

MILITARY CONSTRUCTION, VETERANS AFFAIRS, AND RELATED AGENCIES APPROPRIATIONS FOR 2017

FRIDAY, FEBRUARY 26, 2016.

OVERSIGHT HEARING—QUALITY OF LIFE IN THE MILITARY

WITNESSES

**SERGEANT MAJOR OF THE ARMY DANIEL A. DAILEY
MASTER CHIEF PETTY OFFICER OF THE NAVY MICHAEL D. STEVENS
SERGEANT MAJOR OF THE MARINE CORPS RONALD L. GREEN
CHIEF MASTER SERGEANT OF THE AIR FORCE JAMES A. CODY**

STATEMENT OF CHAIRMAN DENT

Mr. DENT [presiding]. Well, good morning. I welcome everyone to today's hearing on military quality of life—service members. Today's hearing is on the quality of life for our enlisted soldiers, sailors, marines, airmen, and their families.

I think the four men seated before us really do represent, the heart and the back bone of the United States armed forces, and we thank you for your presence.

The four witnesses at the table are senior enlisted members of the respective branches. Members should know that we have roughly 120 years of combined military experience before us today, and two of our witnesses today were only on the job for a matter of days when they appeared before this subcommittee last year. And now they have gotten a year and a few days under their belt, so we welcome them back.

And this hearing is just a great opportunity to identify areas where we can do more to help those who protect us and defend this Nation.

I don't have anything else I would like to add at this moment except to recognize my friend and colleague, the ranking member, Mr. Bishop, for his opening remarks.

STATEMENT OF RANKING MEMBER BISHOP

Mr. BISHOP. Thank you very much, Mr. Chairman.

And let me welcome these distinguished military career folks here. They are the folks that really, really take care of our soldiers, sailors, marines, airmen, and we appreciate you very, very much for what you do: Sergeant Major Dailey, sergeant major of the Army; Master Chief Petty Officer Stevens; Sergeant Major Green; and Chief Master Sergeant Cody of the Air Force.

Let me give a special shout-out to Master Chief Petty Officer Michael Stevens and Chief Master Sergeant Cody. I know this is your last time coming before our subcommittee, and I want you to know that we appreciate your honest assessments regarding our enlisted personnel and what they face and wish you the very best in your next assignment or retirement, whichever it is.

I will keep my remarks short so we can get directly to the hearing.

I always look forward to this hearing because you give us the best picture of what is needed for those who are really on the front lines. We talk a lot about facilities, equipment, force structure, strategy, but it is the men and women like you that really make our military what it is today.

I believe that our service members and the support of the family members, too, make our military great, and it is our responsibility to make sure that all of you—the active duty, Reserve personnel, and their families are taken care of. And I want to make sure that we are doing enough to help our service members and their families because the last thing they need to do when they are facing a deployment is worry about what is happening back home.

In all of your testimonies you raised many issues that confront your services, such as family services, retention, readiness, and training. And I want you to use this as an opportunity to tell us what we have gotten right, what we need to improve to ease the burden that is placed on our service members and their families.

So thank you for your service.

And I yield back.

Mr. DENT. Thank you, Mr. Bishop.

And I would like to at least introduce our witnesses today.

Starting from my right is Sergeant Major of the Army Dan Dailey. And most importantly, he is from Palmerton, Pennsylvania, just north of my hometown. And Sergeant Major Dailey is a returning witness. His wife Holly is also in attendance.

Sergeant Major Dailey was sworn in as the 15th sergeant major on January 30, 2015; 27 years of service; enlisted in the Army in 1989, attended basic training and advanced individual training at Fort Benning, Georgia—place near and dear to your heart, Mr. Bishop.

And Sergeant Major Dailey's awards include the Legion of Merit and a Bronze Star Medal of Valor.

Thanks for being back here, Sergeant Major.

Master Chief Petty Officer of the Navy Michael D. Stevens—as Mr. Bishop said, this is his last appearance before us and we wish him all the best in his future endeavors, wherever that may be. And who knows, maybe Pennsylvania.

Master Chief Stevens is a returning witness. His wife Theresa is also in attendance.

And I just wanted to mention that he was appointed on September 28, 2012, becoming the 13th master chief petty officer; 33 years of service; entered the Navy straight from high school in 1983. Master Chief has served as wing command master chief for the largest helicopter wing in the U.S. Navy, most recently served as 16th fleet master chief for the U.S. Fleet Forces Command.

Sergeant Major of the Marine Corps Ronald Green, who was I think 5 days into the job when he came before us last year. Sergeant Major Green is a returning witness.

He assumed his current post as the 18th sergeant major of the Marine Corps on February 20, 2015; 31 years of service; he has served as drill sergeant and master drill sergeant at Parris Island.

I pity those poor guys who had to deal with you. [Laughter.]

But he served at two three-star commands, a rare distinction for rank. He served at Marine Corps Forces Europe and Africa and Stuttgart, Germany in 2010.

And, of course, Chief Master Sergeant of the Air Force James Cody, and this is also his last appearance.

And we appreciate your presence here. We always like to point out that he was well-trained. His wife is in attendance as well, and is too a retired Air Force chief with over 25 years of service.

Appointed in January 2013 as the 17th chief master sergeant; 32 years of service; entered the Air Force in 1984.

His background includes various duties in air traffic control at the unit major command levels. He has served overseas in Germany, South Korea, Turkey, and deployed in support of Operations Southern Watch and Enduring Freedom.

Thank you all for taking your time to be with us here today. Without objection, your written statements will be entered into the record, and please feel free to summarize your remarks in about 5 minutes each.

So I guess we will start from right to left, starting with Sergeant Major Dailey. Thank you all for your statements.

STATEMENT OF SERGEANT MAJOR DAILEY

Sergeant Major DAILEY. Chairman Dent, Ranking Member Bishop, distinguished members of this committee, I want to thank you on behalf of myself and my comrades for allowing us the opportunity to speak with you today.

On behalf of more than 2 million members of our Army team and its leaders, I would like to recognize this committee for its continued support in defending and advancing all facets of Army quality of life. We are especially grateful for the \$974 million in fiscal year 2016 funding for military construction.

These authorizations and appropriations resulted in tangible quality of life improvements, including the \$19 million Noncommissioned Officer Academy at Fort Drum, New York. This complex will provide the Army's NCOs a state-of-the-art facility to further develop the leadership skills and professional standards expected of our Army's young leaders.

We aren't officially at war today. But right now as we stand, more than 186,000 of our soldiers are in support of our combatant commanders in over 140 countries. They are preventing, shaping, and winning for our Nation.

Although our force is getting smaller, our mission has not changed. The Nation has asked our Army to perform a diverse number of missions over the last year, requiring a force prepared for anything anytime and anywhere.

Maintaining our readiness, as the Army chief of staff has said, is our number one priority. And there is no other number one.

We build readiness by filling the Army formations with soldiers of character, competence, and commitment—soldiers who are mentally, emotionally, and physically fit to withstand the rigors required of members of the profession of arms.

In my opinion, we can be best supported with readiness by: keeping faith with our greatest asset, the American soldier; increasing and incentivizing deployability; maintaining standards and discipline; and expanding our professional development improvements. I hope to have the opportunity to share some of those initiatives with you today.

Ladies and gentlemen, I do believe that our soldiers are the best-trained, best-manned, and best-equipped force in history. It is essential that we maintain this consistent and predictable resourcing to stay that way.

We must remain committed to providing this great Nation the most capable and lethal force imaginable—not only to win, but to deter any potential adversary.

But caring for soldiers, families, and our civilian workforce is nonnegotiable for me and the thousands of leaders that I represent here today. Caring for our people builds trust, and trust is built with honesty and predictability. This is the unwritten contract between the American people, her leaders, and the people of our Army.

My biggest concern in the delicate balance of building a quality of life for our soldiers and families that enables readiness is how they will experience the cumulative effects of budgetary decisions designed to bring a cost savings to the military.

Fiscal conservation is our duty as leaders in public service, but it is hard to explain program and compensation cuts to a young soldier and his or her family. Whether actual or perceived, these things affect how they view our decisions.

I have visited dozens of installations throughout the last year and I have spoken to thousands of our soldiers and their families, and they ask me why. We have to ask ourselves, is the value of these cuts worth the potential impact to our soldiers and their families?

They are still deploying and they are still separating from their families, and we have to be cognizant of the fact that chipping away at the Army family's wallet could violate the trust the soldier has in us. It could jeopardize their trust. And we expect them to be committed to the mission that we direct them to do, we owe it to them.

Being good stewards of our Nation's fiscal resources does not mean that we should do so at the expense of our soldiers. We are asking to—for them to give their all. We have to keep faith with the men and women who make up our total Army family.

With the continued support of this committee, trust can and will be sustained. These soldiers, our Army professionals who make up today's all-volunteer Army, stand ever ready and willing to answer the Nation's call because they believe in each other. They believe in you and they believe in me.

We must ensure our actions and decisions always reinforce that trust. This committee's support, I am sure, will do just that.

This we will defend.

Ladies and gentlemen, thank you for your time and I appreciate your questions.
[The information follows:]

Sergeant Major of the Army Daniel A. Dailey

Sergeant Major of the Army Daniel A. Dailey was sworn in as the 15th Sergeant Major of the Army on January 30, 2015. Dailey has held every enlisted leadership position during his career, ranging from Bradley Fighting Vehicle commander to command sergeant major.



As sergeant major of the Army, Dailey is the Army chief of staff's personal adviser on matters affecting the enlisted force. He devotes the majority of his time traveling throughout the Army to observe training and talk to Soldiers and their families. He sits on a wide variety of councils and boards that make decisions affecting enlisted Soldiers and their Families and is routinely invited to testify before Congress. Dailey is the public face of the U.S. Army's noncommissioned officer corps, representing the corps to the American people in the media and through business and community engagements.

A native of Palmerton, Pennsylvania, Dailey enlisted in the Army in 1989 and attended Basic Training and Advanced Individual Training as an 11B (Infantryman) at Fort Benning, Georgia. In addition to four tours in support of Operations Iraqi Freedom and New Dawn, Dailey deployed in support of Operation Desert Storm and Desert Shield. He was decorated with the Bronze Star with Valor for his leadership during the 4th Infantry Division's 2-month "Battle for Sadr City" in 2008. During his career, Dailey has served with the 1st, 2nd, 3rd and 4th Infantry Divisions stateside and overseas. In March of 2009, Dailey was selected as the 4th Infantry Division command sergeant major, where he served as both the command sergeant major of Fort Carson, Colorado, and U.S. Division-North, Iraq. In 2011, Dailey was selected to serve as the command sergeant major of the United States Army Training and Doctrine Command. Dailey's military and civilian education includes all levels of the Noncommissioned Officer Education System, the Bradley Master Gunner Course, the Force Management Course and the Keystone Course. He is a graduate of class 54 of the U.S. Army Sergeants Major Academy and the Command Sergeants Major Course. Dailey holds a Bachelor of Science (summa cum laude) from Excelsior College.

Dailey's awards include the Distinguished Service Medal, Legion of Merit (2nd Award), Bronze Star Medal with Valor, Bronze Star Medal (4th award), Meritorious Service Medal (2nd award), Army Commendation Medal (7th award), Army Achievement Medal (10th award), Good Conduct Medal (8th award), National Defense Service Medal (2nd award), South West Asia Service Medal (two bronze service stars), Iraq Campaign Medal (one silver and two bronze service stars), Global War on Terrorism Expeditionary Medal, Global War on Terrorism Service Medal, Korea Defense Service Medal, NCO Professional Development Ribbon (4th award), Army Service Ribbon, Overseas Service Ribbon (6th award), Kuwait Liberation Medal (Kuwait), Kuwait Liberation Medal (Saudi Arabia), Drivers Badge (wheel), Ranger Tab, Expert Infantryman's Badge, Combat Infantryman's Badge, The Order of Saint Maurice (Centurion), and a member of the Distinguished Audie Murphy Club.

Dailey and his wife Holly have one son, Dakota.

RECORD VERSION

STATEMENT BY

**SERGEANT MAJOR OF THE ARMY
DANIEL A. DAILEY**

BEFORE THE

**COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON MILITARY CONSTRUCTION, VETERANS AFFAIRS AND
RELATED AGENCIES
UNITED STATES HOUSE OF REPRESENTATIVES**

SECOND SESSION, 114TH CONGRESS

QUALITY OF LIFE IN THE MILITARY

FEBRUARY 26, 2016

**NOT FOR PUBLICATION UNTIL RELEASED BY THE
HOUSE COMMITTEE ON APPROPRIATIONS**

Introduction

Chairman Dent, Ranking Member Bishop, distinguished members of this committee, thank you for the opportunity to speak with you on behalf of the more than two million members of our Army team: Soldiers, their Family members, and our Civilian employees. In my first year as SMA, I'm grateful for the strong, positive, and meaningful dialogue built with this committee. Our relationship continues to improve the quality of life (QOL) for our Soldiers and their families.

The Army team has given blood, sweat and tears to meet every mission our country has required of us for the last fourteen-plus years. Soldiers and Army Civilians have deployed. Families have taken on greater responsibilities to allow their Soldiers to focus on the mission. And Congress has ensured the Total Army team was resourced to succeed. This mutually supporting relationship is the foundation for how we operate in an increasingly complex world. I want to personally thank this committee, its members and staff, for the enduring support you provide. You recognize how important it is for us to take care of our Soldiers and their Families while they give so much to take care of us.

We are especially grateful for the \$974 million in Fiscal Year (FY) 2016 funding provided by Congress for military construction that will improve the quality of life of Active, Reserve and National Guard Soldiers and families. These authorizations and appropriations resulted in tangible QOL and professional improvements including the \$19 million Noncommissioned Officer Academy Complex at Fort Drum, New York. The Noncommissioned Officer Academy Complex will provide the Army's NCOs a state of the art facility to further develop leadership skills and professional standards expected of our nation's Noncommissioned Officer.

Status of Quality of Life

The two most solemn obligations this country has to its military are to provide our Troops with the best training and equipment imaginable and to ensure our troops and their Families are appropriately compensated and cared-for during and after their

service. When America calls, our Soldiers will answer. We must ensure they are prepared to accomplish the mission. With those obligations in mind, I'll share our progress on several key focus areas and identify areas where Congress can make a difference.

QOL in the Army can be defined as the sum of the impacts of programs, services, facilities, and opportunities that result from policy and law. But, really, it's more than that. It's about the morale and the will of the Soldier to serve the Army Profession with unwavering commitment. After visiting and talking with thousands of Soldiers and their Families in the year since I last sat before this committee, I believe that the quality of life for our Soldiers and their Families is stressed. Army leaders are first and foremost committed to the Soldiers, Families and Civilians who make up our Total Army and will continue to keep their interests at heart when making the tough decisions required of us to maintain readiness under constrained resources.

Everything we do in the Army revolves around the people defending freedom, including those who've raised their hands to protect and defend our Nation's freedoms; the Family members who shoulder the sacrifices of serving right alongside their loved ones; and our Army Civilians who provide support in the defense of our Nation. Because of solemn obligation, every decision we make - when I say we, I mean my superiors, this committee, the larger Congress, and I - every decision we make, affects every aspect of the Soldier lifecycle from recruiting to retention, transition, or retirement. Our Total Army tackles every problem and challenge placed in front of it.

Background

For almost 241 years, the U.S. Army has answered the call of our Nation and continues to answer the call in a complex and uncertain security environment. We are able to do this because we are a team of the finest leaders ever assembled, molding and shaping the finest Soldiers.

The principal purpose of the Army remains the same as it was in 1775 – preserve our freedom by fighting and winning our Nation’s wars. Throughout history, successful armies were those that anticipated the future, adapted, and capitalized upon opportunities. Today, the Army faces a changing and more dangerous security environment that will require the Army to make difficult decisions if it is to remain an effective instrument of the Nation’s military power. Given the risk of return to sequestration and the uncertainty of future funding, the Army risks going to war with insufficient readiness to win decisively. Accordingly, to fulfill the security demands of the Nation in fiscal year 2017 (FY17), the Army’s number one priority is readiness. We must ensure our enemies and potential enemies know that we are, and always will be, a formidable adversary. We will continue to ensure our global partners and potential partners know we are and always will be a powerful friend in pursuit of peace. We will demonstrate this focus by making investments in key modernization programs and ensuring Soldiers receive the training, equipment, leadership, and quality of life they need to sustain the world’s greatest Army.

Over the past year, we’ve been called upon to meet the needs of the Nation in diverse ways, including fighting terrorists around the world, training Afghan and Iraqi Army forces, peacekeeping in the Sinai Peninsula and Kosovo, missile defense in the Persian Gulf, security assistance in Africa and South America, deterrence in Europe, the Republic of Korea and Kuwait, rapid deployment global contingency forces, and response forces for the homeland. These missions require us to be agile and adaptive. They also require us to be trained, equipped and ready. Largely due to our deliberate investments in Soldier training, equipping, and leader development, today’s Army continues to excel at these diverse and enduring missions. However, we cannot become complacent, remain static, and look to the past or present to be a guarantor of future victory. To sustain this high performance and remain prepared for potential contingencies, the Army must make the most of competing requirements – readiness, end strength, and modernization – to ensure America’s Army remains ready to fight and win both today and in the future.

Secretary Murphy, General Milley and I are in awe of what our Troops, Families and Civilians have accomplished and endured this year. Our Soldiers have continuously demonstrated to the American people that U.S. Army Soldiers are consummate professionals. The global security environment continues to degrade and correspondingly places a higher demand on the United States military. Throughout last year, the Army had approximately 190K Soldiers committed in 140 countries advancing our national security interests. We also have mobilized units across the country to respond to natural disaster relief at home. Events once deemed improbable, have repeatedly occurred. The Nation must be prepared to confront a near-peer competitor, while simultaneously opposing regional powers and transnational terrorist organizations. Extremist organizations have seized territory in Iraq, Libya, and Syria, and in 2015 twice attacked France—one of our longest standing allies. Given the continually changing global security environment, the Army must be ready to respond anytime and anywhere.

Readiness

The Army Chief of Staff has identified readiness as our number one priority. As a spokesperson for the American Soldier, I know that mission uncertainty tends to be acceptable to Soldiers, and therefore has minimal effect on individual readiness. But, uncertainty when it comes to possible changes to compensation and benefits, family services and other programs, is a concern. Uncertainty in these areas could degrade the trust we have with our Soldiers and their Families - affecting morale. Morale is an amorphous thing, but show me a unit that doesn't have it, and I can show you a unit that is not ready to accomplish its mission. We cannot let this uncertainty turn to insecurity that distracts our warfighters from their commitment to the Nation. We cannot degrade the trust they have in us to take care of them and their families now and in the future. Together, this committee, the Army and the American people can maintain the balance that allows us to preserve the premiere, trained, and ready All-Volunteer Army.

In my opinion, we can best support readiness by: keeping faith with our greatest asset – the Soldier, increasing deployability, incentivizing deployability, maintaining standards and discipline, and expanding professional development improvements.

Soldiers: Our Greatest Asset

The strength of our Nation is the American people. The Army's collective strength originates from the quality of the citizens we recruit, develop, and eventually reintegrate into communities across America. We build readiness by filling Army formations with ethical and competent Soldiers who are mentally and physically fit to withstand the intense rigors of combat. My biggest concern in the delicate balance of building a quality of life for our Soldiers and Families that enables readiness is how they will experience the cumulative effects of budgetary decisions designed to bring a cost-savings to the military. We have to be cognizant of the fact that continuing to chip away at the Army Family's wallet could violate trust between the Soldier and our government. It could jeopardize their trust that we are committed to securing their wellbeing. Being good stewards of our fiscal resources does not mean we should do so at the expense – literally – of the Soldiers we are asking to give all to this Nation. We have to keep faith with the men and women who make up our Army.

Deployability

We have nearly 100K Soldiers who are unable to deploy. Approximately 80% of these Soldiers are not able to deploy because of medical issues. And, this number very likely underestimates the real readiness gap because of the way we currently report medical readiness. Readiness reporting terms “non-available” versus “available” create ambiguity and do not reflect true deployability. It is critical that Army leaders gain improved visibility and accuracy of readiness levels of the force. Currently, there are more than 16,000 Soldiers with temporary profiles who are reported “available” but who are actually not medically fit to deploy if called tonight. So, we are eliminating these terms from our vocabulary and our culture in favor of “deployable” or “non-deployable”. This requires that our current medical readiness (MR) systems transform to assist Army

leaders in rebalancing the deployable force. MR-related policy revision and the overhaul of IT infrastructure will significantly enhance transparency and simplify the process for commanders to make deployability determinations. As we continue to draw down the Force, it is even more critical that every Soldier within the Army team is fit to fight.

In addition to getting the numbers right, we have to also emphasize health-enhancing behaviors. The Army Surgeon General's wellness initiative known as the Performance Triad is the model we are testing to infuse prevention into the daily rituals of our force. By focusing on improving sleep, nutrition and activity (the triad), we expect individual and unit medical readiness will increase. Five installations are conducting pilot studies on the Performance Triad. The studies are far from complete, but to date, these installations are seeing evidence of improved physical fitness scores, fewer injuries and enhanced unit cohesion – all enablers to readiness. I visited the 2nd Brigade Combat Team, 101st Airborne Division at Ft. Campbell recently to see how the pilot was going. I don't think it was a coincidence that of all the installations and units I've visited over the last year, this one was the most motivated and they conducted the most challenging PT sessions. The potential for this initiative to enhance readiness is unlimited. But, it is a culture shift and will take effort and commitment on the part of the whole Army. For years, Soldiers have "toughed it out" when injured, thought of "sleep as a crutch" for the weak, and consumed high-calorie, low nutrition foods with abandon. The Performance Triad turns all these notions of what it means to be a good Soldier on their ear. I'm excited to see the final data and determine how we can begin the Total Army cultural revolution towards one of health enhancement versus medical response. If the data returns as expected, the Performance Triad model could have implications on the Military Health System (MHS).

