prepositioning ships are a concern for maintaining the Marine Corps' forward amphibious presence. The combat readiness of these ships is a foundational requirement for training for and executing expeditionary force presence and amphibious force projection operations. As such, reduced amphibious ship availability and readiness could present a significant challenge to the training and maintenance of Naval Expeditionary Forces, thus driving overall readiness levels lower. Continued Congressional support for the Navy's shipbuilding and surface ship-to-shore connector programs is vital to retain and maintain an adequate fleet of modern combat-ready amphibious ships, which provide continuous naval expeditionary presence and project power across the globe.

QUESTION SUBMITTED BY SENATOR DANIEL COATS

Question. The Marine Corps has had considerable success in leveraging the Navy's technical base, like that which exists at NSWC Crane. What do you see as the Marine Corps' way forward in leveraging the Navy's technical activities like NSWC Crane?

Answer. For several years, the Marine Corps has placed a priority on leveraging the Navy's government technical workforce, to include the Naval Surface Warfare Center-Crane. We have been able to gain access to a superior workforce that provides experienced technical expertise to assist the Marine Corps' acquisition, engineering and technical functions.

Our partnership with institutions like NSWC-Crane allows the Marine Corps to benefit from world class government engineers and scientists to leverage investments made by other Services to develop essential technical expertise directly relevant to our mission. We are able to avoid unnecessary costs associated with devel-

oping and sustaining these capabilities in-house and provide the best value to the Marine Corps and other stakeholders we support and represent.

We expect to continue to rely on NSWC-Crane to provide the Marine Corps with the best long-term technical and engineering solutions.

SUBCOMMITTEE RECESS

Senator DURBIN. The Defense Subcommittee will reconvene on Wednesday, May 8, at 10 a.m., to receive testimony from the Department of the Air Force. And the subcommittee stands in recess.

Secretary MABUS. Thank you.

[Whereupon, at 12:16 p.m., Wednesday, April 24, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, May 8.]