Incentivizing Deployability

We fight and win. In order to incentivize individual readiness towards that mission, it's time to compensate Soldiers who bear the burden of multiple deployments in support of our Nation's call. Most of our Soldiers would say they don't deploy because of the money, but that doesn't mean they don't deserve it. While they may receive some

special duty pays upon deployment, we are still looking into ways to provide special pays if conducting an extended exercise away from home. This would demonstrate our commitment to caring for our Soldiers for life.

Professional Development

As stated in the 2015 National Military Strategy, "Military and civilian professionals are our decisive advantage." The Army is committed to build leaders who are technically and tactically proficient, innovative, and committed to life-long learning. It takes time to develop Soldiers who can lead a trained and equipped unit into combat. Leader development starts with a framework of formal professional education coupled with operational assignments and self-study. Professional Military Education (PME) serves as the principle way leaders combine experiences gained during operational assignments with current and emerging doctrinal methods to prepare Soldiers for future combat. Our effort to prioritize readiness has resulted in a larger investment in leader development. After fifteen years focused on combat operations, we have re-established the requirement to have our leaders complete education prior to promotion. Known as S.T.E.P. (Select-Train-Educate-Promote), this requirement ensures that the Army develops technically and tactically proficient leaders and builds individual readiness for the future.

The need for a professional NCO Corps that can meet the requirements of training the Nation's best and brightest to fight and win in the current operational landscape has never been more critical. Ultimately, a strengthened NCO Corps will help us achieve our national security objectives. To that end, we are running a pilot course (Master Leader Course) at the US Army Sergeants Major Academy for Soldiers competing to achieve the rank of Master Sergeant. Previously, there was no professional military education requirement for NCOs at this rank, which meant no formal continuing education requirement for 5-8 years. This gap was not conducive to readiness. With the full implementation of MLC, self-study courses before each advancement, and the expansion of courses for sergeants major, formal education is delivered nearly every

two to three years. This is a huge increase in the amount of professional education we provide to NCOs – an increase that will enhance readiness.

The Army projects that it will train approximately 127,000 leaders through PME from all components (Active Component, Army National Guard, and Army Reserve) using resident instruction in FY16, and approximately 119,000 leaders in FY17. Predictable funding allows the Army to develop trusted leaders who provide an advantage that neither technology nor weapons can replace. Predictable funding is critical to leader development initiatives that will ensure our NCOs are equipped with the appropriate knowledge, skills and abilities to fight and win in the complex security environment we will continue to face.

Soldier for Life

From the moment citizens become Soldiers – they enter into an alliance that never ends. They become Soldiers for Life. After just a single term of service with the U.S. Army, they have skills and attributes that far exceed those of the average 22-year-old. We're giving back highly motivated and skilled workers. But, we want to do more.

A new component of our Professional Development process under the banner of the newly launched Army University system will help create a career-ready workforce. Soldiers have training, experience and talent that can be applied to civilian careers. One of the best ways to translate this into terms that civilian employers understand is through a credential, which can be earned through MOS-producing schools as well as through FORSCOM units. Right now, all Army MOS training proponents have been tasked to conduct an MOS-by-MOS analysis for credentialing opportunities. Our credentialing efforts will: enhance Army readiness by producing a more professional work force that is aligned with civilian practice, encourage Soldier life-long learning, increase overall readiness for our Force, and improve post-service employability.

In FY15, Soldiers attained a total of 29,787 credentials. Of those, 13,819 were voluntary credentials and 15,968 were mandatory credentials required by the Soldiers'

MOS. Soldiers attained 26,750 credentials through TRADOC schools, and 3,037 through MEDCOM schools. The Army COOL (Credentialing Opportunities On-Line) assists Soldiers in finding information on certifications and licenses related to their Army jobs. Soldiers may pursue credentialing independent of their MOS training. Promotion points are awarded to Soldiers for earning certain credentials related to their MOS. Despite these efforts, we still have much that needs to be done. The Army and our sister services will need Congressional support to get us to our end state – every Soldier credentialed in his or her MOS.

This year, Veteran unemployment rates have decreased to below that of the national rate. As of November 2015, the general population unemployment rate was 4.8% and 4.2% for post 9/11-era Veterans. As a result of our synchronous efforts with government agencies and interaction with communities, the Army has seen a decrease in unemployment compensation for former servicemember spending and Veteran unemployment. Expansion of the credentialing efforts is therefore seen as a fiscally responsible endeavor. We estimate it costs less than \$300 per Soldier for credentialing and licensing, which aids in Soldier employment. The cost avoidance is the estimated \$8,000 average per Veteran the Army pays in unemployment compensation. Currently, all credentialing expenditures are absorbed by the schoolhouses, the Career Skills Program or by the individual Soldier.

Family Readiness

The Army Family is like no other. They support the warfighter in ways too numerous to count, which is why developing Family readiness is so important to the Army's senior leaders. Family readiness means being prepared to effectively navigate the challenges of daily living in the unique context of military service. To meet readiness needs, the Army has invested in a wide array of Family programs. Examples include: child care and youth programs that provide peace of mind to Soldiers that children are in safe environments, allowing them to focus on the mission; Family Advocacy for the prevention and treatment of domestic violence and child abuse; and the Exceptional

Family Member Program, which matches special needs Family members with relevant services at their duty locations.

We have statutory requirements, operational imperatives, and a moral obligation to provide a balanced array of programs and services to Soldiers, Army civilians, and their Families that meet the unique demands of military life, foster life-skill competencies, strengthen and sustain physical and mental fitness and resiliency, and promote a strong and ready Army. To those ends, we are conducting a comprehensive review of all Family programs to ensure we continue to focus our critical resources on those services our Families need in order to support readiness.

Soldier and Family Programs are an investment in the Army's most valuable asset – our people. The Army remains committed to providing Soldiers and Families a quality of life commensurate with their service, while being good stewards of taxpayer dollars. We remain committed to protect Soldier and Family programs to the greatest extent possible. We continue to review Family programs to ensure the most efficient delivery of service, where and when it is needed most. The programs that support Soldiers and Families remain a top priority because it is critical they live resilient, stay ready and be Army Strong.

The Army Profession and Ethic

The U.S. Army relies on its squad leaders to build readiness in tactics, techniques, procedures and the conduct of the Army Profession and Ethic. With that in mind, we opened the aperture on our "Not in my Squad" (NIMS) initiative from a focus on a single act of indiscipline (Sexual Assault), to now address the larger gaps in understanding of the Army Profession and Ethic.

NIMS is a grassroots – not a senior-leader driven – initiative founded in the Army Profession and Ethic, focused on building mutual trust and cohesion at the team and squad level. The NIMS ideals can be seen in any concept that starts because junior leaders sought a way to make their unit or the Army a better place. One way junior

leaders can begin using the NIMS method is by conducting a workshop with the support of the Center for the Army Profession and Ethic (C.A.P.E.), or on their own with resources available online. Command teams are expected to support these workshops by providing resources and time. Leaders are also expected to commit to actively pursue solutions to the junior-leader identified issues. They are also expected to implement solutions identified by these junior-leaders.

To date, we've conducted five workshops and we are putting together a plan to conduct six more in FY16. So far, these workshops have identified several trends that we are beginning to systematically address. We believe this method has the potential to increase trust between our Soldiers and their leaders, because they are seeing our sincere dedication to giving them a voice in how the Army runs. NIMS also gives our squad leaders - a unit's most influential models of the Army Profession and Ethic - an avenue to share best practices, find solutions and develop relationships with peers. Over time, this method will build mutual trust and cohesion within our units. Cohesive teams built on trust, self-regulate. Indiscipline in these units rarely exists, but when it does, the indiscipline is dealt with appropriately, strengthening the team from the experience. These squads are ready to execute the mission: to fight and win our Nation's wars.

Preventing and responding to our most destructive of challenges - sexual assault/sexual harassment - requires both buy-in from junior leadership and engagement from senior leaders. To that end, our FY17 budget has provisions for expanding our SHARP Academy - where we provide standardized training to our sexual assault/sexual harassment prevention and response professionals. We are also making strides in support to victims, encouraging reporting, reducing the perception of retaliation, and command/senior leader accountability.

I know how important this issue is to this committee and to the American people. As a leader, I feel a responsibility to the mothers and fathers who have left their sons and daughters in our care. Our leaders feel the same responsibility. These young Soldiers

deserve our best efforts to solve these problems. While I understand the concern that exits from our government leaders and from the American people, we are resolutely working on innovative prevention efforts and response protocols. It is my sincere opinion that Army commanders must retain their authority over the disposition of sexual assault cases. Removal of that authority would make it harder to respond to the needs of Soldiers within the command.

Some of our biggest challenges can, and I believe will, be solved with a combination of great leadership and junior-leader involvement. I think we are moving in the right direction.

Closing

The topics I've highlighted here carry one thread – people. Everything we do is about the people who wear this uniform now and in the future. As decisions are being made about programs to keep, facilities to maintain, services to provide and people to stay – I'm cognizant that these decisions impact people. And, individually, a change to one program or service can and will be weathered. But, slashing a little bit from many areas carries a cumulative impact on Soldiers and their Families.

The amazing thing about the American Soldier and the Army Family is that despite these challenges, fears and frustrations – they stand tall in defense of our Nation. Throughout this past year, while continuing the fight, drawing down our force, and working within fiscal constraints, our Soldiers have demonstrated their professionalism. Moreover, they have demonstrated they still do have trust in us to take care of them. The Soldiers who make up today's All-Volunteer Force, their Families and the Civilian workforce that supports us, stand ever-ready and willing to answer the Nation's call. We must ensure that our decisions never weaken such a solemn bond.

Today's Army, prioritizes Army readiness to achieve superiority over our Nation's adversaries. With the full support of Congress, we will be ready for the challenges that face our Nation as we have for more than 240 years. The Army's capacity and

capabilities serve as the critical foundation of a Joint Force that exists for one purpose—to deter, and when required, fight and win wars in defense of the United States national interests. To meet this non-negotiable obligation to the Nation, the Army requires predictable funding to build readiness, modernize equipment, and provide sufficient Soldier compensation commensurate with their service and sacrifice.

In closing, I want to recognize the tireless work that our Army Team does every single day. As the Sergeant Major of the Army, the best part of my job is being around the greatest team the world has ever known. The professionalism, dedication, and sacrifice they exhibit is astonishing. It is the reason our Army is envied worldwide. Today, our Soldiers are the best-trained, best-manned, best-equipped, and best-led force in our history. It is essential that we maintain the right level of resourcing to remain that way.

I appreciate the opportunity to speak before you today and I look forward to continuing our dialogue. *This We'll Defend.*

Mr. DENT. Thank you, Sergeant Major Dailey.
And, Master Chief Stevens.

STATEMENT OF MASTER CHIEF STEVENS

Master Chief STEVENS. Good morning, Chairman Dent, Ranking Member Bishop, and distinguished members of this subcommittee. It is a great honor to be here with my wife Theresa and address you in my fourth year as the Master Chief Petty Officer of the Navy.

There are currently over 600,000 active and Reserve sailors and civilians serving in our Navy today. Their commitment to our Navy and our Nation is a never-ending source of inspiration. Without our sailors' can-do spirit and determined initiative, our operational readiness simply could not exist.

Our sailors and their families collectively make up our most critical weapon system—a weapon system that operates most effectively when individual and unit morale is high. I truly believe that if this weapon system is not operating at its highest proficiency, your Navy becomes far less—far less capable.

We owe it to our sailors and their families to ensure they continue to be well prepared to safeguard our Nation. We owe it to them to provide them with education, training, and appropriate compensation for their service and sacrifice. We owe it to them to hold the line when budget pressures put their quality of life and quality of service at risk.

Over the past 3 decades there have been significant improvements in pay raises, housing allowance, health care, and veterans' benefits, resulting in a quality of life that is commensurate with their service. Many of you have worked hard to get us where we are today, and it is my hope that your hard work will not be in vain.

Although the nature of budgetary reform is to balance readiness with quality of life, sailors are apprehensive about actual and potential reductions regarding pay and compensation. Through the years, military and civilian leadership has worked hard to establish and maintain trust with our sailors. Now we have to work hard to preserve and nurture that trust.

Outside military pay and compensation, one of my greatest concerns is single sailor housing. Although we monitor barrack safety and prioritize funds for facilities most in need, we are not recapitalizing unaccompanied housing at the rate in which it is degrading.

As we prioritize military construction projects to enable operational readiness, we have difficulty meeting the requirements for infrastructure, such as barracks and support buildings. The necessary investment in shore infrastructure remains challenging, but it is important for us to remember that our sailors rely on these installations for operational support, training, and quality of life for them and their families.

If we start to invest now in improvements in this area, the less costly it will be down the road. It is my hope that Congress continues to provide the needed relief without needing to move money out of operational readiness accounts in the future.

Although these concerns exist, fleet manning remains healthy and continues to improve. Health care continues to be extremely

important to our sailors and their families. Our stateside and overseas military treatment facilities are essential to ensuring our sailors and their families have access to comprehensive, high-quality health care services.

Our family programs continue to provide fundamental support that our sailors require to succeed in their personal and professional lives. Our sailors and their families appreciate your support in this area and wanted you to know how important these programs are towards their total quality of life.

When a sailor is deployed and the spouse has to work to help make ends meet, having a daycare with extended hours makes all the difference in the world to manage everyday life while apart. Sailors that are deployed for 7 months at a time are more focused on the mission knowing that their spouse and families have help available if anything unplanned was to come up while they are away.

Having resources such as an ombudsman or a counselor accessible to the spouse makes getting through a deployment more manageable and less stressful for both our sailors and their families.

And for these benefits, we thank you. We can never take for granted the sacrifice that our sailors and their families make. It is absolutely critical to the future of our Nation's defense that we do everything in our power to hold the line and provide our sailors and their families with the best quality of life we can offer.

On behalf of these amazing sailors and their families, I thank you. We thank you for the opportunity to address you today and very much look forward to answering your questions.

[The information follows:]



Master Chief Petty Officer of the Navy

MCPON (AW/NAC) Mike D. Stevens



Master Chief Petty Officer of the Navy Mike D. Stevens was born and raised in Montana. He graduated from Arlee High School in May 1983 and immediately entered the U.S. Navy attending basic training in San Diego in June 1983.

Stevens attended Aviation Structural Mechanic Apprentice School in Millington, Tenn., and his first duty assignment was with Fleet Air Reconnaissance Squadron Two in Rota, Spain.

In October 2002, he was advanced to Master Chief Petty Officer and assigned to Fleet Composite Eight in Roosevelt Roads, P. R., as the Maintenance Master Chief and Command Master Chief. In October 2003, Stevens reported to Naval Air Station Pensacola and shortly thereafter assumed the duties as the Command Master Chief. In August 2006, he became the Command Master Chief for Helicopter Mine Countermeasure Squadron 14 in Norfolk, Va. In September 2007, he was selected by Commander, Helicopter Sea Combat Wing Atlantic to serve as the Wing Command Master Chief for the largest Helicopter Wing in the U.S. Navy. In January 2009, Stevens was selected as the Command Master Chief for Commander, U.S. 2nd Fleet. Following 2nd Fleet, he served as the 16th Fleet Master Chief for Commander, U.S. Fleet Forces Command from August 2010 to September 2012.

Stevens' academic achievements include an Associate's Degree in Administrative Management Studies; Senior Enlisted Professional Military Education; Senior Enlisted Joint Professional Military Education; Harvard John F. Kennedy School of Government "Leadership in Crises"; and the National Defense University Keystone course. He is an honor graduate and the recipient of the prestigious Peter Tomich Award for exceptional military excellence from the Senior Enlisted Academy.

Stevens' personal awards include the Legion of Merit, Meritorious Service Medal (four awards), Navy Commendation Medal (five awards), Navy Achievement Medal (six awards), the Coast Guard Achievement Medal with operational "O", Enlisted Aviation Warfare Specialist Insignia, and Enlisted Naval Aircrew Wings.

Stevens became the 13th Master Chief Petty Officer of the Navy on September 28, 2012.

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SUBCOMMITTEE ON MILITARY CONSTRUCTION
COMMITTEE ON APPROPRIATIONS

STATEMENT OF
MICHAEL D. STEVENS
MASTER CHIEF PETTY OFFICER OF THE NAVY
(AVIATION WARFARE/NAVAL AIRCREW WARFARE)
BEFORE THE
SUBCOMMITTEE ON MILITARY CONSTRUCTION,
VETERANS AFFAIRS AND RELATED AGENCIES
OF THE
HOUSE COMMITTEE ON APPROPRIATIONS
ON
QUALITY OF LIFE
FEBRUARY 26, 2016

NOT FOR PUBLICATION
UNTIL RELEASED BY THE HOUSE
SUBCOMMITTEE ON MILITARY CONSTRUCTION
COMMITTEE ON APPROPRIATIONS

Chairman Dent, Ranking Member Bishop and distinguished members of this subcommittee, thank you for the opportunity to discuss the Quality of Life of our Sailors and their families. It is my privilege to address you in my fourth year as your Master Chief Petty Officer of the Navy. My wife Theresa and I have continued to engage and spend time with thousands of our Sailors and their families in the United States and overseas, we cannot begin to express how grateful we are for their total commitment to our Nation and Navy.

Your Navy Sailors continue to amaze me with their can-do spirit, determined initiative and many achievements. They are a never-ending source of inspiration and comfort. We owe it to our Sailors and their families to ensure they are trained, educated, healthy and fairly compensated. We owe it to them to “Hold the Line” when budget pressures put their quality of life and quality of service at risk. This statement will serve as a summary of my observations concerning the total well-being of our Sailors and their families.

Overall Quality of Life

There are currently more than 600,000 active and reserve Sailors and civilians serving in the Navy, without them our operational readiness could not exist. Over the past three decades, there have been significant improvements in pay raises, housing allowance, health care, and veteran’s benefits, resulting in a quality of life commensurate with their service and sacrifices. Many of you have worked very hard to get us where we are today and it is my hope that your hard work will not be in vain. We ask for your support in holding the line to maintain these improvements for the future of our Force.

In over 33 years of naval service, I have watched the Department of Defense and Congress reform policies, regulations, and laws concerning pay and compensation, healthcare, education benefits, and personnel programs that sustain our Sailors and their families, ensuring personnel readiness. When we, as a government, implement major changes such as these, it generally takes about a decade to determine if we got it right or wrong; when we get it wrong it takes another decade to un-ring the bell. This is why it is of great importance to ensure we have taken cautious and calculated steps as we pursue reform, particularly with respect to military pay and compensation. If we fail in our approach, the negative impacts can affect the force for many years, leaving the mess for others to clean up. Through the years, military and civilian leadership has worked very hard to establish and maintain vital trust with our Sailors. We have to continue to preserve and nurture that trust.

I recognize that budget pressures require all of us to make tough decisions while striking the right balance. Your support in holding the line against further reductions in the areas I previously mentioned will help safeguard the future of our Navy and our country.

Quality of Service

Quality of service is composed of quality of work and quality of life, components that are vital to operational readiness. In order to maintain top readiness within our Force, the President's 2017 budget request invests in quality of service initiatives for barracks, training enhancements, and schools. Quality of service also empowers the "eSailor" initiative, advancing training through smart technology devices and applications, improving communication and Sailor career management, both afloat and ashore.

Readiness

Our Navy is at its optimal potential when members of the team are fully focused. Our Sailors, Navy civilians, and their families, collectively comprise our most critical weapon system, which operates most effectively when individual and unit morale is high. If this weapon system is not operating at peak proficiency, our Navy becomes far less capable.

Our Sailors face the inherent stresses of long deployments, overseas duty and assignments that place them in harm's way. To the extent possible, we must prevent any additional unnecessary stress on them and their families, stress that can affect our Sailor's morale and ultimately affect their quality of life. With your support, we will ensure the morale of our Force is maintained, thus preventing any negative impact on our Navy's readiness.

Fleet manning remains healthy and continues to improve, with manning above 98% for all deployers and 92% of billets occupied by Sailors whose skills and experience levels match the billet requirements. In 2016, we are working hard to further reduce manning gaps at sea, having reduced gaps from 5,500 to just over 2,000, in calendar year 2015. Through implementation of Billet Based Distribution and an enhanced training process, we will ensure we have the right Sailor at the right place at the right time.

Constrained budgets have compelled the Navy to reduce investment in shore readiness to preserve the operational readiness of our fleet. The Navy has taken risk in preventative maintenance causing many shore facilities, such as barracks, to require more extensive maintenance moving forward. We continue to sustain mission-critical facilities, piers, runways and hangar repairs, while working to address our full facilities repair and sustainment requirement. As we prioritize Military Construction projects to enable operational readiness, we have difficulty meeting the requirements for infrastructure – such as barracks, administrative

buildings, and research and development facilities. The level of investment in shore infrastructure remains challenging and takes a toll on our Sailors who rely on shore installations to provide a platform for readiness, operational support, training and preparedness, quality of life, and support for their families.

Recruiting & Retention

It is paramount that we maintain Navy readiness to fully meet the mission. Recruiting and retaining the best possible Sailors who possess the right values and skill sets is the first priority in achieving this requirement. As of today, recruiting and retention remains high. Career incentives and special pays continue to play a vital role in retaining Sailors who possess critical skills. The extraordinary demands we place on our Sailors and their families, coupled with an improving economy that offers increased job opportunities, will inevitably make our efforts to recruit and retain highly talented Sailors increasingly challenging.

Housing

Military housing is a high priority for our Sailors and their families and is an important element in their quality of life. Providing suitable, affordable and safe housing is at the top of our list. We appreciate your support and for continuing to hold the line in this area. The issue I previously mentioned regarding increases in out of pocket expenses for Sailor housing is consistently raised at my town hall meetings. I have reassured our Sailors that, as their advocate, I would communicate their concerns to leadership. As we continue to work together to avoid having Navy families further bear the burden of necessary budgetary tradeoffs between

maintaining readiness, preserving quality of life, and future, unplanned BAH reductions, our Sailors will continue to have the quality of life they deserve.

Budgetary challenges continue to place pressure on construction and recapitalization of Single Sailor Housing. Although we monitor barracks safety and prioritize funds for facilities most in need, we are not recapitalizing unaccompanied housing at the rate at which it is degrading. If we start planning to invest now in improvements in this area, the less costly it will be in the long run. It is my hope that Congress continues to provide the needed relief without needing to move money out of operational readiness accounts in the future.

Family Support Programs

Family support programs continue to be a critical component in enhancing mission readiness and in taking care of Sailors and their families. As I have mentioned during testimony each year, these critical programs assist commanding officers, Sailors, and Navy families in managing the unique demands of the military lifestyle, balancing military commitment with family life. Navy Fleet and Family Support Centers around the world ensure military families are informed, healthy, and resilient, through a robust array of programs which include: non-medical and family counseling, personal and family life education, personal financial management services, support to surviving families of the fallen, information and referral services, family member employment, deployment assistance, domestic violence prevention and response services, new parent support, exceptional family member liaison, emergency family assistance, and transition assistance.

Navy Child and Youth Programs provide accessible, affordable, and high-quality child and youth development programs through child development centers, youth centers, child

development homes, and contract child care spaces. All Navy child development centers are Department of Defense certified and nationally accredited and provide consistent, high-quality care at affordable rates based on total family income. As part of SECDEF's Force of the Future and SECNAV's Talent Management initiatives, Navy Child and Youth Programs have started an initiative that will expand service at all child development centers from 12 to 14 hours per day. The initiative will be expanded to 13 installations by the end of March 2016 and available at all Navy sites by December 2016.

The Navy Ombudsmen Program and Family Readiness Groups offer tremendous support in preparing Sailors and their families prior to, during, and following return from deployments and other demanding missions worldwide. The Yellow Ribbon Reintegration Program provides Reserve Sailors and their families with information, services, referral, and proactive outreach opportunities necessary for enhancing their overall state of wellness and readiness.

Health Care

Health care is an important part in the lives of our Sailors and their families. It is crucial to mission-readiness and often is a very influential factor in recruiting and retention decisions. Our Sailors must be medically ready and when deployed, they must be confident their families have access to the care they need.

Navy's Medical Home Port (MHP) program transforms the delivery of primary care to an integrated team-based approach. This program offers same day access, proactive preventive services, improved coordination of care, and 24/7 access to clinical advice via interactive secure messaging, and Nurse Advice Line (NAL) services, which promotes responsible use of the emergency room (ER).

I would like to emphasize that our CONUS and OCONUS military treatment facilities (MTFs) are essential to ensuring that our Sailors and their families have access to comprehensive high quality health care services. These facilities continue to play a key role sustaining the readiness of our Force serving worldwide.

Sexual Assault Prevention and Response (SAPR)

Sexual Assault Prevention and Response continues to be a top priority throughout the Navy. Sailors have increasingly embraced prevention and response by contributing innovative ways to deliver training and intervention initiatives to their shipmates. Our Sailors are acutely aware of the destructive effects sexual assault can create in the Navy and are resolute in their personal and collective commitment to eliminate it.

The Chief of Naval Operations (CNO) recently announced five ways the Navy will drive sexual assaults to zero:

- (1) Through our training approaches, terminology and communications instill in our Sailors that a shipmate is not a “bystander”;
- (2) Establishing counselors within the Fleet and Family Support Centers as a resource for victim support;
- (3) Improve our personnel management practices and procedures following a sexual assault experience;
- (4) Continue our efforts to educate our Sailors and reduce alcohol abuse in the Navy; and
- (5) Better utilize technology to remove cultural barriers and the stigma associated with reporting a sexual assault or seeking advice and counsel.

I am confident our Sailors will own these initiatives and produce positive results.

Operational readiness, unit cohesion, and individuals are directly impacted when a sexual assault occurs to a shipmate or Navy family member. Every time I speak with senior enlisted leaders, I tenaciously reiterate and challenge them to inspire our Sailors to “treat one another with dignity and respect” at work, at home and at all times.

The key to keeping our Sailors safe and preventing them from making destructive decision lies in helping them develop their foresight in order to recognize perilous situations, while honing their instincts and improving their decision making skills. In so doing, we empower Sailors with the tools to effectively intervene and eradicate sexual assault from the Navy.

We are aware retaliation is of concern to our Sailors. Retaliation against alleged victims or other service members who report a criminal offense is prohibited, and is subject to prosecution under the Uniform Code of Military Justice. Any form of retaliation against victims or reporters of sexual assault is wrong and will not be tolerated. Navy’s Whistleblower Protection policy has been updated to address retaliation, which includes reprisal, ostracism, and maltreatment. We continue to work to understand and prevent retaliation, especially peer-to-peer retaliation that sexual assault victims often experience. We are designing strategies to address and eradicate retaliation, conduct training, increase awareness and provide legal recourse. Our Sailors will continue to be queried in survey instruments about their knowledge of the existence of retaliation within our ranks.

Deployment Resilience Counselors (DRC’s) are assigned to aircraft carriers (CVN) and large-deck amphibious assault ships (LHAs and LHDs). This program is uniquely designed for licensed clinical counselors to provide crises intervention and support services to victims of sexual assault and intimate partner violence. It increases accessibility to support services

traditionally provided at the Fleet and Family Support Centers. The DRC's serve as a liaison to the Homeport SARC and the Family Advocacy Program ensuring continuity of care to victims. The DRC's have the ability to receive restricted and unrestricted reports, provide immediate sexual assault response coordination, support the victim while deployed, provide clinical counseling services and provide training on resiliency including suicide prevention, sexual assault, and stress management.

Although we have made substantial progress, our efforts to eradicate sexual assaults from our Navy continue unabated. This is one of the greatest challenges of our time and we must meet it head on and never yield.

Suicide Prevention & Resilience

Suicide is complex, and as such it is difficult to draw conclusions from numbers alone. We continue to monitor the health of the Force and investigate every suicide and suicide attempt with a particular focus on the underlying causes. In September, CNO's 21st Century Sailor Office introduced a new fleet-wide message to its ongoing *Every Sailor Every Day* campaign. Based on the Ask, Care Treat (ACT) intervention model, and complementary with DOD's *Power of 1 Campaign*, the *1 Small ACT*, encourages simple actions by which Sailors can make a difference and, perhaps, save a shipmate's life. We also released an improved interactive suicide prevention training curricula to generate dialogue about stress navigation, suicide prevention, intervention, and crisis response. Suicide prevention is about taking care of our Sailors and ensuring they know and believe that seeking help is a sign of strength. Our Navy is committed to providing our Sailors and their families with the tools and resources they need to thrive during and beyond their Navy careers.

Transition Assistance Program (TAP)/Transition Goals, Plans and Success (GPS)

Navy's Transition Assistance Program prepares Sailors for eventual separation or retirement following their service in the Navy. All active and reserve Sailors separating from the service after continuously serving 180 days or more are required to participate in TAP/GPS. It arms Sailors with education, training, and certifications throughout the continuum of their military careers, which document their Navy experience and enhance their marketability through:

- (1) Incorporating aspects of transition assistance into the Military Life Cycle (MLC) using the existing enlisted career development process and officer semi-annual performance reviews;
- (2) Required pre-separation counseling;
- (3) Required five-day Transition (GPS) fundamental curriculum;
- (4) Two-day career-specific educational, technical, and entrepreneurship tracks; and
- (5) Required capstone event that validates a viable transitioning plan.

Through the capstone event, we verify Sailors received all information and services needed to meet the required Career Readiness Standards. Sailors who do not meet those standards, or require additional help in transitioning will be referred to the appropriate government agency.

Conclusion

Today's Sailors are the best "we have ever put to on the field." As a whole, they are more educated and well-rounded than at any other time in our 240-year history. Like Sailors who have gone before them, they have a strong sense of service and commitment to mission.

Our Sailors are the most important component of our Navy. As the technology gap closes across the global spectrum our asymmetric advantage is, and will be, our people. Their passion, diversity, and creativity, coupled with their ability to learn and apply results faster than anyone else in the world, is what will ensure the continued success and security of our Nation. For this reason, I truly believe, our Sailors' and their morale comprise the most vital weapon system we own. We need to continue to preserve it and protect it.

I faithfully believe Congress will continue holding the line in order to protect our Sailors' earned benefits. On behalf of our Sailors and their families I sincerely thank you for your time and continued support in giving our Sailors the quality of life they truly deserve.

Mr. DENT. Thank you, Master Chief Stevens.
Sergeant Major Green, you are recognized.

STATEMENT OF SERGEANT MAJOR GREEN

Sergeant Major GREEN. Yes, sir.

Chairman Dent, Ranking Member Bishop, and distinguished members of the committee, thank you for the opportunity to appear before you today and update you on the quality of life of your Marine Corps and our families.

First, I would like to thank you for your fidelity to the United States Marine Corps. The commandant, General Neller, and I continue to travel around the globe visiting our marines and families, and the morale is high.

The Corps continues to maintain its operational readiness and commitment to the Nation by remaining forward-deployed and ready to respond to crisis anywhere in the world without any hesitation or mental reservation. You and the American people expect marines to answer the call and to win battles.

In 2015 your marines executed approximately 100 operations, 20 amphibious operations, 140 security cooperation events, and 160 major exercises. We have accomplished these requirements while sustaining a tenet of measured and responsible drawdown.

We are keeping the faith with our marines by minimizing involuntary attrition and maximizing voluntary actions. The Corps has not seen significant issues with recruiting or retention and continues to attract and recruit the best and most qualified individuals.

We will continue to maintain a force of the highest-quality people who are intelligent, physically fit, resilient, and disciplined. General Neller and I spent Thanksgiving and Christmas visiting our forward-deployed warriors, and they are doing a great job. You would be proud of them.

There are presently over 33,000 marines deployed around the globe. And despite the drawdown in Iraq and Afghanistan, the enemy continues to try and impose their will and their way of life on our Nation. Your Corps continues to accomplish the mission by changing their minds or their zip codes.

Our families remain resilient and committed to supporting the warfighters as they work to accomplish the mission of guarding the country and our way of life.

The Corps recognizes that we have a drawdown and continue to shape our quality of life programs and reflect those changes. As we near our end-strength target rapidly, the funding levels continue to eat away at our readiness and force the commandant of the Marine Corps to accept risk in unit readiness, personal readiness, and family readiness.

All three are tied directly to the quality of life. The Corps should not have to make decisions between quality of work and quality of life.

The Marine Corps works hard every day to take the fight to the enemy and make the fight as unfair as possible.

Thank you for the opportunity to appear before you this morning, and I welcome your questions.

[The information follows:]

SERGEANT MAJOR RONALD L. GREEN

18TH SERGEANT MAJOR OF THE MARINE CORPS

Sergeant Major Green assumed his current post as the 18th Sergeant Major of the Marine Corps on February 20, 2015. A native of Jackson, Miss, he attended recruit training at Marine Corps Recruit Depot Parris Island, S.C., in November 1983.

He has been meritoriously promoted to the ranks of private first class, lance corporal, corporal, sergeant and staff sergeant.

Throughout his career, Sergeant Major Green has been assigned numerous duties to include: field artillery cannoneer; field artillery nuclear projectileman; tower operator; drill instructor, senior drill instructor and drill master; battery section chief and battery gunnery sergeant, Assistant Marine Officer Instructor at Southern University and A&M College; first sergeant of Inspector-Instructor Staff, B Company, 1st Battalion, 23rd Marine Regiment; and sergeant major of Headquarters Marine Corps Henderson Hall, Marine Corps Forces Europe/Marine Corps Forces Africa and First Marine Expeditionary Force.

He has deployed to Somalia with the 13th Marine Expeditionary Unit (Special Operations Capable) during Operation Restore Hope in 1993; to South America in support of Operation United Americas (UNITAS) in 2002; and with Marine Light Attack Helicopter Squadron 169 in support of Operation Iraqi Freedom in 2006.

Sergeant Major Green holds a B.A. in Cybersecurity and a M.A. in Cybersecurity Policy from the University of Maryland University College.



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HOUSE APPROPRIATIONS COMMITTEE

STATEMENT OF
SERGEANT MAJOR RONALD L. GREEN
SERGEANT MAJOR OF THE MARINE CORPS
HEADQUARTERS, UNITED STATES MARINE CORPS
BEFORE THE
HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON MILITARY CONSTRUCTION, VETERANS AFFAIRS AND
RELATED AGENCIES
ON
26 FEBRUARY 2016

NOT FOR PUBLICATION UNTIL
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HOUSE APPROPRIATIONS COMMITTEE

Chairman Dent, Ranking Member Bishop, and distinguished Members of the Subcommittee, I appreciate the opportunity to once again provide you with an update on the commitment of the Marine Corps to our Marines and their families.

The Marine Corps continues to maintain its operational readiness and commitment to the Nation remaining forward deployed and ready to respond to crisis around the world. We are the Nation's expeditionary force in readiness. The Marine Corps appreciates the leadership of the 114th Congress and the American people expect Marines to answer the call, to fight, and to win. With an ever-changing strategic landscape and pace of current and future demands our Nation's leaders requires a ready Marine Corps and options for our Nation's leaders. Without any hesitation or mental reservation, Congress and the American people expect Marines to answer the call, to fight, and to win battles.

In 2015, your Marines executed approximately 100 operations, 20 amphibious operations, 140 theater security cooperation events, and 160 major exercises. We have accomplished this requirement while sustaining the key tenet of a measured and responsible drawdown. We are keeping faith with your Marines by minimizing involuntary attrition, maximizing voluntary actions and maintaining the right number of Marines in every grade. Notably, The Marine Corps has not seen a significant issue with retention and continues to attract and recruit the very best qualified and eligible individuals. We are on target to reach our active duty end strength goal of 182K in FY16. As the Commandant of the Marine Corps has stated, success of the Marine Corps hinges on the quality of our Marines. We will continue to maintain a force of the highest quality people who are intelligent, physically fit, resilient, and disciplined enough to overcome difficulty. Quality of Life for Marines and their families will remain at the forefront of discussion by all Marine Corps leaders.

OUR MARINES

We clearly see the merit in reviewing our current manpower policies and processes and adjusting as required to meet the requirements of the Marine Corps in the future. We remain committed to recruiting and retaining the best our nation has to offer and will continue to retain the most qualified.

The Wounded Warrior Regiment (WWR) continued mission is an enduring commitment to care for WWII Marines in times of war and peace while supporting Marines through all phases of recovery as well as post-transition. The WWR support model also provides Marines and families assistance on a full spectrum of issues associated with transitioning from military service. WWR continues to provide services to both the combat and non-combat injured and ill, as directed by Congress in Public Law 110-181. While there are now fewer combat casualties, non-combat injuries and illnesses across the Marine Corps are expected to remain stable.

The Commandant's Sexual Assault Prevention and Response Campaign Plan continues to guide the implementation of large-scale efforts, and has resulted in several best practices, including a SAPR training continuum that grows along with our Marines, an Ethical Discussion Group curriculum that extends beyond annual training requirements, and the monthly SAPR "Snapshot" newsletter. The Marine Corps has shaped its SAPR prevention programs to reflect its unique demographics and we see positive trends in reporting. Annual training is being updated for all Marines, including Noncommissioned Officers (NCOs), Staff NCOs, and junior officers, to include more information on preventing retaliation as well as policies and procedures for filing a related complaint. Additionally, Family Advocacy Program clinical counselors provide support services to dependent children who have been sexually abused.

We continue to utilize an integrated, community based model to improve behavioral health outcomes. The public health approach to prevention allows for the simultaneous and coordinated targeting of multiple behavioral risk factors that are common across Family Advocacy, Substance Abuse, Community Counseling and Operational Stress, and Suicide Prevention programs. Each of our behavioral health programs provide evidenced-based client screening tools and non-medical counseling, clinical care coordination, and outreach services. Of note, the integrated suicide prevention efforts of the Marine Corps are showing promise. We are expanding our reach by offering family focused suicide prevention workshops, Conquering Stress with Strength (CSWS), and a targeted Social Media Suicide Prevention Awareness Campaign. Moreover, our comprehensive and integrated substance abuse prevention efforts continue to reduce the number of positive drug testing results. The Commandant of the Marine Corps and I are engaged with a "Protect What You've Earned" campaign to promote and inculcate a culture of making responsible decisions to ensure our Marines and Sailors avoid the destructive behaviors that place them at personal and professional risk. The focus of the campaign's educational message emphasizes the success of the majority of Marines and Sailors who make responsible decisions versus the small percentage who make irresponsible choices. Your continued support in all areas relative to behavioral health allows us to address this complex issue and sustain our progress.

As in FY15, the Marine Corps incorporated a Marine For Life Cycle approach to transition readiness. We are focusing on ensuring Marines are exposed to transition readiness throughout the Marine For Life (M4L) Cycle, from recruitment through separation or retirement, and as Veteran Marines. This approach allows Marines to meet Career Readiness Standards requirements prior to attending the 5 day Transition Readiness Seminar (TRS) and to gain

awareness of career readiness preparations throughout their military career. There are two primary action points where Marines will be asked to devote significant time and energy to their transition readiness:

- o **Personal Readiness Seminar (PRS).** Four-hour USMC seminar designed for Marines to attend upon arrival at their first permanent duty station. Curriculum provides an overview of Personal and Professional Development services (Library Services, Family Member Employment, Voluntary Education, Personal Financial Management, Transition Readiness, and Information and Referral), as well as financial topics such as banking and financial services, savings and investments, living expenses, understanding debt, and service members' rights.
- o **Transition Readiness Seminar (TRS).** This week long program in FY15 was attended by 35,000 Marines.

The Marine Corps introduced Marine Corps Credentialing Opportunities On-Line (COOL) on 1 Oct 2014. COOL is a website providing an information resource capability that assists Marines in learning about civilian certifications and licenses related to their Military Occupational Specialist (MOSs). As of July 2015, the Marine Corps is paying for examination fees and annual maintenance for all enlisted active duty Marines to earn certifications that are closely aligned with their MOS. It is also an awareness capability for spouses and those potential employers seeking information about the occupational field experience and professional skills of transitioning Marines. The Spouses Transition and Readiness Seminar (STARS) was created specifically to orient spouses to the USMC transition process and to address transitional challenges and opportunities.

The USMC continues to focus on Veterans Opportunity to Work (VOW) compliance, with emphasis upon the Reserve Component. Initial efforts of the VOW Act implementation was on the Active Component for the greatest and swiftest impact for USMC total forces. The emphasis will now shift towards our Reserve Component Marines, many of whom are Individual Augments or Reserve Marines on Active Duty. Our focus is to train civilians and make them Marines, in turn it is equally important that when our Marines are ready to leave the Corps that they are ready to move into the civilian sector - whether that is to find a job, pursue educational and technical opportunities, or start their own business.

The Marine Corps Voluntary Education Program provides high quality advising along with exposure and access to opportunities for education services, to assist Marines in achieving their personal goals as Marines and citizens. Tuition Assistance (TA) is one component of the program and in FY15, according to Navy College Management Information 17,475 Marines enrolled in Tuition Assistant funded courses. Most Marines utilizing TA are E-5 and below (56%).

QUALITY OF LIFE FOR OUR FAMILIES

To ensure that our Marines are operationally ready and able to focus on the mission, they must first be assured that their families are being cared for. Family Readiness Programs are the backbone in supporting Marines and their families by providing quality of life resources and trainings that enhance their personal life skills and ability to thrive in the military. That is why we place a high priority on family readiness – because it is a critical component of operational readiness. Whether through exceptional day care, or programs that ensure quality and continuity of their children’s education across multiple changes in duty station, or resources to assist with children and

dependents with special needs, we ensure that when Marines deploy, they do so knowing that their families have a wide network of support.

The Marine Corps Family Care programs provide dedicated services that care for and strengthen the military family unit. Our Child and Youth Program provides high quality, accessible, and affordable programs and services for eligible families with children 6 weeks to 18 years of age. Operations have been enhanced by consolidating underutilized facilities to maximize capacity, staffing to enrollment, and combining age appropriate classrooms during low utilization hours.

The primary mission of the Exceptional Family Member Program (EFMP) is to improve the quality of life for families that support a member with special needs. EFMP ensures that Marines are assigned to duty stations where the required medical services and educational supports are available. This allows the Marine to focus on the mission; benefiting both personal and unit readiness. EFMP is currently sponsoring a study to analyze the impact of EFMP enrollment on individual Marine career progression and promotion. Results will inform whether any changes to the EFMP assignment review process are needed to ensure EFMP-enrolled Marines are not negatively impacted when compared to their non-enrolled peers.

The Marine Corps School Liaison Program (SLP) continues to operate as a support program intended to reduce the impact of the mobile lifestyle on military school-age children and families. The program addresses the unique education challenges faced by the 58,172 Marine Corps school-age dependents as they relocate 6-9 times during their K-12 academic years. The program is executed as a military-wide program, and supports all military-connected families, regardless of service. The SLP supports state and federal initiatives to implement a military-student identifier, a recommendation from the Military Compensation and Retirement

Modernization Commission Report. Fourteen states have adopted the data element in some form, and the recently signed into law, Every Student Succeeds Act, a reauthorization of the Elementary and Secondary Education Act, has a provision that supports a national military child identifier. Currently, there are 20 Marine Corps School Liaisons (SL) that support 15 installations as the primary point of contact for educational matters of school-age children for the commander and families.

The Semper Fit and Recreation program strengthens resilience and contributes to military effectiveness by promoting and maintaining the mental and physical well-being of Marines and their families through physical activities, prevention through healthy alternative recreational activities, and safe environments. Semper Fit and Recreation facilities and programs receive more than 14 million patron visits annually, providing 115 total programs and utilize 610 facilities/recreational areas across the Marine Corps.

The Single Marine Program (SMP) provides an infrastructure that enhances the single Marine and Sailor's ability to affect change and directly or indirectly influence their morale, living environment, off-duty opportunities, personal growth, and leadership development. Key components of this program include advocacy, recreation, and community involvement, which had 15,724 volunteers and 93,033 logged volunteer hours in Fiscal Year 2015.

The Marine Corps Exchange is part of a consolidated Marine Corps Community Service construct that also includes MWR, Child Development, and Warfighter and Family Services programs. The military resale system is one of the largest employers of military family members, with dependents representing approximately 40% of the commissary workforce and nearly 30% of the Marine Corps Exchange workforce. Military families save \$5.6 billion dollars a year by shopping in the military resale system. Exchange proceeds are used to fund MWR

activities that support Marine and family readiness and resiliency. The Marine Corps participates in DoD's Defense Resale Business Optimization Board (DRBOB), a newly formed board aimed at finding efficiencies while preserving the quality of life benefits provided by the commissaries and exchanges.

FISCAL CLIMATE

In order to maintain the Marine Corps's near-term unit readiness, such as funding minimally adequate levels for facilities services and base operations, we have placed/accepted risk in long-term warfighting modernization and facilities sustainment.

Our operation and maintenance accounts fund critical support to deployed and next-to-deploy forces as well as maintenance, training, and installation readiness throughout the Marine Corps. The FY 2017 budget request reflects a 3.5 % reduction in operation and maintenance funding from FY 2015 executed levels. Though a relatively modest reduction, we anticipate hard choices ahead. Our FY 2015 funding level posed significant challenges and resulted in reduced scope and scale of joint, bilateral, and multilateral exercises, theater security cooperation, and training, as well as deferred infrastructure and range sustainment. If trends continue, we will be forced to employ additional prioritization to our operational readiness and infrastructure and equipment readiness.

Our Facilities Sustainment, Restoration, and Modernization (FSRM) funding is the single most important investment in facilities readiness, supporting both operations and training as well as quality of life for our Marines. Over the past six years the Marine Corps has spent over \$9B in facilities investments to repair or recapitalize barracks, child development centers, and various operational, training, and support facilities. Due to current fiscal constraints,

the Marine Corps is now assuming risk in this area to support near-term operational readiness and service-level training to maintain a ready force.

WHERE WE LIVE AND TRAIN

Marine Corps bases and stations remain integral to combat readiness, particularly the pre-deployment training, deployment, sustainment and reconstitution of Marine Operating Forces. They are also critical to the maintenance of the quality of life of Marines, Sailors, and their families through the provision of an array of support facilities and related infrastructure.

The Marine Corps has infrastructure and facilities worldwide valued at more than \$58 billion that are used to train, house, and provide quality of life for Marines, Sailors and their families. These facilities must be appropriately maintained to prevent degradation of our capability to support mission-essential tasks.

Though the Marine Corps has made significant progress over the last 8 years in replacing old and unsatisfactory infrastructure, our fiscal planning based on reduced funding availability will have long term impacts on our future operating budget, force posture, and the overall health, welfare, and safety of our Marines.

Reduced levels of facilities sustainment funding below requirements will result in the gradual degradation of our infrastructure and create a bow wave of increased long-term costs to return these assets to an acceptable level. At this funding level for the military construction and restoration and modernization accounts, we risk being able to provide adequate infrastructure to support training, housing, quality of life, operations, communications, logistics, and maintenance facilities critical to the Marine Corps mission. Facilities restoration and modernization is currently funded only to meet the most urgent life, safety, and health issues. The demolition of

facilities, no longer required to support Marine Corps requirements, would be deferred due to higher funding priorities. If the means to rid ourselves of unnecessary facilities through demolition, which includes the associated cost of maintenance for unused buildings, the Marine Corps would significantly reduce our facilities footprint as well as our sustainment and operating costs.

Reductions to the infrastructure accounts put us at risk of reversing hard-earned gains in our infrastructure status as our new construction ages prematurely for lack of maintenance. Left unchecked, our inability to fully sustain these projects would impact not only on quality of life, but also on our support to training, operations, logistics, and ultimately readiness. In closing, we are a proud Corps. We take care of our own -- including our families. I appreciate the Congress' support to Marines around the world and look forward to working with you to ensure the Marine Corps remains the Nation's force in readiness.

Mr. DENT. Thank you. Thank you, Sergeant Major Green.
And we will go to Chief Master Sergeant Cody. You are recognized.

STATEMENT OF CHIEF MASTER SERGEANT CODY

Chief Master Sergeant CODY. Chairman Dent, Ranking Member Bishop, and members of the subcommittee, thank you for the opportunity to be here today and for your interest in the quality of life of our service men and women.

I sincerely appreciate the opportunity to represent America's airmen and their families. It is an honor to express their needs and offer appreciation for your support on their behalf.

Chairman Dent, I appreciate you acknowledging Athena's service. She continues to serve, and certainly I wouldn't be able to do it without her.

And I would also like to take a moment to have you recognize a brand new senior enlisted leader for our Air Force Reserve Command. Chief Master Sergeant Erika Kelly has just taken over in that position, so she is going to be a valuable asset to our team.

Today your airmen serve in unprecedented times. After 25 years of constant combat operations they face a dynamic, unpredictable future, and an increasing desire to rely on airpower. They serve in the smallest, oldest Air Force in our history but continue to provide the preponderance of combat force against our adversaries around the globe.

The poignant words of the Air Force Chief of Staff, General Welsh, should not be lost on any of us: Quantity has a quality of its own.

There is no doubt today's airmen are the most talented, educated, and experienced force our country has ever assembled. They are professional men and women who are proud to serve but remain concerned as fiscal restraints limit their capacity to accomplish the mission and erode a compensation they earn in service to our Nation.

During my 3 years as Chief Master Sergeant of the Air Force, limited budgets have forced your Air Force to cut its manpower by nearly 24,000 airmen. However, combat operations around the globe have remained steady for our Air Force in some areas while escalating in others. As of this January there are 24,000 airmen deployed worldwide and more than 205,000 airmen directly supporting combatant commanders every single day.

In that same time period, diminished budgets have forced slowing of normal growth in compensation and have continually cut at our airmen's buying power. If the Budget Control Act is not repealed and current trends continue, our projections show that compensation for an average E-5 with dependents stationed in or near Washington, DC, will fall behind private sector pay in 2018 and behind increases in household expenses in 2021.

As we continue to implement these reforms and measures, including changes to retirement, basic allowance for housing, TRICARE, and more, we must never lose sight of the full impact of our airmen's readiness and resilience as well as our ability to recruit and retain your all-volunteer professional force.

The airmen who serve today do so freely, proudly, and voluntarily because they believe in what America stands for and are ready to defend its cause. But our Nation must honor that commitment by providing for them and their families.

I believe you have had a chance to read my written statement, which I have submitted for the official record. It includes greater details on our efforts to invest in infrastructure and key family programs, though there is clearly more we could offer our airmen and families with a higher top-line budget.

It outlines recruiting and education initiatives, including our effort to develop a bachelor's degree program for enlisted airmen and other concerns of our airmen and families, such as recent proposals to eliminate basic allowance for housing for married couples and airmen who choose to live together.

I would like to add again for the record that I strongly oppose any such proposal, as it penalizes a military member. Basic allowance for housing is an individual entitlement that comes with military service and it should not be taken away for deciding to marry or live with another brave volunteer.

I thank you again for the opportunity to provide insight into the quality of life of our airmen. I appreciate your continued support for our brave airmen and their supportive families and for your commitment to protect the quality of life initiatives they need to confidently defend our Nation.

Our airmen are counting on each of you to lead our Nation and ensure we have the resources to remain the world's greatest air force.

I look forward to answering your questions.
[The information follows:]



BIOGRAPHY



UNITED STATES AIR FORCE

CHIEF MASTER SERGEANT OF THE AIR FORCE JAMES A. CODY

Chief Master Sergeant of the Air Force James A. Cody represents the highest enlisted level of leadership, and as such, provides direction for the enlisted force and represents their interests, as appropriate, to the American public, and to those in all levels of government. He serves as the personal adviser to the Chief of Staff and the Secretary of the Air Force on all issues regarding the welfare, readiness, morale, and proper utilization and progress of the enlisted force. Chief Cody is the 17th chief master sergeant appointed to the highest noncommissioned officer position.



Chief Cody entered the Air Force in November 1984. He graduated from the air traffic control specialist course at Keesler Air Force Base, Miss., in May 1985. His background includes various duties in air traffic control at the unit and major-command levels. Throughout his career, he has filled a myriad of roles including additional-duty First Sergeant and Directorate Superintendent. His assignments include bases in New Hampshire, California, Virginia and Florida. The chief also served overseas in Germany, South Korea, Turkey, and deployed in support of Operations Southern Watch and Enduring Freedom.

Prior to assuming his current position, he served as the Command Chief Master Sergeant, Air Education and Training Command, Randolph AFB, Texas.

EDUCATION

1987 Noncommissioned Officer Preparatory School, Kapaun AS, Germany
 1989 Air Force Communications Command Noncommissioned Officer Leadership School, Keesler AFB, Miss.
 1993 Noncommissioned Officer Academy Correspondence Course
 1995 USAFE Noncommissioned Officer Academy, Kapaun AS, Germany
 1997 Senior Noncommissioned Officer Academy Correspondence Course
 1998 Associate of Applied Science degree in airway science, Community College of the Air Force
 2001 Senior Noncommissioned Officer Academy, Maxwell AFB, Ala.
 2005 Chief's Leadership Course, Maxwell AFB, Ala.
 2005 USAF Senior Leadership Course, Center for Creative Leadership, San Diego, Calif.
 2006 Gettysburg Leadership Experience, Gettysburg, Pa.
 2008 Senior Enlisted Joint Professional Military Education Correspondence Course
 2008 AFSO 21 Executive Leadership Course, Disney Institute, Orlando, Fla.
 2009 Keystone, National Defense University, Fort Lesley J. McNair, Washington, D.C.
 2010 COMAFFOR Senior Staff Course, USAF Expeditionary Center, N.J.

2010 USAF Enterprise Management Seminar, Darden School of Business, University of Virginia, Charlottesville
 2012 Bachelor of Science degree in business administration, Trident University International, Cypress, Calif.
 2013 Professional Manager Certification, Community College of the Air Force

ASSIGNMENTS

1. November 1984 - January 1985, Student, Basic Military Training, Lackland AFB, Texas
2. January 1985 - June 1985, Student, Technical Training School, Keesler AFB, Miss.
3. June 1985 - June 1988, Air Traffic Controller, 1964th Communications Group, Ramstein AB, Germany
4. June 1988 - January 1991, ATC Watch Supervisor, 1916th Communications Squadron, Pease AFB, N.H.
5. January 1991 - May 1993, ATC Watch Supervisor, 30th Operational Support Squadron, Vandenberg AFB, Calif.
6. May 1993 - May 1994, ATC Watch Supervisor, 51st OSS, Osan AB, South Korea
7. June 1994 - June 1996, Superintendent, Airfield Operations Training, 39th OSS, Incirlik AB, Turkey
8. June 1996 - March 2000, Superintendent, Airfield Operations, Readiness/Training, Headquarters Air Combat Command, Langley AFB, Va.
9. March 2000 - May 2003, Chief Tower Controller, additional duty 1st Sgt, 6th OSS, MacDill AFB, Fla. (April 2002 - July 2002, Superintendent, Combat Airspace Management Cell, Joint Task Force-Southwest Asia, Prince Sultan Air Base, Kingdom of Saudi Arabia)
10. June 2003 - July 2005, Superintendent, Directorate of Air and Space Operations and ATC Functional Manager, HQ ACC, Langley AFB, Va.
11. July 2005 - August 2007, Command Chief, 15th Expeditionary Mobility Task Force, Travis AFB, Calif.
12. August 2007 - July 2008, Command Chief, 6th Air Mobility Wing, MacDill AFB, Fla.
13. July 2008 - September 2010, Command Chief, 18th Air Force, Scott AFB, Ill.
14. September 2010 - January 2013, Command Chief, Headquarters Air Education and Training Command, Joint Base San Antonio-Randolph, Texas
15. January 2013 - present, Chief Master Sergeant of the Air Force, the Pentagon, Washington, D.C.

MAJOR AWARDS AND DECORATIONS

Legion of Merit
 Meritorious Service Medal with seven oak leaf clusters
 Air Force Commendation Medal with two oak leaf clusters
 Air Force Achievement Medal with five oak leaf clusters
 Outstanding Airman of the Year Ribbon

OTHER ACHIEVEMENTS

1994 39th Wing NCO of the Year
 1995 John L. Levitow Award, NCO Academy
 1995 USAF ATC Training Achievement Award
 1995 STEP promotion to Master Sergeant
 1997 ACC Director of Air and Space Operations SNCO of the Year
 2001 Distinguished Graduate, SNCO Academy
 2001 AMC Air Traffic Control Enlisted Manager of the Year
 2001 Tampa Bay Military Citizen of the Year
 2001 Air Mobility Command SNCO of the Year

EFFECTIVE DATE OF PROMOTION

Chief Master Sergeant of the Air Force January 2013

(Current as of February 2013)

United States Air Force



Presentation

Before the House Appropriations
Subcommittee on Military Construction
and Veterans Affairs

Quality of Life in the Military

Witness Statement of
CMSAF James A. Cody
Chief Master Sergeant of the U.S. Air
Force

February 26, 2016

Quality of Life in the Military

February 26, 2016

Introduction

Chairman Dent, Ranking Member Bishop and members of the Subcommittee, thank you for your continued support and interest in the quality of life of our service men and women. I sincerely appreciate the opportunity to represent America's Airmen and their families. It is an honor to express their needs and offer appreciation for your support on their behalf.

Today your Airmen serve in unprecedented times. After 25 years of constant combat operations they face a dynamic, unpredictable future that does and will increasingly rely on airpower. They serve in the smallest and oldest Air Force in our history; the size of our force is at an all-time low, and the average age of our aircraft and buildings are at an all-time high. Yet our Airmen continue to provide the preponderance of combat force against our adversaries around the globe. There is no doubt they are the most talented, educated and experienced force our country has ever assembled. They are professionals who are proud to serve and accomplish their mission even under fiscal constraints.

In three short years – from the close of 2012 to the close of 2015 – limited budgets have forced the Air Force to cut its manpower by nearly 24,000 Airmen in the Active Duty, Air National Guard and Air Force Reserve. However combat operations around the globe have remained steady for the Air Force in some areas, while escalating in others; as of this January there are 24,000 Airmen deployed worldwide. In that same three year period, diminished budgets have forced the slowing of normal growth in compensation, and have begun to cut at our Airmen's buying power. Our current projections indicate that the future compensation could fall behind private sector pay And thus, we must never lose sight of the full impact on our

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Airmen's readiness and resilience, as well as our ability to recruit and retain your all-volunteer, professional force.

Many of the initiatives this Subcommittee supports allow us to strengthen the quality of life for our Airmen, even in difficult financial times. We rely on your efforts, actions and legislation to protect and support our service member's pay and benefits. We also appreciate your continued support of Airmen in the field, and hope you continue to travel to our installations to see first-hand the quality of our Airmen and families. Today's Airmen are the asymmetric advantage over every other Air Force in the world. Their continued commitment speaks to their character, passion and talent. We must always be thankful for their willingness to serve.

Right Sizing the Force

The emerging challenges brought on by an evolving geopolitical landscape, the retention of requisite force structure and the identified need to reinvigorate the nuclear enterprise have forced your Air Force to take a hard look at our current manpower. We determined the Fiscal Year 2015 President's Budget levels were too low to maintain readiness and operations to support global warfighting requirements. Thus, the FY 2017 Budget requests 317,000 active duty personnel. The increase in manpower will address key capability gaps in the nuclear enterprise, maintenance, cyber, force support and intelligence, surveillance and reconnaissance. It will also better match manpower to force structure decisions. The Fiscal Year 2017 budget request fully funds our end strength at 317,000 Airmen, along with 105,700 in Air National Guard and 69,000 in the Reserves. We continue our efforts to right size the

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force, within the constrained budget, by stabilizing and assessing critical capabilities that will likely necessitate future growth in military manpower.

Successful execution of our force management plan requires a focused effort to ensure critical resources are available in a timely manner in the recruiting, accession and training pipelines. By employing increased accession and expanded retention programs, we will aim to meet manning levels to preserve A-10 and EC-130 capabilities while continuing to build the F-35 force, increase maintenance capacity and retain experience to improve readiness.

Your Air Force has successfully met the All-Volunteer Force accession requirements for the past 16 years and is positioning itself to meet Fiscal Year 2016 enlisted accession goals for the Active Duty, Reserve and Air National Guard components. For this fiscal year, over 10,000 of America's young men and women have completed or are currently attending Air Force Basic Military Training (BMT). There are approximately 9,000 additional recruits already contracted to attend BMT in Fiscal Year 2016, with an additional 11,498 needed to fully meet this year's goal of 30,418 recruits. To bolster our recruiting efforts we have increased our advertising budget, and to support our increased accession targets we are sourcing additional Technical Training instructors for initial skills training.

In parallel with our aggressive recruiting efforts and training pipeline augmentation, we are leveraging retention tools to preserve the knowledge and skills that our more experienced Airmen provide. Specifically, the number of eligible Air Force Specialty Codes for our Selective Reenlistment Bonus program nearly tripled this fiscal year, from 40 in Fiscal Year 2015 to 117 in Fiscal Year 2016. Additionally, we will allow eligible Airmen to participate in the High-Year Tenure extension program, extending their service for up to two years with respective

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commander concurrence. These efforts are specifically focused on retaining experience in key career fields, like nuclear, maintenance, cyber and Intelligence Surveillance and Reconnaissance, while we grow and train our new recruits.

As we approach Fiscal Year 2017, we are confident our actions will enable a stronger, more efficient Air Force. However, we plan to monitor the recently enacted compensation changes to ensure they do not hurt recruiting and retention. A study by Joint Advertising Market Research and Studies shows the top reasons new recruits were motivated to join the Air Force were, "the ability to earn pay to provide for their family, pay for education, and to travel." This data provides valuable insight into the wants and needs of our recruiting pool and unequivocally cements our need to safeguard Quality of Life programs and initiatives in the future. These programs and the support we offer to our Airmen and their families are essential for us to successfully recruit and retain our nation's brightest and bravest.

Taking Care of Airmen

The Secretary of the Air Force (SecAF) and Chief of Staff of the Air Force's (CSAF) priority of *Taking Care of People* is at the forefront of your Air Force's commitment to providing the best support possible to build and maintain ready, resilient Airmen and families. Under constrained budgets, it is more challenging to maintain Airmen and family support programs at previously funded levels; however, in light of this challenge, we've committed to fully funding the most important Airman and family support programs like Airman and Family Readiness Centers, Child Development Centers, Sexual Assault and Prevention Response Programs and Military Tuition Assistance. This commitment to strengthen our Airman and families will better create a resilient Air Force and mission ready Airmen.

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We begin to build resiliency by developing Airmen who purposefully sustain fit lifestyles with Comprehensive Airmen Fitness (CAF). Our CAF's mission, vision and goals are designed to bolster the men and women who directly and indirectly support Air Force mission readiness. CAF is a holistic approach to maintaining and strengthening fitness in the mental, physical, social and spiritual domains. We remain actively engaged in all aspects of CAF as an Air Force wide means of improving our tremendous force.

Last year I shared with you that the Air Force stood up Airmen's Week -- a week dedicated to developing resiliency and character at the close of Basic Military Training at Joint Base San Antonio-Lackland, Texas. As of this January, nearly 27,000 Airmen have successfully completed Airmen's Week. The week includes five days of intense focus on Air Force core values. Nearly 90% of the Air Force's newest Airmen have rated the training as positive and life-changing. It's preparing our Airmen to apply Air Force core values to real-world situations and enhancing their dignity and respect for themselves and their fellow Airmen.

In October 2015, we began work to consolidate our efforts on interpersonal and self-directed violence prevention, specifically prevention of sexual assault, suicide, and workplace and domestic violence. The Air Staff has collaborated with clinical professionals to devise a ten-year strategy that consolidates prevention policies and training while shifting our organizational culture. Contributors to the strategy include the Sexual Assault Prevention and Response Office, the Surgeon General community, the Profession of Arms Center of Excellence, Air Education and Training Command, Air Force Safety, the Judge Advocate General and Chaplain Corps.

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As part of the prevention strategy, the Community Action Information Board (CAIB) and Integrated Delivery System memberships and missions have been re-focused and now include prevention; the CAIB is now led by the Air Force's Vice Chief of Staff. Instead of creating a new program or increasing staff, our existing functional staff and helping agencies will work together to revolutionize and consolidate education and training using the public health approach model that has shown success in the private sector. The end result will vastly reduce Airmen's training time, with a keen focus on reducing destructive behavior.

Sexual Assault

Air Force leadership involvement at every level over the past several years has resulted in fewer sexual assaults and more victim reports. However, we still have much more work ahead to eliminate sexual assault from our ranks. The multi-functional Air Force Sexual Assault and Prevention Office remains under the direction of the Air Force's Vice Chief of Staff and is refining and developing education and training, policy and programs designed to eliminate sexual assault. We have improved every aspect of our response system, building a solid foundation from which to launch new strategic prevention efforts.

In late 2015, the Secretary, Chief of Staff and I signed a five-year Sexual Assault Prevention and Response Strategy. In addition to plans for improving our robust response system, the document presented the Air Force's first comprehensive strategy for preventing future sexual assaults. Responding to and supporting victims of sexual assault is not enough to achieve our goal of eliminating sexual assault from the Air Force. We must act to prevent the perpetration of violence before it occurs.

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While we are increasing our prevention efforts, we remain committed to responding to and supporting survivors of sexual assault. In particular, we have more work to do in regard to male victims and retaliation against survivors. Over the past several years, we've seen reports from male victims of sexual assault increase as estimates of prevalence decrease. This is a promising start, but we know we still have victims who aren't coming forward to report and receive help. We are working with the Department of Defense (DoD) to develop a strategy to understand the unique challenges and needs of male victims and how we can better meet those needs.

We are also addressing retaliation against survivors. In 2015, we asked our Sexual Assault Response Coordinators (SARC) to begin working with victims to gather information about incidents of retaliation. Currently, our SARCs review incidents of retaliation at monthly Case Management Group (CMG) meetings at each installation. These meetings are hosted by the installation or host wing Vice Commander and include the SARC, the legal advisor, investigators and unit commanders. The CMG monitors all reports of retaliation until each case has reached final disposition or the retaliation has been appropriately addressed. What we're finding is that most of the retaliation victims report being treated differently by their peers at work. We have given clear guidance that this will not be accepted, whether these acts are intended to be retaliatory or are simply misguided. This is another challenge we continue to work with DoD and our sister services to solve.

There is no quick fix to eliminate sexual assault from the Air Force. We must take the time and deliberate steps necessary to ensure all our Airmen's actions and words make it obvious to everyone they encounter that sexual assault will not be tolerated in our ranks. We

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are steadfast in our commitment to eliminate sexual assault from your Air Force, and until we achieve that goal we will strive to establish a national benchmark for prevention and recovery.

Suicide Prevention

2015 was an extremely difficult year as we witnessed the highest number of suicides in my tenure as the Chief Master Sergeant of the Air Force. We clearly must, and will, do more to combat suicide and prevent our Airmen from making a terrible, life-ending decision. Our suicide prevention training seeks to promote early intervention and destigmatize help seeking for those in distress. We believe the trio of involved leadership, concerned Airmen and an environment that encourages Airmen to seek help is key to combating suicide in the Air Force. We are taking deliberate steps to strengthen our training in these areas.

In September 2015 the Air Force held a suicide prevention summit, bringing together a broad cross section of subject matter experts and nationally renowned researchers from federal agencies and academia. Summit participants identified six lines of effort to reverse the rising trend: integrating prevention, strengthening our Airman culture, leveraging strength-based messaging, enhancing civilian support services, targeted resilience outreach and improving medical management for at-risk Airmen. Working groups are currently defining specific actions within each line of effort under the oversight of senior leadership and the CAIB. At the direction of Air Force leadership, these working groups have made reductions in interpersonal and self-directed violence and destructive behaviors their foremost priority.

Quality of Life

We sincerely appreciate continued congressional support and funding for quality of life initiatives for our Airmen and families. Airmen, along with their families, overwhelmingly factor

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these support programs into their decision to continue serving our nation. As we continue to support a healthy lifestyle with a strong sense of community in and around our bases, we focus on four areas: health and wellness; Airmen and family support; education and development; and Airmen and family housing.

TRICARE

TRICARE is one of the most recognizable brands in US healthcare serving 9.5 million Active Duty, Guard and Reserve members, their families, retirees and survivors. The benefits provided under TRICARE are appropriately earned by our service men and women, to include their families. Notably, active duty family member satisfaction with the health plan is high; however, there is certainly room for improvement and new authorities from Congress are helping. For example, TRICARE can pay for emerging technology and treatments, ahead of Federal Drug Administration approval, when evidence indicates the treatments are safe and effective. Additionally, TRICARE can also waive referral requirements for urgent care visits to streamline access-to-care when patients need it most.

It is important to Airmen and families that we continue improving the TRICARE program by building upon what is working and fixing the aspects of the plan that cause frustration. As structured today, the TRICARE health plan is fully integrated with our military treatment facilities. TRICARE complements military medicine with local civilian health care professionals, pharmacies and hospitals when needed. This integrated approach not only provides Airmen and their families with portable medical care anywhere they are stationed, but it also assures our military medical teams stay sharp and ready to support our nation's missions.

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As TRICARE evolves and national health costs continue to rise, it is important our Airmen and families are not overburdened by out-of-pocket medical expenses. We must consider any new healthcare costs with the totality of other pay and compensation changes. As TRICARE evolves, it must always provide Airmen and families a selection of high value health plans that balance cost, access and military readiness without compromising quality or portability.

Wounded Warrior Support

The Air Force Warrior and Survivor Care office leads our effort in orchestrating a comprehensive, continuum of care that synergizes DoD and Veterans Affairs programs to meet the medical and non-medical care of wounded, ill and injured service members. Over the past year, your Air Force Wounded Warrior program has continued to increase enrollment with improved outreach to Air National Guard and Air Force Reserve units. We strive to ensure affected Airmen are aware of the professional resources available to help them when symptoms manifest themselves. Bringing healing and focus to their lives is an ongoing priority and is a promise we will always keep. Challenges for wounded warriors remain a constant for which no end appears in sight.

We continue to recognize that a wounded Airman's success of recovery depends heavily on the involvement of their family and caregiver, so we include them and their needs, goals and wishes every step of the way. We connect spouses to employment and educational opportunities as well as support resources for everything from marital counseling to financial support to housing assistance. Your Air Force also hosts several regional support events each year. These events include caregiver support symposiums; adaptive and rehabilitative sports camps/training; Recovering Airmen Mentorship Program training; and employment and career

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readiness fairs. Through these events, wounded warriors and their caregivers lean on one another for support, strength and compassion as we continuously work to ensure our wounded, ill and injured are provided the tools necessary to reach self-sufficiency and find a new normal in life. The strength of our Airmen lies in the support and sense of community maintained through the Air Force Wounded Warrior programs.

Airman and Family Readiness

Our Airman and Family Readiness programs support individuals, families and leadership with programs and services to strengthen communities, encourage self-sufficiency and enhance mission readiness. A critical connection between the mission and family is our Key Spouses, volunteer spouses who understand the challenges of a military-family lifestyle and are trained on critical family-based programs. This year we continued our efforts to strengthen the program. We highlighted the importance of the program throughout the chain of command, developed three new guides with specific roles and responsibilities for Commanders, Key Spouse Mentors, and Key Spouses, and conducted the first Key Spouse training event at Joint Base San Antonio-Lackland. To further connect and lead our family members, my spouse, Athena, joined Ms. Betty Welsh, the spouse of Air Force Chief of Staff General Mark Welsh, during multiple *Tweet Chats* on Twitter where family members engaged in discussion and question and answer sessions.

Our spouses also benefit from the Department of Defense led Military Spouse Employment Partnership that successfully prepares them for the job market. The partnership helped numerous spouses overcome the challenges of routine relocation by developing portable job skills that can be used in today's vastly interconnected business environment.

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Since the partnership began in 2011, 89,000 military spouses have been hired through the program. It has proven to be an extremely valuable support program for our spouses who must pick up their lives and move in order to support the service members they love.

Our Personal Financial Program Managers are keenly aware of the financial challenges our Airmen and families face and are leading the charge to adopt new policies and practices as a result of the financial literacy changes identified in the National Defense Authorization Act of 2016. We've capitalized on an established partnership with a national non-profit financial education foundation to offer a unique education experience at ten installations following a pilot test at six bases in 2015. The training teaches families how to set financial priorities, pay off debt and build long-term savings. In addition, we continue to offer on-base classes and one-on-one counseling with our certified financial counselors. As we move to a new retirement system, we'll continue to bolster our financial education to better prepare our Airmen for the financial decisions they'll face.

An initiative that promotes healthy lifestyles for our Airmen is our Air Force Food Transformation Initiative (FTI), which is now fully implemented at 14 installations. FTI delivers fresher and healthier menus and recipes in a college campus style cafeteria. I've had the opportunity to meet with Airmen in the new facilities and the feedback has been very positive. We are pressing forward with FTI implementation with plans to convert eight additional facilities during Fiscal Year 2016 and Fiscal Year 2017.

Additionally, we enhance the readiness, camaraderie and resiliency of our single Airmen through the Single Airmen Program Initiative. In Fiscal Year 2015, with support from OSD, we invested \$3 million in this program at 97 installations, providing over 137,000 Airmen

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opportunities that fostered resilience and a sense of community. Limited budgets dropped the funding to \$808,000 in Fiscal Year 2016, but we continue to work with OSD to support this program. We firmly believe the activities positively impact our Airmen's quality of life and strengthen the bonds between their fellow Airmen.

Child and Youth Programs

Air Force Child and Youth Programs proudly help Airmen balance the competing demands of the Air Force mission and family life by managing and delivering affordable programs and services for eligible children and youth, from newborn to 18 years of age. Our Child Development Programs continue to maintain 100% national accreditation with the National Association of Early Childhood Education, ensuring only the safest care for our youngest members. Our School Age Programs equal that mark as well with 100% accreditation through the Council on Accreditation. This is a remarkable feat when compared to the less than 10% national accreditation rate of civilian child care programs and only further demonstrates our commitment to our youngest family members. In 2015 we improved school readiness by providing training opportunities to our staff to expand their knowledge of scientific concepts, mathematics and literacy.

The Expanded Child Care Program provides a diverse array of approaches to support active and reserve component Airmen and their families with specialized child care needs, as well as nontraditional child care for our Airmen who serve outside the typical duty schedule. In 2015, your Air Force provided 214,000 hours of extended duty care, up 30,000 hours from 2014. Furthermore, we implemented a new program called *Missile Care 2* that assists military spouses with appointments when their military member is deployed to the missile field for

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more than 24 hours. This year we will continue to pursue avenues to assist families with their unique and specialized child care needs.

We are also expanding capacity in critical areas where wait times for Child Development Center enrollment exceed 90 days. The website militarychildcare.com, a DoD initiative, assists in this effort by providing a tool for wait list management. Currently 17 Air Force installations are using this service; all others will fully implement the service by the end of 2016. In addition, we are currently assessing our child care operating hours to determine where we need extended hours, and what resources are required to make needed adjustments.

To improve the education for our children we are partnering with local communities. Today we have five charter schools operating on Air Force installations as well as a variety of local public schools. Our Airman and Family Readiness Policy Branch is finalizing new policy guidance to better facilitate requests from local and state education authorities to place public schools on Air Force installations. The policy will synchronize the efforts of parents, communities, commanders, civil engineers, security forces, school liaison officers and school authorities. The connection between local public education and our military families is crucial to deliver quality education for our school-aged children. We need to ensure our school-age children are provided priority placement in all schools on military installations.

Air Force Youth Programs continue to excel with an impressive 24 teen Air Force Youth Program members winning state Military Youth of the Year honors. Three teens garnered regional titles, and one was selected as the National Military Youth of the Year. Overall, Air Force Youth Program members earned more than \$260,000 in scholarships through the Military Youth of the Year program, bringing them one step closer to their post-secondary goals.

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Youth Programs staff continued to mentor the Air Force Teen Council to ensure successful 2015 Teen Movement Projects. Teens collaborated with base and community partners to develop positive leadership and citizenship skills while impacting the lives of military youth and families. In 2016, we'll add additional focus on Science, Technology, Engineering and Mathematics (STEM) with regional STEM camps for youth, a centralized purchase of STEM materials for installation youth programs, and targeted STEM programming training for staff.

Education and Development

Your Air Force men and women comprise the most educated enlisted force the world has ever known - more than 43,044 enlisted Airmen have bachelors and master's degrees or higher and 167 have earned a doctorate or professional degree. Every Airman is enrolled in the Community College of Air Force's (CCAF) associate of applied science degree program and immediately begins receiving credit upon completion of their technical training. Since April 25, 1977, the CCAF has awarded more than 474,000 degrees to Airmen. 23,206 Airmen received their CCAF degree in 2015, the highest number of annual graduates in the history of the college.

We remain committed to providing the tools and funding Airmen need to pursue a higher education. In 2015 we committed \$159 million to Military Tuition Assistance (MiTA), and have requested \$138.6 million to fund MiTA in 2017. Airmen are able to apply their CCAF credit toward a bachelor's degree through Air University's Associate-to-Baccalaureate program. The program now encompasses 60 civilian university partners offering 214 bachelor's degree programs. Last year 61,823 Airmen participated in the program and 1,943 earned their bachelor's degrees. 49 of the graduates have become commissioned officers.

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We've also expanded our Air Force Credentialing Opportunities On-Line program which we launched in 2014 in support of the Veterans Opportunity Workforce and Veterans Employment Initiatives. The program covers the expense for enlisted Airmen to pursue 1,700 total licensures and certifications supporting 133 enlisted career fields.

To continue to bolster our world class education opportunities, which will facilitate more capable Airmen, we are pursuing an undergraduate program for enlisted and civilian Airmen through Air University (AU). AU is developing the accreditation prospectus and outlining a way forward to design, develop and deliver a Bachelor of Arts in Military Leadership. The education, delivered via facilitated distance learning, would address leadership and management theory and practice specific to the Profession of Arms, but applicable to a wide variety of leadership and management opportunities. Enlisted Airmen could leverage the higher education in their duties as senior leaders in our Air Force, and in their post-service careers to secure employment or continue their educational journey. We firmly believe greater education opportunities provide the foundation for robust recruitment and retention, and solidify our Airmen's professional capabilities.

Airmen and Family Housing

Quality unaccompanied and family housing ensures our Airmen and families have an adequate and comfortable place to call home as they serve in defense of our nation. We provide this through military construction (MILCON) and housing privatization. In 2013, we completed privatizing more than 99% of housing at Air Force installations in the continental United States, Alaska, and Hawaii for an end state of over 53,000 housing units at 63 installations. Housing privatization continues to transform our installations and create efficient,

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modern communities where Air Force families choose to live. We have eliminated almost 33,000 inadequate homes since the program started in 1998, with another 2,400 privatized homes to be replaced or renovated by the end of Fiscal Year 2019.

Basic Allowance for Housing (BAH) continues to be a critical entitlement for our Airmen and families. We supported the proposal to gradually slow the annual BAH increases by an additional four percent over the next two to three years until rates cover 95 percent of housing rental and utilities costs. We felt this was necessary given the top-line budget, yet certainly not desirable. We stand adamantly opposed to the proposal to eliminate dual BAH for our joint-spouse Airmen and reduced BAH for our single Airmen who reside together. Every American who volunteers to serve our country does so in his or her own right and is individually entitled to the compensation that comes with military service. The proposal compromises that entitlement, penalizing a military member for marrying or considering living with another brave volunteer. If the proposal is implemented, enlisted dual-military couples would lose between \$20,000 to \$50,000 of their annual compensation depending on their grade and current assignment. We simply cannot implement such a proposal.

In this stringent fiscal environment, we continue to invest in sustaining and modernizing government-owned housing overseas. Approval of our requirement for \$61.4 million this year will improve 216 housing units at Okinawa, Japan and two family housing units at Moron Air Base, Spain. Another \$274.4 million is programmed this year for leases, family housing operations and maintenance for government-owned homes, and for privatized housing oversight.

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As with family housing, we are making strides eliminating inadequate dormitories from our inventory of 804 dormitories. This year, if Congress supports the President's Budget request, we will invest \$94 million to build new training dormitories at Joint Base San Antonio-Lackland, Texas and Fairchild Air Force Base, Washington.

Military Construction

For several years, limited budgets have forced the Air Force to take risk in infrastructure in order to invest in critical modernization efforts. This risk has significantly threatened our readiness and has led to aging facilities that are too expensive to operate. Today the average age of our facilities is 36 years old, and 33% of our facilities are more than 50 years old. Additionally, we have a backlog of \$22.6 billion of deferred maintenance and repair. In the current fiscally constrained and complex security environment, we are forced to prioritize our MILCON program to cover our most critical requirements. There is no question we must turn this negative trend around in the future, through a combination of Base Realignment and Closure and greater top-line budgets.

Our priorities include projects to enable core Air Force capabilities and take care of our people. We continue to heavily invest in child development centers and fitness centers, but requirements remain. We have \$186.8 million in projects programmed over the next five years to continue our efforts in this area, as well as an additional \$193.1 million in projects to recapitalize Basic Military Training infrastructure and \$27.3 million to improve dining facilities. The support of this Subcommittee is vital to the success of these MILCON programs supporting our Airmen and their families, yet you can see how far we still will need to go into the future.

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Conclusion

Chairman Dent, Ranking Member Bishop, and members of the Subcommittee, thank you again for this opportunity to represent our incredible Airmen and their families. Despite the many challenges we face, your Airmen, supported by some of the strongest families our nation will ever know, continue to stand ready. They fully understand the Joint Force depends on their ability to employ and enable airpower around the world. It's a source of extreme pride, and will continue to be even in the face of an unpredictable future.

Thank you for the opportunity to provide insight into the Quality of Life of our Airmen and MILCON affecting our force. We appreciate your continued support for our brave Airmen and their supportive families, and for your commitment to protect the quality of life initiatives they need to confidently defend our nation. We're counting on each of you to lead our nation and ensure we have the resources to remain the World's Greatest Air Force.

Mr. DENT. Thank you, Chief Master Sergeant.

QUALITY OF LIFE CONCERNS

We always have one perennial question at this hearing, and it is what would you say are the top three quality of life concerns of enlisted personnel in your service branch? And I know in the past we have talked a lot about housing, barracks, child care centers, health care, wounded warrior care, dwell time. I am just curious to see if any of the priorities have shifted.

And maybe we will start with the answers from left to right. We will start with Chief Master Sergeant Cody and move in the other direction.

Chief Master Sergeant CODY. So, Chairman Dent, thank you.

I think number one on the concern area for our airmen and their families right now is compensation. It dominates almost every conversation we have with them when we visit in the fact that they see the slowing of their growth and the reduction in their buying power. And there is nothing in the foreseeable future that would indicate to them that that is going to stop.

So as they balance their ability to continue to serve their Nation as a family, that is a major concern. They worry about the impact on readiness and exactly whether we will have the resources to continue to do what we are being asked to do.

As I expressed in my opening comments, our real demand signal for airpower has not diminished. Arguably, it has increased while the size of our force has significantly decreased over this past 25 years. So that, you know, levies a lot on them.

And then the things that you mentioned still remain a concern. Adequate child care, housing are major concerns to them as they are moved around the globe, and having access to those resources are important.

Mr. DENT. Sergeant Major Green.

Sergeant Major GREEN. Yes, sir. Sir, the most important things to the marines and families—as the commandant and I travel around. The number one thing—question that is being asked right now is the blended retirement system, because they understand the system that we are on sitting at this table, but they don't fully understand what is going to be in the future for them.

The marines that are in now will have a choice—most of them will have a choice, either one system or the other. And January 1, 2018 the system is supposed to, you know, be the system that we are on from then on. And I know we are pedaling away trying to get that information out there, but it is very important. It is absolutely important as we change the system to something we have no control over.

And that ship will take a long time to turn if we get it wrong. For everybody that is going to retire under that new system, that is a question that we are really trying to answer for them.

The commandant has an unpaid priority list. Barracks is a part of that, structures—there are 24-hour gyms, all the quality of life programs that are challenged by readiness. Because I continuously say, you know, you can't separate unit readiness, personal readiness, and family readiness.

So the budget that we have been handed does not support everything that is in the backpack. It just doesn't. It just doesn't.

And we must make A's on the battlefield. We have to make A's on the battlefield.

So that leaves the commandant with some challenges with quality of life programs: child care, Basic Allowance for Housing minus one. You know, we understand that 61 percent of our \$23.4 billion go toward paying the warriors and supporting all the benefits, and there is only \$9 billion to do everything else—operations, modernization, research, technology. All those things we look at holistically. We look at holistically, sir.

And the \$1.2 billion that is lost from the budget of last year to this year, it affects all quality of life in the Marine Corps.

Yes, sir.

Mr. DENT. Master Chief.

Master Chief STEVENS. Well number one, I believe, Mr. Chairman, is the resources to do their job. We call that quality of work—having the parts, the tools, the right weapons, the systems that are necessary to effectively carry out their mission.

So we are doing a pretty good job of that but we are having to move some monies around to make that happen so we are assuming risk in areas like quality of life, understanding that that is necessary.

Number 2 is this potential or this discussion that we have been having for the last 3 years on pay and compensation. Some of it has occurred and some of it has not.

But in the minds of sailors and their families when I go out and talk to them, if this discussion is happening at very senior levels they feel that it is just a matter of time before it actually occurs. So there is the perceived and then there is the actual, and it creates a level of anxiety that is not healthy for the force. So that would be number two.

Number 3, as I mentioned in my oral statement, is our inability to keep up with our shore infrastructure repairs, such as barracks and work facilities and things like that. In order to ensure that we are meeting a—the mandate of what I identified as number one, which is quality of work, we are having to move monies out of these areas so that they can do the mission.

It is not something that is in the spotlight. You know, shore infrastructure is not in the spotlight so it doesn't get a lot of attention. But one of these days we are going to wake up and we are going to realize that we have got a disaster out there and we have got more to do than we have got money to do it with. So I just caution us to not take our eye off the shore infrastructure ball.

Thank you.

Sergeant Major DAILEY. Chairman Dent, the Army's concerns are aligned with the priorities of the chief staff of the Army, and the reason why is because that is where we need to always maintain our focus.

Number 1 is the total force readiness. Today I am represented not just by myself but the National Guard sergeant major, Sergeant Major Brunk Conley; and Command Sergeant Major Jim Wills, from the Army Reserve.

And as we draw our Army to a historic low, just 980,000 in 2018, readiness will always be our number one concern. And that is where we need to focus our attention because we do need predictable resourcing in order to make sure that our soldiers are prepared to do the mission we ask them to do.

Number 2 would be the future of the force. We have got to look beyond the next few years and we have to look out many years. You have heard the secretary—the chief and the secretary of defense say that, and that is true.

We have potential adversaries out there that we have to maintain focus on, and the future of the force requires, again, consistent and reliable resourcing in order to make sure that we stay well above the pace of our adversaries.

And then our third priority, which is in line with the chief's priorities, is our soldiers and families. They are our Army.

I am represented here today by my wife, but she also is a representation of the—part of the 2 million-person team that makes up the Army. It is not just soldiers, but it is families and our great civilian leaders, and they trust us that we will maintain pace with the resourcing we need to be able to make sure that they can take care of their families while our soldiers are doing the things that we ask them to do.

I share similar concerns with each one of my senior enlisted advisors to my right, is that our soldiers aren't asking for much. We just need to be able to find them the necessary resources they need to accomplish their mission.

Mr. DENT. Thank you, Sergeant Major.

At this time I will recognize the ranking member for his questions.

BENEFITS

Mr. BISHOP. Thank you very much, Mr. Chairman.

I appreciate very much your comments about your priorities, but whenever I meet with service members and military families they inevitably mention being concerned about the changes to their benefits.

So I just want to ask each of you, has the continuing discussion over the changing military benefits impacted morale? And what are you really hearing from your soldiers, marines, sailors, and airmen?

And what factors should we be considering as this issue continues to move forward? Because I know that as I—I happen to co-chair the Congressional Military Family Caucus, and these are issues that families are talking about, the—erosion of benefits and, quote: “perks.” How is that impacting and how do you predict it will further impact recruitment, retention, and morale?

Each service member, with the changes proposed in the retirement package, is going to have to assume a great deal of responsibility for planning for his or her retirement—making investment selections, choose their monthly contribution percentage. And that is going to require a great deal of financial literacy and training on the part of the various services.

FINANCIAL LITERACY FOR SERVICE MEMBERS

So in addition to the first question I asked, I would like for you to describe, each of you, what your services are doing at this point to implement the requirement for creating the necessary financial literacy for the service members and their families.

Chief Master Sergeant CODY. I can go first, Congressman Bishop. I think we are actually all part of—all the services are part of a working group right now where we are trying to figure out exactly how we are going to do that continuum of financial education.

I think all the services do some financial counseling today, but it is in a much—very—it is in a different context completely—basically how do you not spend more money than you have today and live within a budget, not how do you plan for the future. And I think you eloquently kind of identified what our real challenge is when you think about the preponderance of our force and where they are coming into the military and what their level of education would be, and how do we make sure we get that right up front.

I think the working group is addressing all of the concerns that you kind of laid out. I think it is too early to say what we will be then able to do, right? You take all those recommendations. We will see how you would execute that throughout the continuum of service in our military to at least give the best opportunity for our service members to make the right type of choices.

But as you kind of state, choices are just that. Some people will make good ones; some people will likely not make good ones, and that could end up in the end having a detrimental effect on what their retirement would actually be worth. So I think that is right.

And again, I think you hit it. That is why I brought it up as the number one concern I hear about compensation and eroding growth.

We shouldn't shy away from the conversation. It is going to and is having an impact on retention.

Mr. BISHOP. The recruitment, retention, and morale.

RECRUITMENT, RETENTION AND MORALE

Chief Master Sergeant CODY. Yes. So the morale is tied to retention, I think. You know, people have low morale because they don't feel they are being adequately compensated or they think that they are not going to be adequately compensated. And we are asking their families to sacrifice in that same vein, right?

We talk a lot about the spouses and their employment. That goes to overall income in the household, how we move our folks around and the things that we ask them to do, so they are taking deductions there in many, many cases. And then, okay, we tell him we are not going to grow your pay at the same rate that it would normally grow or the law allowed for. All of that is a factor.

Do I think it impacts recruitment. It is tough to tell because we are doing okay with recruitment also, but you have to pay attention.

The fact is, though, a lot of those people that serve are our best recruiters. If they are not talking to people about the advantage of service and the overall package and how this is a great way of life

and a good thing to do for your Nation, it has a negative impact I think.

Again, we are doing okay today. It is hard to say long-term what that will have for impact.

Mr. BISHOP. Sergeant Major Green.

Sergeant Major GREEN. Yes, sir.

First morale, sir. I alluded to, you know, the three types of readiness: unit, personal, and family. For marines, marines want to deploy. They want to be on the side of contingency or crisis.

You know, when they can't deploy the morale begins to be low because the budget cuts that we are facing, as I alluded to earlier, the commandant and having to make choices about ranges, training areas, the technology and resources. Because the marines want to know when we go to the fight, like I said earlier, there is no fair fight. There is no fair fight. They want to make it as unfair as possible.

And when we have to take cuts in modernization; equipment can't be reset, refurbished; can't sustain the barracks, that is a draw on personal morale. It is. It is. And we owe them the very best.

Recruiting? Recruiting, like the Air Force, it is great right now. We want to make sure it stays that way, because we can look back, you know, pre-9/11. We put a lot of money into the war, lot of lives lost, lot of warriors come back, families torn apart and everything.

Just want to make sure that you know all we have accomplished over the last 14 and 15 years. We are not trying to go back with a budget to pre-9/11, because nothing to date costs what it did pre-9/11—nothing. Some things have doubled and tripled, and that needs to be recognized.

And there are warriors out there and family members who absolutely need health services. Health services. And, you know, to see the budget cut—and our Wounded Warrior Regiment, we are going to keep the faith with our wounded warriors and their families first. We are going to do that.

But what are we not going to do? What are we not going to do?

We want to make sure we are retaining—you talk about retention—we are retaining the most qualified marine, not just marines. We want to make sure that the marines—we put out—every year, sir, one out of four marines that came in 4 years ago will leave the Marine Corps. We are only going to keep one out of four. Want to make sure we have a choice to keep the best of the four, the most qualified marine.

Thank you, sir.

Yes, sir. That was it, sir. Yes, sir.

Mr. DENT. Thank you.

At this time I would like to recognize Mr. Valadao for 5 minutes.

TRANSITION AND LIFE AFTER SERVICE

Mr. VALADAO. Thank you, Chairman.

Thank you, gentlemen, for your time today. And I don't want to change the subject too much because of—obviously compensation is something that plays a huge role in this, but there is something that did come up quite a bit on my trip to the USS Ronald Reagan and spent some time with our sailors, and it has to do with their

life after service and training, job opportunities. And I know that was mentioned a little bit with some of the things that Chief Master Sergeant Cody mentioned in his comments.

But I would like to ask Master Chief Petty Officer, can you discuss the Transition GPS as well as how you see opportunities to better help out in the transition process and hopefully lower the unemployment rates for post-9/11 veterans?

Master Chief STEVENS. The current transition assistance program, Goals Plans Success, is far better than what we have had in the past. I have personally had the opportunity to attend it a few months back.

It still needs some work, but the good news is we recognize that through course and class surveys, and each time they go back and make the necessary adjustments for this process to get better. We call it the spiral concept—you learn as you go, and as long as you are making those adjustments based on what you are learning then you will be better in the end.

What I would really like to focus on—and I would ask that we give this serious consideration—is we need to do a better job of credentialing across the services. It is something that I think I have mentioned or we have talked about for 4 years now.

It is very difficult, I understand, because there are federal credentials; there is state and local credentialing. And it can become difficult, and there is a lot of bureaucracy behind it.

But if we could find a way across the department and across the Capitol Hill to come to some agreement where we could at least tackle some of these credentialing issues in the macro, because what I will—what I would recognize is the Army will be doing something, the Air Force is doing something, the Navy and the Marine Corps, but we are not doing much together as a department.

So if we could do a better job with that I believe that might—makes our service members far more marketable when they go out into the civilian sector and into industry. Because oftentimes that is what they want to see—what are, you know, what are your credentials?

And these service members have the experience and the knowledge and the know-how, but it doesn't always translate to civilian credentialing, and in order for it to happen, many times they want that service member to go back through the very same training that they have already received and have the practical job application experience that they already have. And it is money out of the G.I. Bill; it is money out of their pockets; it is time.

You know, when they get out of the service they need to go to work. They got families to support and they don't always have time to spend another 2 years in school working part-time.

I really believe we can do a better job. I just haven't seen a concerted effort to tackle credentialing.

We are doing a pretty good job in the education piece, but not a really good job in the credentialing piece.

Mr. VALADAO. Would any of the other three like to add to that?

Sergeant Major DAILEY. I would, sir, if I could, Congressman. And again, thanks for the opportunity to address this issue because this is something the Army has invested heavily in for the last sev-

eral years, and as MCPON Stevens says, we are very passionate about.

We have made great strides. The Army has become 88 percent compliant with the VOW Act in the last 3 years and we have had great help from Congress, and making great strides with regards to credentialing and helping our great communities recognize the value of our service member—men and women that leave our service.

But I agree with my counterpart. There is a lot more that we can do.

But as a result of our efforts together, we have seen some great improvement. Since 2012 to 2015 the Army alone has reduced its nonemployment compensation from over \$512 million down to \$250 million, so that is a tangible result of the amount of result that we can receive from just small inputs to this.

And I agree with MCPON Stevens. An area that we can advance this even further and reduce that \$250 million down even more with a small investment in things like credentialing, ideas that we have to look outside the scope of what we do now.

We gotta open our aperture on things like tuition assistance and allow our young men and women who deserve those credentials—the great skills that they hone while they are soldiers, sailors, airmen, and marines can be added upon with these credentials and they will be more valued service members when they transition, become soldiers for life in the future.

And it is a small investment. A lot of times these credentials cost anywhere from \$150 to \$500. And there is no reason that we can't invest in them, because we have proven that investing in them now is a great investment for us in the future.

Mr. VALADAO. Thank you.

I think my time is up.

Mr. DENT. Thank you.

At this time I would like to recognize Mr. Farr, for 5 minutes.

Mr. FARR. Thank you very much, Mr. Chairman.

I am very interested in this dialogue on compensation, which you indicate is really a high priority, with low morale. And I really do think we have to have a national dialogue on it because I think what—and I wonder if you have the tools to respond to the military families and sort of put that into comparison.

Because what I find is that we are sort of the—you know, everybody who is—in my area it is livable wage, can't afford—minimum wage in California is way ahead of the rest of the country. You are speaking to a Congress that won't improve the minimum wage in America. It ought to be \$15 an hour to survive.

But when you also put it in context, I can't believe that the private sector could really lure away people. I mean, you have got—and we are talking about it. We have got a lot of benefits here.

The private sector doesn't offer the child care provisions that you do. The private sector doesn't offer free access to clinics for uniformed personnel or a TRICARE kind of program for spouses and children, certainly nothing like a welfare morale account that soldiers could take advantage of for discounts.

I mean, I am totally for you, but I don't—I think that it is unfair for somebody to say it is just not enough. I mean, Congress mem-

bers haven't had a COLA—not a COLA—in 10 years. Talk about the morale here on, you know, salaries.

And our retirement—I am going to retire after 22—26 years of Federal service and the retirement is \$60,000. People think we make tons of money. It is not a lot.

And so I think that—but on the other hand, when we go to recruit for people in our offices, during the boom nobody wanted to work for the Federal Government because the salaries were so low; but now people are lining up for the jobs. Salaries are the same, but the benefits that the government pays are so much better, so—particularly for working moms, they love the federal job.

I wish we would put this into a real national context because I think the anger out there the voters are expressing, sort of hating government, is because they don't understand the pros and cons here of what it is. That is just my opinion.

I think we ought to put it into context, because if any soldier comes to me and says, "You know, I think we—that you guys are shortchanging us," I will say, "Yes, we are not doing enough. On the other hand, you are not going to get a better benefit going and working for IBM."

Now, the question I really wanted to get to was I would like to help you in your professionalization of enlisted personnel. And, you know, I represent the Defense Language Institute and I am very interested in your concepts or your ideas on asymmetrical threats of—now is the time when we really have to understand the languages and, more importantly, the cultures of other countries. And should we be allowing the senior enlisteds into programs like—into the Naval Postgraduate School, which is usually an officer candidate school, or AFIT, or DLI—Defense Language Institute, for those kinds of training—professional training in languages and culture?

Chief Master Sergeant CODY. Congressman Farr, if I could, I—

BASIC ALLOWANCE FOR HOUSING

Mr. FARR. One last question—I just want to throw this out there for staff and everybody. The discussion here about lowering the BAH? You know, we entered into contracts with the private sector to build all the community residential housing and that contract promised that contractor for 50 years that they would be able to collect the BAH, and no one told them, "Hey, we are going to be changing that formula." What is that going to do to the—

Chief Master Sergeant CODY. Puts it at risk.

Mr. FARR. Yes.

Chief Master Sergeant CODY. Significant risk to those programs.

Mr. FARR. Well, aren't there contractual obligations there that can't be violated?

Chief Master Sergeant CODY. They will get their money. The problem is they won't recapitalize as necessary. That is the way the contracts were written.

So the way it is written and the structure of it, there is a built-in amount of that BAH that goes to recapitalization. That is exactly where they will take it.

They will sustain their ability to fulfill, you know, their obligations to their employees and their investors and everything like

that, but it will in turn not be able to sustain a 50-year program because the recapitalization won't take place. That is at least how we are being—you know, as we had the dialogue with them with these discussions.

Mr. FARR. Mr. Chairman, we ought to just take that issue and try to get the BAH to move because it is going to require billions of dollars.

Chief Master Sergeant CODY. If I could respond to your comment, sir, and then I will certainly agree with you about what you are talking about the opportunities for education and language-enabled airmen, specifically for my thing.

But I think you are absolutely right, we need to have this conversation about compensation about those that serve their country. But let's have the real conversation on what we are asking them to do. Because we are not asking everybody at IBM to travel the globe and put themselves in harm's way and come back a different person for the rest of their life and their family to have to contend with that.

If we want to have the real conversation, let's have the real conversation and not just try to arbitrarily, you know, correlate their service, what they do for their Nation, to what anybody else does for our Nation. This is unique. It is less than 1 percent of the American population that serves their country and is willing to do what they do.

So fair and appropriate compensation is the right conversation. What that is we do have to decide.

I think where we have this conversation and where we struggle in talking to them is that they committed to this. You walk in and you—just like you talked, you walked into Congress knowing this is what it was going to look like. Okay. I make that commitment; that is the organization I am going to be part of.

You start changing that, well now it is an appropriate conversation to say, "What did I commit to? Is that really right?" And our Nation can't afford to have these folks walk away, after the investment that we put into them, that the country puts into them to be capable airmen.

So I think it is right to have the conversations, but in the right context also of what we are asking them to do.

You couldn't be more appropriate, and we are trying to do this in the Air Force. So we are sending senior enlisted to language-enabled programs. We have them embedded in the Air Force Institute of Technology (AFIT).

We have talked about this over the years as we have come before your committee, so I really appreciate your continued support and emphasis on the value of that and creating a more capable service man or woman to be able to do what our Nation is definitely asking them to do.

Mr. DENT. I need to recognize at this time Mr. Jolly for 5 minutes.

Mr. JOLLY. Thank you, Mr. Chairman.

Chief Cody, thank you for that explanation. I appreciate that.

Sergeant Major Dailey, I want to follow up on a conversation Mr. Valadao had. You have been very gracious in working with me on

this credentialing issue, and I think the panel would benefit a little bit from further conversation about this.

ARMY UNIVERSITY AND CREDENTIALING

Sergeant Dailey hosted a CODEL that I was able to lead with a lot of our state legislators and our state regulators to identify what the state of Florida could do differently to begin to accept the credentials within the state and create this more seamless transition.

As part of that, I learned a little bit about what you are doing with Army University. Can you share a little bit about how Army University is going to support, ultimately, this more seamless transition of credentialing from in-service to separation?

Sergeant Major DAILEY. Absolutely. First I would like to acknowledge, sir, the—thank you for your support on the CODEL and for championing our credentialing efforts. And I mean that. It really helps.

And I would invite anyone else out to come see the Herculean efforts that our soldiers and our transition professionals are doing at each one of our installations.

But I would absolutely like to highlight our efforts of the Army University.

So we believe that our Nation gives our men and women the best-quality training and experience they need to fight and win our Nation's wars. We also believe those—that training and education aligns very closely with what our Nation needs in technical fields.

So for 240 years we have done just that. We have trained and readied our men and women to win, and we have given them skills at the cost of our taxpayers.

But we can do a better job, because we owe it to them, soldiers for life, to be able to transition them to civilian service because—back to civilian service so they can be valued members of their communities.

And it is at very low cost, as I mentioned before. It is a very small investment for a very large return—not just for the military, not just for not paying unemployment compensation, but back to the communities they will go into where they will become good citizens, taxpayers contributing to the community and valuing on the things that we have already paid for.

Just this year alone the United States Army has credentialed over 30,000 soldiers with the efforts from the help of this Congress and the efforts internally to the Army. But as I mentioned before, small investment. Opening up the aperture for things like tuition assistance to allow them to use those great gifts from our taxpayers to find credentialing opportunities is an inexpensive way to continue to find value for our young men and women as they leave the service.

Mr. JOLLY. But allows them to essentially be recognized with credit for some of the performance and the trade skills that they have developed while in service. It now credentials them in a way that can harmonize with outside credentialing agencies. And we are still getting there, but that is the direction we are going. Is that right?

Sergeant Major DAILEY. Absolutely, Congressman Jolly.

Mr. JOLLY. I would share with the panel our Florida delegation learned a lot from something the North Carolina legislature actually enacted at the state level to help streamline this. As a result, in Tallahassee this session there is now legislation moving through at our state level to begin to accept and accommodate more of the in-service credentials for soldiers that separate.

So I appreciate that. Anything this committee can do to help, certainly we stand ready.

NON-DEPLOYABLE SOLDIERS

Another question for you: In your testimony you state that there are nearly 100,000 soldiers who are unable to deploy and that approximately 80 percent of these soldiers are not able to deploy because of medical issues. In the context of a force drawdown to an active duty force of 450,000 and perhaps total force of 980,000 I believe is the number, 100,000 soldiers being termed “non-deployable,” what is that impact on our readiness and is that an issue that we need to be prepared to begin to address?

Sergeant Major DAILEY. Congressman, absolutely. And that number does represent the total force, 980,000—

Mr. JOLLY. Right.

Sergeant Major DAILEY [continuing]. The active force, the National Guard, and Reserve.

We have done a lot of things over several years to take care of our wounded warriors and soldiers. And as a result of that, we have, I think we have told our Nation that we represent our young men and women, and we will represent them for life if they enter this service.

But we do have to be cognizant of the fact that this takes a toll on our readiness, as you explained, sir. So we are working initiatives right now to ensure that each one of our soldiers, as we draw down to the historic lows that you mentioned, sir—450,000 from an active component and 980,000 as a total force—to ensure that each one of the men and women that we remain on active duty can and are able to fight and win this Nation’s wars.

Mr. JOLLY. And so that would mean addressing the current population of 100,000 that are non-deployable.

Sergeant Major DAILEY. It would, sir. Yes, sir.

Mr. JOLLY. OK.

Sergeant Major DAILEY. And we currently are doing that, I can assure you, sir.

Mr. JOLLY. OK.

Sergeant Major DAILEY. Each one of those soldiers, I can assure you, will be taken care of. This is by no means any way to not—say we are not going to take care of our soldiers.

Mr. JOLLY. OK.

Sergeant Major DAILEY. We are going to give them the appropriate care they need, but we do have to come to the understanding that it is time to transition into soldiers for life.

Mr. JOLLY. OK. Very good.

No further questions. Thank you, Mr. Chairman.

Mr. DENT. Recognize Mr. Price at this time, for 5 minutes.

Mr. PRICE. Thank you, Mr. Chairman.

I, too, want to follow up on some of the implications of the budget difficulties we have heard discussed very consistently today and the drawdown that we are anticipating. But I think it needs to be said that these budget woes are created by us. It is not like they were handed down from above.

It is a very similar account to what we heard earlier this week in the Transportation and Housing subcommittee. But we passed the Budget Control Act. We passed sequestration in this body, and because we couldn't get a budget agreement sequestration kicked in. We have patched it for 2 years but we have not fixed it.

And the irony is with all this—with this—all these budget woes, with all of this we are not addressing the real drivers of the deficit. So at the end of the day, for all of this cutting in both the domestic and military budgets, we are not addressing entitlement spending, we are not addressing tax expenditures.

And I would think the lesson of history is pretty clear that you are not going to get ahold of your fiscal future unless you address those two elements of the budget. That is totally left out of our calculations.

So we need a comprehensive budget agreement. Why is that so hard to figure out?

We had one in 1990 on a bipartisan basis; we had one in 1993, Democratic heavy lifting alone. The result of all that: 4 years of balanced budgets; \$400 billion of the national debt paid off; the kind of investments you are talking about rather robustly funded, and the same on the domestic side.

Now I am not saying those agreements were politically popular; in fact, they were wildly unpopular—something for everybody to dislike. They included tax increases. They included entitlement cuts as well as controls on appropriated spending.

But it worked: 4 years of balanced budgets and a roaring economy.

We simply have not achieved that here because of the ideology that has taken hold of this institution. But we are not going to solve these budget woes otherwise. So we kind of dance around it, but that, I think, is the fact.

And I just hope in the next administration, whoever it is, whatever it is, that we will revisit this need for a grand bargain because until we do that, this is going to continue to be what we face, and patching it up isn't sufficient.

I took more time than I meant, but let me just ask about—and I am following up here on the last member, the implication of some of these drawdown numbers.

And, Sergeant Major, I want to follow up specifically on what you are saying. And of course we know we want to take care of these men and women in uniform with the best medical care, the best mental health care, the best rehab that we can give them, particularly if they are injured in the service of our country.

But I want you to put a finer point on it if you can. Does this mean that at any given time there is a significant percentage of the men and women that are technically considered active duty but for various reasons are unable to deploy? Is there any way to be more precise about that? Are they being counted in the overall end strength figures?

And then I am—I guess you have to raise the question, too, about the incentives that these pressures create for the progress we have made in this medical care and this mental health care and this rehabilitation. Are there pressures to change that somehow?

You say we assure every service member that we are with them for life, but there is no question in the short run anyway there are these pressures that we need to contend with. And I would appreciate you reflecting on how we deal with this.

Sergeant Major DAILEY. Absolutely, sir.

First, for the record I would like to say that those 110,000 soldiers may or may not have to transition, and each one of those soldiers has an individual medical concern that either temporarily or permanently disqualifies for them deploying. And there is literally that many different cases, of which we deal with on an individual basis with our medical professionals.

And our hope is, because we have invested in the young men and women, is to make them healthy, get them healthy so they can deploy, fight, and win. But those do represent the total force structure and they are part of our total number.

So what we are doing—and we have a part of this, too—is we are making significant changes to our medical care system so it can accurately track and address each one of those specific needs. And I can't talk about each one of the specific needs of them because they are all different.

But I can assure you those soldiers that we do have to transition—and we may have to, and we are also going to have to transition about 14,000 this year who would otherwise like to stay due to the drawdown—we are going to provide them with the best care that we possibly can and we are going to take care of their needs, as we have done and as we have proven over the last 12 years of war.

Mr. PRICE. Any of the others—

Sergeant Major GREEN. Yes, sir.

Mr. PRICE [continuing]. Want to chime in on this issue?

Sergeant Major GREEN. I would like to comment on that, sir.

Our commandant, General Neller, when you talk about 7,000 less that we have that are in that position, he has told the, you know, the staff down at Quantico at our headquarters down there, Manpower and Reserve Affairs, Training and Education Command, Marine Corps Recruiting Command, "Let's take a look at how we train both on—when we are deployed forward and when we are back here in what we—most people know as a garrison life," so our physical fitness test, our combat fitness test, our weight standards, our obesity charts.

He said, "Let's take an overall look at what we are doing in the pool of recruiting before they go to boot camp; look at what we are doing in recruit training, how we train; look at what we are doing to retain the marines out here." He is looking at human performance optimization.

We have come a long way, as you said, with medical care. And we are looking at everything from the things we put in our mouth, to the machines we work out on in our gyms, to the pack we carry on our back. Because some of those injuries are caused, you know,

by using equipment that is no longer—it—we have outgrown that equipment. We have outgrown it.

And we have science that proves to us that we can train better. He is absolutely getting at that. And our numbers are coming down as he, you know, tackles that problem.

But it still remains the fact that the number of marines that we have drawing down to 182,000. When the commandant says we need 186,000 to do the missions that you all have given us to do and we go down to 182,000, that means our dwell time is not 1-to-2 or 1-to-3; it is 1-to-1-point-something, which means, you know, quality of life—you have got to come back and rest the force.

We came out of Afghanistan and Iraq and we got—we have 35,000 marines forward deployed at any moment, 22,000 in the Pacific. I mean, if you are going to—if you want us to rest the force and become healthy and that 100,000—7,000 to go away, a part of that is allowing us the time to rest, giving us the numbers that we need.

The budget does not support that. It doesn't support that.

So you gotta rest the force in order to do that, and you gotta modernize the force.

Mr. PRICE. Thank you, Mr. Chairman.

Mr. DENT. Thank you.

At this time I would like to recognize the gentleman, Mr. Joyce, for 5 minutes.

CREENTIALS FOR MILITARY TRAINING

Mr. JOYCE. Thank you, Mr. Chairman.

Sergeant Major Green—

Sergeant Major GREEN. Yes, sir.

Mr. JOYCE [continuing]. And Chief Cody, if you had something to add regarding credentialing, that was one of the topics I want to address. I know that there was some response from Sergeant Major Dailey and Master Chief Stevens. If you had anything else you wanted to say about that, I think it is important.

I know at home, all across my district, there is employment to be had, and they are looking to employ veterans, and they want to make sure that this transition is as smooth as possible. If you had any suggestions on how we could be helpful—

Sergeant Major GREEN. Yes, sir. It is—

Mr. JOYCE [continuing]. I wanted to give you the opportunity to respond—

Sergeant Major GREEN. Sir, it is a—I will be brief. It is a state-to-state, you know, conversation that needs to be had. You have some states like North Carolina where we have Camp Lejeune, you know, Marine Corps Base Camp Lejeune there. They have worked well. The state has worked well.

Not every state really has an interest in this. We can't make states—they are your states; they are your constituents. You know, we can't make them come to the table. We absolutely invite them in forums like the U.S. Chamber of Commerce, Hiring Our Heroes. You have individual organizations that come in.

But that needs to be addressed at a state level. The states need to have some concerns about the military people that return to the states. They need to take an ownership in that.

We have the Military Apprenticeship Program, which we introduce to marines within 30 days of joining their unit. They go to, you know, a class, 7 hours, and a part of that is introducing them to COOL, the credentialing Web sites, the MEP, you know, I just talked about. They are introduced to it up front.

We are aligning the MOS, about 257 out of 300 military occupational specialties, identifying all those credentialing items that we can do. So we are doing are part, sir. We just need the states to do their part.

Chief Master Sergeant CODY. Congressman Joyce, I will build on what Sergeant Major Green talked about. So the credentialing opportunities online has really been producing some positive results. We have about 1,700 total licensures available, and just in last year we added a little over 900 to that. We are making progress in the right way.

I think where we could really use this body's help—so continued support within your states, but as a body. It is really, how are we going to link up the DOD, Department of Labor, Veterans Affairs, and every one of these state organizations that deal with labor in those states? If we link these organizations together in a cohesive way, now you have this continuum of when we transition folks from the military through Transition GPS that these are all connected.

The problem is there are opportunities out there for service men and women. They are very skilled. They are desirable. They have work ethic; they have experience.

But every one of these entities work in their own way. And while we try to get the thread together, it is like—it is by happenstance; it is by "I knew somebody"; we get a great representative that goes out there, does it, and it works for a while.

So if this body—I mean, and we did it. If you really want to use a model of how we did it with every one of the states. We did it with the education.

So we have every one of the states now that are acknowledging our military children, that are moving from state to state and putting them in the same place. If we give that access, if we can work through the right legislation to give those agencies access to the information that they would need to know, they can reach right out to these great men and women that have served.

I appreciate your efforts to assist these service men and women.

Sergeant Major DAILEY. If I could just add, so—

Mr. JOYCE. I wanted to follow up, because I think this is very important and you had an opportunity and they didn't have an opportunity.

My father is a World War II vet who was shot and left for dead, and he believed it was his faith that brought him home. We never talked about it when we were kids, but as he was dying we were having these conversations, and we said to him, "What was it like?"

He said you came home and you went to work. What was there to talk about? You did your job, and you came home and would work.

It is important we transition people to work, because it brings me to my next point: the high rate of suicide among our veterans.

I want to give you all an opportunity to discuss what it is that you are doing to help bring those numbers down, and what we can do better to help facilitate the transition from active duty to civilian life.

SUICIDE AND TRANSITION

Sergeant Major DAILEY. I will begin, if that is okay with my counterparts here.

This year was a tough year for the United States Army. We actually saw an increase in suicides, and some of that was in our Guard and Reserves. And we have been working this very hard, so this is—not go without a lot of effort put into this.

Over the last few years we have expanded our behavioral health teams to greater than we have ever seen in Army history, and we have embedded them down to unit level. We have 58 embedded behavioral health teams now to give that access and to break the stigma of seeking help for mental health.

But I think where we can do more and where you can help us is getting that help out to our National Guard and Reserves. Of course, they have access to all the things when they live, you know, close to a military installation. But unfortunately, not all of our Guard and Reserve soldiers do. They are dispersed throughout the United States, and we have seen a rise.

And I believe that because of the efforts that we have done and we have provided at our installations, those people who are close on and the active soldiers that live there have benefitted from it. So I think that is an area that we can improve.

Master Chief STEVENS. The Navy is increasing—we have got these teams called operational stress control teams, and they go out to our various units 6 months prior to deployment and they sit down with the service members, the sailors, and talk to them about the stressors in life that unfortunately, you know, lead sometimes to suicide.

And so we recognize that we have seen some progress on that so we have upped the ante. We are now funding more of these teams to go out to ensure that we are touching base with more of our service members.

You know, the numbers are a little bit elusive. I wouldn't say we had a good year; we had a better year than we had last year with regards to the numbers of suicides. But soon as you say that then, you know, something changes and it is not as good the following year, so we are certainly not saying that we have achieved success.

So we will continue to work with these operational stress control teams. We will continue to invest the resources that are necessary.

We have identified some things that we believe oftentimes lead to suicide, and so we have had an initiative called "Ask, Care, Treat," and then we have another initiative called, you know, it is "Every sailor, Every Day" or "1 Small ACT." It is making sure that no sailor feels like they are ever alone, because oftentimes in between these transition points from training, or duty stations, or when somebody has a life-changing event, whether they get in trouble or lose a loved one, sometimes we forget that, you know, we need to spend time and pay attention to those people.

And so we are making sure that we always have a hand on them, that we are always talking to them, and we make sure that we help walk them through these difficult times with this “Every sailor, Every Day” or “1 Small ACT.” So we are hopeful that we will continue to see improvements, but time will tell.

Sergeant Major GREEN. So, sir, we have the Wounded Warrior Regiment, and that takes care of our wounded, ill, and injured. And they have programs like the DISC, the district injury support coordinators, that are out in America in different areas.

And they are reach-back, because the problem that we are seeing is how to close the gap on the millions that have served in the uniform and they have come home with the ghosts, and we can’t reach out and touch them. How do we close that gap?

That is when we talk about state credentialing and tying all this together, the V.A. support necessary and the backlog there. All of this creates—suicide is the end state. It is given that everything that makes someone feel that they are not worthy to live. It is all the programs, the quality of life that we are talking about here.

You know, the commandant has the Marine for Life Initiative. Marine for Life started in 2002. Everyone else adopted that from the Marine Corps. We still have that initiative going today with transition.

We have to understand that there is a need to stay in contact when we say “Marine for Life.” We are trying to build this robust program to reach out and touch—to use our iron eyes, our recruiting stations out there, inspect the instructor stations, everybody in the civilian world, the veterans’ organizations, public organizations—to reach out to these warriors.

Because when they leave and they come out of that uniform, they get—they go back into a world that doesn’t understand where they have been. They haven’t been working for Google and Facebook. They have been fighting combat—they faced the enemy. And connecting that and understanding that, it is just—it is overwhelming sometimes.

And it is not just that, you know, this year has been a bad year or that year has been a bad year. Every suicide. You know, you have seen a spike in kids in the military committing suicide, dependents. I mean, that is a quality of life that someone feels like they don’t rate.

That is where we are with it, with getting at suicide.

Mr. DENT. Thank you, Sergeant Major Green.

And let me go to Ms. Lee for, 5 minutes—recognize her.

Ms. LEE. Well, thank you very much, Mr. Chairman and to our ranking member.

POST TRAUMATIC STRESS DISORDER

I apologize for being late. I was at a meeting at the White House, but I really wanted to get back to say thank you, first of all, for your service and for being here today.

Just a little bit about a personal note on quality of life. My dad was a lieutenant colonel, 25 years in the Army, stationed at Fort Bliss. And in the day Fort Bliss was the only place that I could go to a restaurant because of segregation; it was the only place I could

go to the swimming pool; it was the only place we could live in a house during that period that was a really lovely house.

And so I just wanted to say quality of life issues, just coming from the daughter of a veteran, I remember the day when the Army provided the quality of life for my family that we otherwise would not have had. And so thank you very much.

Couple of things I want to raise, just in terms of PTSD. My background is psychiatric social work, and I am really concerned about an article that I read in the New York Times.

Mr. Chairman, I would just like to put this in the record and ask Sergeant Major Dailey about this.

And I want to just read a bit from this article. This has to do with Kristofer Goldsmith, who was discharged from the Army at the height of the Iraq war in the hospital after attempting suicide.

After coming home he—on his first deployment his duties were photographing mutilated corpses. After coming home, he was stalked by nightmares and despair. In 2007 he overdosed on pills and his platoon found him passed out in a grove of trees at Fort Stewart, Georgia that had been planted to honor soldiers killed in combat.

Now, instead of screening Mr. Goldsmith for post-traumatic stress disorder, or PTSD, records show that the Army wrote him up for missing his flight, then forced him out of the military with a less-than-honorable discharge. When he petitioned the Army to upgrade his discharge, arguing that he missed his flight because of undiagnosed PTSD, it rejected his appeal. Years since he has appealed twice more for an honorable discharge, has been denied both times.

So how are you looking at discharges as it relates to dishonorable discharges, for example, that occur when really it is PTSD that is service-related and there is—there does not seem to be the system in place that will allow the veterans or the personnel to really, you know, have the benefit of the doubt and argue the case that whatever took place was as a result of a service-connected PTSD?

Sergeant Major DAILEY. Yes—

Ms. LEE. And I would like to put this in the record, Mr. Chairman.

[The information follows:]

Veterans Want Past Discharges to Recognize Post-Traumatic Stress

By DAVE PHILIPPS FEB. 19, 2016

WASHINGTON — Kristofer Goldsmith was discharged from the Army at the height of the Iraq war because he was not on a plane to Baghdad for his second deployment. Instead, he was in a hospital after attempting suicide the night before.

On the sergeant's first deployment, his duties often required him to photograph mutilated corpses. After coming home, he was stalked by nightmares and despair. In 2007, he overdosed on pills, and his platoon found him passed out in a grove of trees at Fort Stewart, Ga., that had been planted to honor soldiers killed in combat.

Instead of screening Mr. Goldsmith for post-traumatic stress disorder, or PTSD, records show that the Army wrote him up for missing his flight, then forced him out of the military with a less-than-honorable discharge. When he petitioned the Army to upgrade his discharge, arguing that he missed his flight because of undiagnosed PTSD, it rejected his appeal.

"To say it's an uphill battle is an understatement," Mr. Goldsmith, 30, said recently as he walked down the hall of a Senate office building where he was trying to get lawmakers to listen to his plight. "I've been fighting for eight years, and I can't get anywhere."

Many who have tried to upgrade their discharges have received the same response. Records show that the Army Review Boards Agency — the office with legal authority "to correct an error or remove an injustice" in military records — has rejected a vast majority of cases that involve PTSD in recent years.

Since 2001, more than 300,000 people, about 13 percent of all troops, have been forced out of the military with less-than-honorable discharges. Congress has recognized in recent years that some of these discharges were the fault of dysfunctional screening for PTSD and other combat injuries, and it has put safeguards in place to prevent more — including requirements for mental health professionals to review all discharges. In recent years, less than honorable discharges have dropped drastically; and today, troops with PTSD are more likely to be medically discharged with benefits. But that has done little to help those like Mr. Goldsmith who were discharged before the changes.

Now, Mr. Goldsmith and a small group of veterans are pushing for a bill in Congress that would overhaul the system by mandating that the military give veterans the benefit of the doubt, requiring the boards to decide cases starting from the presumption that PTSD materially contributed to the discharges.

"We put out an unprecedented number of troops for minor infractions, and I believe a lot of them were suffering from PTSD," said Representative Mike Coffman, a Colorado Republican and Iraq veteran. Mr. Coffman said he planned to introduce legislation this month that would shift the burden of proof about PTSD from veterans to the military.

Congress created military review boards after World War II to correct wartime missteps, but observers say this has rarely happened in recent years. In 2013, the Army Board for Correction of Military Records,

the supreme authority in the Army's review agency, ruled against veterans in about 96 percent of PTSD-related cases, according to an analysis done by Yale Law School's Veterans Legal Services Clinic.

"The boards are broken," said Michael Wishnie, a Yale professor who oversees the clinic. "They are not functioning the way Congress has intended."

He added that the boards' decision-making process is often opaque, and that they have done little to educate veterans on the upgrade process.

The Army Review Boards Agency did not respond to repeated requests for comment.

In an attempt at a solution in 2014, the secretary of defense at the time, Chuck Hagel, instructed the boards to give "liberal consideration" to all veterans seeking an upgrade of their discharge because of PTSD. Since then, rulings in favor of veterans at the Army Board for Correction of Military Records have surged to 45 percent from 4 percent, according to records.

But veterans say a more lasting remedy is needed. They point out that Mr. Hagel's order could easily be reversed by the next president, and it does little to address the boards' underlying problems.

Observers say the boards are overwhelmed. And, despite a growing caseload from Iraq and Afghanistan, the staff at the Army Review Boards Agency has steadily shrunk. In 2014, it had 135 employees to process 22,500 cases, according to an agency briefing.

The panels that review discharges often have only four or five minutes to look over cases that may be hundreds of pages thick, Mr. Wishnie said.

"There is a sense they are rubber-stamping cases and not taking time to reach a just decision," he added.

Many veterans say they feel the boards give little credence to the medical evidence presented to them. Two months after he left the Army, Mr. Goldsmith was told he had PTSD at a Department of Veterans Affairs hospital. But denial letters from the Army Review Boards Agency said it was unclear whether the PTSD stemmed from his service in the military.

"They start from the assumption that the Army made the right decision, and unless you can definitively prove otherwise, you are out of luck," Mr. Goldsmith said.

Veterans with less-than-honorable discharges lose education benefits, preferential hiring and tax breaks, and they can be barred from the veterans' health care system. They can also face a lifelong stigma.

Thomas Burke, 26, joined Mr. Goldsmith on his recent advocacy trip to Washington. Now a student at Yale Divinity School, in 2009 he was a Marine infantryman in Afghanistan, his second combat deployment in a year.

As he waited in a reception area to meet with a senator, he showed a picture on his phone of himself on patrol in Helmand Province: He was unshaven, with a dusty rifle in his hands, and 15 smiling Afghan boys were tagging behind him.

"These kids went everywhere with us; these are my kids," he said. He smiled, lost in thought, then added, "I loved them."

A few weeks after the photograph was taken, many of the boys were killed by an unexploded rocket-propelled grenade they found near their village. Mr. Burke and his squad were left to haul away the dismembered bodies.

Mr. Burke said he started smoking hash he bought from Afghans as an escape from stress and emotional exhaustion.

"The whole platoon pretty much did," he said. "It was the only way we could get any sleep." Another member of his platoon confirmed his account.

Mr. Burke was charged with misconduct for his drug use and was told he would be kicked out of the Marines. He tried to kill himself a few weeks later. "I thought I could join the military and make the world a better place, and I had failed in every way," he said. "I was so angry at God and so sad."

The Marine Corps locked him in a psychiatric hospital, he said, and then gave him an other-than-honorable discharge without evaluating him for PTSD.

Soon after, he was told at a veterans' hospital that he had PTSD. He applied for an honorable discharge in 2014 but was denied.

"I'm at Yale. I'm doing O.K. I'm not doing this for me, but there are thousands of others who really need a chance," he said. "People were self-medicating or messed up from combat, and the military, in effect, criminalized mental illness."

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Mr. DENT. Without objection, it will be—

Sergeant Major DAILEY. And, Congresswoman Lee, I can't talk to the specifics of the nature of the article you referred to. I would, you know, have to take that for the record. So I can't talk to those specifics.

[The information follows:]

The Army Review Boards Agency (ARBA) considers requests for upgrade of General and Other Than Honorable (OTH) discharges. Additionally ARBA (and its subordinate boards) can upgrade punitive discharges (Dishonorable and Bad Conduct discharges for enlisted Soldiers, and Dismissals of commissioned officers) imposed pursuant to a court-martial sentence.

The Army has fully implemented the November 3, 2010 Secretary of Defense supplemental guidance, directed to Boards for Correction of Military Records (BCMR), for discharge upgrade requests for Veterans claiming PTSD.

ARBA has further applied the Secretary of Defense's guidance to the Army Discharge Review Board to ensure fair and consistent treatment regardless of when the veteran served, focusing on veterans who served before PTSD was a recognized diagnosis. Evidence of PTSD can be provided from service records, a VA diagnosis, or a civilian mental health provider. The boards exercise caution in upgrading discharges when the misconduct was of a serious nature or was premeditated.

But I can talk to the specifics of what we are doing now and the specifics of the nature of the issue that you are talking about.

So first and foremost, the Army takes behavioral health and the injury to our soldiers very seriously. I am among those men and women that have deployed for 5 years to combat, and I take it very seriously.

So firsthand I know the experiences. Firsthand I know the challenges associated with looking and doing the things that you described that young man had to do in combat, and I can assure you this leader is critically focused on the health and the welfare of our young men and women.

I am also responsible for their discipline. So I understand that we have to balance the care of our soldiers, but I also have to ensure that this Nation is protected by men and women who are members of the profession, uphold standards at all times, and they represent and are held to a higher standard than the people that they are paid to protect. So it is a delicate balance.

But what I can assure you, before any soldier now that is discharged, they are carefully reviewed, especially if they have behavioral health, by both a medical professional and the chain of command to ensure that all of their medical benefits—health needs are met and that there is not a confrontation between the discipline and the behavioral health problems they have. I can report that in 2015 less than 1 percent of the people who were discharged had PTSD, so I can tell you—I can assure you that we are taking care of our soldiers.

And we are reviewing each one of the cases that were alluded to in a recent article, around 22,000 of them that were discharged with behavioral health issues, and the secretary of the Army—the acting secretary of the Army will release that review here very shortly.

Ms. LEE. So you are reviewing those to look at possible other factors, such as PTSD, that could have been responsible for a dishonorable discharge?

Sergeant Major DAILEY. We are.

Ms. LEE. OK.

Thank you, Mr. Chairman. I think that is very important to get on the record also, because that is a lot of—those are a lot of people.

Sergeant Major DAILEY. They are a lot of people, yes, ma'am. I agree.

Ms. LEE. You know, and—

Sergeant Major DAILEY. And they are our soldiers.

Ms. LEE. And they are soldiers. That is right, and—

Sergeant Major DAILEY. They are our soldiers, yes, ma'am.

Ms. LEE [continuing]. And they deserve this.

So thank you very much, Mr. Chairman.

Mr. DENT. Thank you, Ms. Lee.

Mr. BISHOP. Mr. Chairman, may I just interject something?

Mr. DENT. Absolutely.

Mr. BISHOP. Back a few years ago the Surgeon General of the Army came back with a report to the Defense subcommittee that basically concluded that any soldier that was deployed in theater for a minimum of 2 weeks had some incidence of PTSD.

Sergeant Major DAILEY. Congressman, I am not familiar with that—

Mr. BISHOP. But I am just—that was the conclusion that was reached. So every deployed service member is likely to have some degree of PTSD; some is greater than others.

So the impact on conduct that Ms. Lee is referring to and is referred to in the article is very serious because, you know, in our case work we have applications to review all the time and we are submitting that. And if the folks who are doing the review have been there for a while and are not fully familiar with the impact of PTSD, that will result in a denial when it probably is actually service-related and probably should be upgraded—the discharges.

Mr. DENT. Thank you, Mr. Bishop.

At this time I would like to recognize Mr. Fortenberry, for 5 minutes.

Mr. FORTENBERRY. Thank you, Mr. Chairman.

Gentlemen, good morning. Pleasure to see you all. Thanks so much for your service. Thanks so much for your enthusiasm.

The chairman and I were sharing a comment a moment ago and it really—the heart of it is this: Where does the strength of America come from? We don't reflect on that a whole lot. We really don't.

And it doesn't come out of Washington policymakers; we should be reflective of that strength. It comes from values.

And how are values formed? They are formed in family life and faith life and through institutions that have solid tradition, that have a vision, that have a mission, that are self-sacrificial in nature, leading our minds and hearts to higher things.

You represent that. You are one of the few institutions left in the country, frankly, with a pervasive effect of bringing people to a set of values that has deep meaning and purpose, so I want to thank you for your sacrifice.

In that regard, what we are talking about is absolutely essential: How do we keep soldiers, marines, airmen, air personnel for life, being part of that military family and upholding this great tradition?

So I want to walk through a series of questions with you, but first I want to commend Mr. Jolly, my colleague, for what he did in Florida. I am very interested in this. I think we had a conversation last year in the hallway and——

Sergeant Major DAILEY. We did.

Mr. FORTENBERRY [continuing]. We talked about some of the dynamics in Nebraska. I want to make sure we are harmonizing everything with your transitional programs, so can you come?

Sergeant Major DAILEY. I will, sir.

Mr. FORTENBERRY. OK.

Sergeant Major DAILEY. I will.

Mr. FORTENBERRY. Perfect. We will set that up with you.

We have got certain Department of Labor programs for veterans in the state, many businesses very interested and acclimated toward hiring veterans, several universities doing different things. I just want to make sure it is harmonized, that we are all pulling the same direction and effectively leveraging it.

Sergeant Major DAILEY. And if I could make a statement to that——

Mr. FORTENBERRY. Yes.

Sergeant Major DAILEY [continuing]. Ladies and gentlemen, when you help us in these efforts it makes a difference. It makes a difference. It is a stand that our civil leaders support the things that we are doing and it literally makes a difference.

When Congressman Jolly comes to events like that he brings people, and people listen because you are their representatives. So I appreciate if each one of you could find time to highlight—come see the great things that our soldiers do. And I know many of you already do, but I would appreciate it if you could do that because it does advance our efforts—our collective efforts to take care of our service members.

CREDENTIALS FOR MILITARY TRAINING

Mr. FORTENBERRY. Well, let's figure out a pathway to get that done. This issue of transition is so critical to the well-being of so many people.

I want to explore a little bit this issue of credentialing. I think you talked extensively about it. I assume all branches have this process, but what exactly does that mean? I don't want to spend too much time on it, but again, how that is harmonized.

Or is the credentialing itself in the military actually being seen by employers as a new standard that meets acceptable general standards that come out of academia or other institutions? Let me put them all on the table and then you can address these as we go through. I don't want my time to run out.

TRICARE for Life—in the current health care construct children can stay on their parents' health care bill till 26. That is not the case in TRICARE, as I understand it. Is that correct?

Chief Master Sergeant CODY. Twenty-five until—if they are going to school.

Mr. FORTENBERRY. If they are full-time students.

Chief Master Sergeant CODY. If they are full-time students they can be—continue to be carried on until that——

Mr. FORTENBERRY. So that is the stipulation?

Chief Master Sergeant CODY. Yes, sir.

Mr. FORTENBERRY. OK. Is that an issue in—I think some—what the point ought to be is I think somebody ought to do the analysis on this because I didn't vote for the current health care bill—I need to make that clear—but one of the aspects of it that I thought—I think is reasonable is keeping children on the parental health care plan longer, and it actually may end up saving the entire system money. Younger people are healthier; it replenishes pools.

So I think it would be interesting to see if this could be an enhancement of the quality of life issue for families and actually save some money. So if there is a possibility of any of you could analyze that.

MARINE CORPS COMMUNITY SERVICES

Is your recruitment strong?

And then, Sergeant Major Green, you referenced the military resale system as a significant employer of military families, and I want to learn more about that.

Sergeant Major GREEN. You say the resale system, sir?

Mr. FORTENBERRY. Yes, in your testimony.

Sergeant Major GREEN. Oh, yes, sir. Yes, sir.

Mr. FORTENBERRY. I assume that is commissaries and—

Sergeant Major GREEN. Yes, sir. Yes, sir.

Mr. FORTENBERRY. OK.

Sergeant Major GREEN. Yes, sir. You know, the Military Compensation and Retirement Modernization Commission had an initiative in there to join commissaries with exchanges. The value of our commissaries, of course, is the savings.

You know, people may live—marines families may live somewhere far from the base because that is where they choose to live, but they absolutely shop at the commissary. The resale value of getting the goods where they need to go overseas, and what we are going through with commissaries not being successful, not producing enough to keep their doors open.

The Marine Corps has a program—just the Marine Corps alone has Marine Corps community services. It is tied to our exchanges. If we join—

Mr. FORTENBERRY. That is a brilliant idea.

Sergeant Major GREEN. Sir?

Mr. FORTENBERRY. That is a brilliant idea.

Sergeant Major GREEN. Well, to join them together?

Mr. FORTENBERRY. Well, I don't have the working vocabulary that you have so I am generally—

Sergeant Major GREEN. Oh, the Marine Corps community services?

Mr. FORTENBERRY. Yes.

Sergeant Major GREEN. Yes, sir. We are the only ones that have the MWRs encased in that.

Marine Corps community service is tied to an exchange.

Mr. FORTENBERRY. Try not to use acronyms. I know it is tough—

Sergeant Major GREEN. Yes, sir. Yes, sir. Yes, sir.

Mr. FORTENBERRY [continuing]. In the military, but—
[Laughter.]

Sergeant Major GREEN. Marine Corps community services are tied to exchanges, and the exchange system for us produces a profit to make up in child care funding.

Mr. FORTENBERRY. But again, think about that Marine for Life, the tie of the family, giving people opportunity and proximity to where their loved one is, participating in the mission. I have actually also proposed expanding commissary benefits for veterans.

Sergeant Major GREEN. Yes, sir.

Mr. FORTENBERRY. You could start with disabled veterans. I would like for you all to entertain that prospect.

And I have more, Mr. Chairman, but my time is up so I will come back to it later.

Mr. DENT. We can go into a second round of questioning here. Obviously we are not voting till I think closer to 11:30, so we can try to go through the second round or until votes are called, whatever comes first.

So I just have a few more questions I wanted to get into as we are talking about quality of life issues. It has been a very interesting discussion.

I think, Sergeant Major Green, you said at one point during the discussion this morning—you talked about individual readiness, unit readiness, and family readiness—

Sergeant Major GREEN. Yes, sir.

Mr. DENT [continuing]. I think is what you had said. And I think all other branches concur.

RATE OF FORECLOSURES

But do you and this is open to any of you—do you track the rate of foreclosures—I want to get into housing—foreclosures among military homeowners, and are you hearing of any service members who have a permanent change of station and are unable to sell their homes at their prior stations?

Are you hearing anything about this? I am just curious, you know, how this economy is affecting recruitment, retention, how is it affecting your ability to sell homes when you have to move about?

So if anybody wants to take a stab at that?

Sergeant Major GREEN. I will take a first stab, sir, since you highlighted my name.

You know, in the height of the war in the beginning, when the bubble burst in 2008 and before, that was a huge problem because we were, you know, permanently change of station, PCSing Marines at the same rate. Once we began to understand that, we began to work with the monitors more and talk about what financial situation families are in.

And that is really what it comes down to, sir. It comes down to leaders knowing their people, knowing the marines and the families of the marines, trusting that the leaders have their best welfare and their best interest at heart, and that when you see someone in that situation you are going to provide an avenue that is going to make them most successful—not just permanent change of stations just to be doing it or, “It is your turn to go.” We have to stop and actually realize that that is a human being, a family that is making a move.

And we have closed that gap tremendously, sir.

Mr. DENT. Well, thank you.

Any other services want to chime in on that?

Chief Master Sergeant CODY. I agree with Sergeant Major Green. We had a significant issue with that when the housing boom kind of—

Mr. DENT. Yes.

Chief Master Sergeant CODY [continuing]. Floor fell out and there was some legislation passed that provided some relief for service men and women and families. I don't want to say it is not an issue at all; it is just not the issue it was. There are still—

Mr. DENT. OK. So it is better than it had been, but—

Sergeant Major GREEN. Yes, sir. It is just better. The issue is there.

Mr. DENT. Yes, it is there. It is not as bad as it was a few years back, but—okay.

Now I am going to probably get into some dangerous territory here because I am going to ask you to speak for your spouses, some of whom are here today. And it really has to do with this—you know, we are talking about family readiness. Do you track the employment rates among military spouses, and are those rates going down, or are you hearing anecdotal evidence of a lot of military spouses losing their jobs?

So I don't want—I am asking you to speak for your spouses, but hey, I wouldn't object to them chiming up for themselves if they have any anecdotal evidence. What are you hearing on that front?

Sergeant Major GREEN. I will go first, sir. So my wife, she is a registered nurse and every state has a licensing process. I honestly think it is a money racket because medicine doesn't change from state to state, so why should she have to license?

And she has sat on some of the military boards and voiced this. Why should she have to relicense when we move from California to Virginia? I mean, what is that all about?

And we are doing that to families, you know, all around the Nation. And the employment rate—you know, transition—spouse transition is available also. STARS—Spouse Transition Assistance and Readiness, within the transition program. STARS is built in there.

In the Marine Corps we utilize that not only for transitioning spouses, but we have programs for spouses to—once they check into their installation they can go right away and get that help from Marine Corps community services, that unique thing that we have. So we do visit that, sir. We don't track per number, but we offer every family that opportunity to have that knowledge.

Sergeant Major DAILEY. I would just like to make a comment on the impact of what you just described has on our soldiers and their families. Like you mentioned, I don't believe we do but I will check for the record, and I will take that for the record, if we track spouse employment rates.

[The information follows:]

Yes, installation Employment Readiness Program (ERP) managers track military spouse hires and report findings monthly to an Army Community Service database. However, spouses are not required to provide their employment, so the data are not totally accurate.

Anecdotally, ERP managers have heard that military spouses can lose their jobs when Soldiers return from deployment. Spouses ask for two weeks off to spend time with their Soldiers, but are often turned down; therefore, they may choose to stop working. Child care issues are another reason spouses leave their jobs or are not able to seek employment. Additionally, military spouses quit their jobs when their Soldiers are reassigned to new duty locations.

The Office of the Secretary of Defense Military Spouse Employment Partnership (MSEP) tracks military Spouse hires by Service on a monthly basis. The MSEP connects corporate America with the talented pool of military spouses, brings together partner employers and the military Services to offer long-term career opportunities to military spouses, providing them with opportunities for portable employment.

What I can tell you, though, is that is a factor in what we all describe for our young soldiers, sailors, and airmen and marines as they do PCS. The American family does have a little bit more of a luxury than what our soldiers, sailors, and airmen do, and that is stability. It is able to capitalize on things like buying a home, you know, being able to have a spouse's career and not having to move around all the time.

And these are the challenges we assume—we assume ourselves and we sign up to do this. But it is a factor. The factors, those are the hidden compensation things that we don't compensate soldiers for. It is called equity. Equity in a home. Equity in a community. Equity in a soccer team. Equity in a spouse's career, because many American families today both household members do work.

And it is a challenge, I can tell you just from my spouse, moving around and even working in the DoD, it is a tough challenge. Nobody's fault but our own, because we chose this lifestyle.

And Congress has done a lot to help us with that in the past, but I think that we should take a look at that because there is an area here where I think we can help with things like licensing and making them equal across all states. Not just nursing—we have done a lot of work there, but same thing for credentialing for our spouses.

And our Soldier for Life transition centers are also opened up to our spouses in the Army too, as well.

Mr. DENT. Yes.

Mr. Bishop.

Chief Master Sergeant CODY. Chairman Dent, if I could just—

Mr. BISHOP. Would you yield for just a moment?

I just want to make sure that you are aware of the Congressional Military Family Caucus and our partnership with the first lady's initiative and with Blue Star Families, that does a survey every year. And we just released a survey about a month ago on the needs of military families.

And spousal employment and credentialing for spouses as well as for transitioning service members is a big issue. And we have been actively involved in that, trying to get uniform laws passed by state legislatures so that those licenses will be transferrable.

I mean, it is not just nurses. You have got cosmetologists, you have got insurance people, real estate folks—

Mr. DENT. Commercial licenses, truck drivers.

Chief Master Sergeant CODY. Chairman Dent, we actually do have the Military Spouse Employment Partnership, which is exactly what Congressman Bishop is talking about from the White House, a huge program that really has produced great results since

June of 2011, honestly, the program was kind of put into place. We have a little less than 300 companies that are partnered with that.

We do track how many spouses have been matched, to those jobs. And then we have the spouse education opportunity, where they get that credentialing online. So there is some great effort there.

But to both sergeant majors' point, there is still a gap there. The gap is as we move them it takes time. Sometimes they are not long enough to get there; sometimes they know we are not going to be there long enough to hire them, right? You are not going to be in the neighborhood that long.

So this effort is producing some pretty significant results when you think about how many people have been hired. With 547,000 jobs posted out there, this is a pretty good program to have available to our spouses. We just have to continue to link that with every state and those opportunities.

Mr. DENT. Thank you, Chief Master Sergeant.

And I recognize Mr. Bishop, for 5 minutes.

Before I do, just going to mention that I am notified that we may have votes as early as 11:10, maybe as late as 11:25, so, you know, we will do 5 minutes each but try to keep your questions as quick as possible and your responses as short as you can make them. So thank you.

Mr. Bishop, you are recognized for 5 minutes.

Mr. BISHOP. Yes.

Mr. Chairman, you asked about the foreclosures, and I think the sergeant major referred to the PCSing. We did have a program called the Homeowners' Assistance Program, which was utilized quite a bit during the heat of deployments, where there were PCSes and families were moved where they had a mortgage and they moved from one side of the country to the other, or wherever, and had a home that was not sold and had two mortgages. And this program was made available to assist the service members.

And it is my understanding that we have sort of downsized if not closed that out now. So I thought it was an interesting question to find out if there is still a need for it.

But that was one of the elements of assistance that families could get. And, of course, they were severely penalized even more so than civilian families when the bubble hit.

And that is, I think, a very, very important issue. And, of course, the Congressional Military Family Caucus is involved with that.

WOMEN IN COMBAT

Let me shift gears for a moment and ask Sergeant Major Green and Sergeant Major Dailey to talk about the issue of women in combat. The secretary of defense, I think, has sort of made it clear that women will be eligible for all combat jobs. The Army, I think, has pretty much moved forward with that.

There has been some resistance on the part of the Marine Corps. The commandant of course has to comply, but there has been somewhat of a concern.

And so I wish I could get both of you to address it. I attended the graduation of the first two women from the ranger school at Fort Benning and, you know, everybody was very, very proud of

their service, and their colleagues felt like they were just as prepared as any other ranger who ever finished the ranger school.

I understand that the Marine Corps had some difficulty with the individual officer's course graduation for some women and has sort of put a hold on that. So could I get you to address that? Because obviously it impacts career promotion and progression, and we really would like for there to be equal opportunity in all of these areas.

Sergeant Major DAILEY. So the Army started this several years ago, and we invest in it heavily to do the research and analysis and to create one situation: Make every organization and every job in the Army open on a standards-based irregardless of gender, race, religion, sexual preference, anything.

I think that we have done a phenomenal job at doing just that. Fifty percent of our Nation is women, and I think it would be an injustice to offer or close anything that someone who wanted to do and was physically able to do. And we proved through our research analysis that there are women that can and are willing to fight in our combat arms.

And I am confident, and the chief has tasked me, to make sure that we maintain standards in those organizations, because at the end of the day this is about readiness. It is about readiness of our soldiers being able to fight and win our Nation's wars.

And I can assure you that the standards are and will be maintained. As you saw outside—representing us outside Fort Benning, Georgia there, those fine women who graduated ranger school met and achieved the standard.

Sergeant Major GREEN. Sir, the secretary of defense gave us marching orders: On the 1st of January all MOSs will open up and there—the six final loadbearing MOSs, ground combat MOSs, they are open as well.

MARINE CORPS FORCE INTEGRATION

When I came in a year ago this conversation was at its heated moment. Talked to the secretary of defense and the secretary of the Navy. Wasn't about keeping women, you know, out of those MOSs.

First let me say for the record, this conversation is not about women in combat. Women have been in combat for a long time and when you say that, women feel offended because we have had numerous women die in the uniform in combat.

The conversation is about those MOSs, those loadbearing ground combat MOSs that are the toughest ones. Their standards are tough.

The only thing we ask is that we do not change the standards. We have had women go to infantry officer's course. Not Officer Candidate School—women are there. So you have to go there to see the difference in the two.

There is a lot of conversation going on, but very few people have visited. I don't think anybody in the room has visited every recruit training of all the services except myself. And if one of you all have done it, correct me.

So I have seen firsthand over the last 3 months how everyone trains. Let me tell you, when you say "Marine Corps, be most ready when the Nation is least ready," and we put a standard to something, do you want to change the standard is the question. Because

if no female gets through IOC—because it is available, but do you like the product that we are producing on this end right now? If you like that product then you are not going to tell us to change the standard.

Are you going to challenge the standard is the question. Why would you challenge the standard? Because challenging the standard would get at making it an even fight.

Those six MOSs are open now. Any woman can come into it. But here is how it works: In order to put a private, an E-1, in to infantry, the loadbearing MOS, the marine that looks in, kicks the door in, looking to be killed—it is not about the woman. It is about making sure the 7 percent of the female marines that we have are successful, that we maintain 7 or more percent.

Because if you throw them in right now on day one the average male marine—recruit in boot camp—can do 12 pullups when they hit the yellow footprints on day one. The average female American that goes to recruit training can do zero to one. That is the average.

What we wanted was time to study and make sure we are setting all marines up for success and that we are not touching, you know, combat readiness or effectiveness.

So in saying that, we raised the Ground Combat Element Integrated Task Force. We are the only service that took the time to study this because we have the most to lose.

We have the most to lose in this because we have six MOSs that have never been opened up to women. You can't just say throw them in there. You have got to have a cadre of senior enlisted and officers to be there when they get there.

Now, here is what the female marines say for the most part—the ones that are serving now, “Wait a minute. Why are you changing this?” I am talking about infantry right now, all three, the one that we asked not to open along with combat engineers.

We just give marines orders to those MOSs. They go to the battalion level. They put on a pack, 100-plus pounds, and they march 25 miles to get tested for combat readiness. Those were all males. Those were all males.

We want to know the effect—what effect is that going to have on a female? Physiologically and biologically we are different, and no one in this room can do anything about that. We have to have time to study that.

So the Ground Combat Integrated Task Force, we submitted that. A lot of people didn't listen to it.

We can break it, but let's not break it. Give us the time to get it right, is what the commandant is asking.

Mr. BISHOP. Yes. I wanted to ask you that because I wanted to give you an opportunity to give that explanation.

Sergeant Major GREEN. Yes, sir.

Mr. BISHOP. And I appreciate that very much because none of us wants to change the standards. We want marines to be marines regardless of gender. But I wanted you to have the opportunity to give that explanation as to the difference between the ranger training, the Marine individual officers' corps, and why it is that the Marine Corps has had some concern.

Sergeant Major GREEN. If I could just say, sir, ranger is—you can be in the Army and go to be a ranger, you can come as, you know, in the process, the accessions. In the Marine Corps infantry that is a military occupational specialty that you are going to live the rest of your life. They are two totally different things.

Mr. DENT. This is a very interesting discussion, I must say. And I know, too, that a lot of our soldiers and marines and others coming back from warzones come back with musculoskeletal issues. You know, you mentioned carrying a lot of weight and it is a conversation we are going to have to continue to have here.

Given the time restraints, I am going to ask that we go 2.5 minutes each, if that is okay with each of the members.

So I am going to recognize Mr. Valadao, then Mr. Price, Jolly, and then Joyce, okay?

Mr. VALADAO. Well, I will have some questions for the record. Obviously there are a lot of very important issues.

One that I know was touched on while I was gone: commissaries. They play a huge role, and so I am going to want to know what each one of the branches can do, understanding that location makes a difference as far as rural, how close they are to communities and shopping and how much of an impact there is on our enlisted, our soldiers', our sailors' pockets. I mean, this is something that affects their daily lives and the resources that they are given.

I had the honor to actually visit Iraq and Kuwait over Christmas and spend quite a bit of time with some of our troops, and one of the things that was brought up was the ability to contact their homes and their families via Internet. And a lot of them are relying on local services. And I understand the need to conserve resources and not put a huge infrastructure in place to provide Internet, but it was something that I found very interesting and obviously an impact on quality of life for these folks and being able to communicate is important.

And one of the things I did find interesting was that quite a few folks had the opportunity to reach out and actually wish their families a Merry Christmas and throughout the holidays, and that is something that does play a huge role.

LEMOORE NAVAL STATION HOSPITAL

I have the honor of representing Lemoore Naval Air Station, and it is something that is very near and dear. I hear about it quite a bit—just in the last 2 weeks I had a few tele-town halls and it came up in both, and it has to do with the hospital there at Lemoore. And when I was out on the USS Ronald Reagan, again, I had a chance to talk to just a few sailors by myself and get an idea of what they are struggling with, and a lot of the issues that were brought up today were brought up, as well, but the hospital is one that they all nodded their head in agreement with and is a very big deal to a lot of those folks.

And I would like to ask Master Chief Petty Officer Stevens about what is going on there. I know that they have cut back on the emergency room services and delivering of children—maternity ward, and I know it is no longer 24-hour service. But as things are changing, as the base is growing, what are the opportunities there to serve these and to make sure that as our guys are deployed they

know that their spouses and their families are being taken care of with the hospital there on the base?

And if anybody else wants to add to that at the end, happy to take it.

Master Chief STEVENS. Well, as the size of the base or the capacity, with the Joint Strike Fighter coming in, as that changes and populations increase there is always the opportunity to revisit and see what is the, you know, the best application of the hospital there in Lemoore.

The hospital itself has great capacity. What they are trying to do right now is balance the cost and the proficiency aspect with the doctors and the nurses and the technicians.

So if you were to fully staff that hospital with its capacity or its capability, the doctors, the nurses, and the technicians there wouldn't get the sets and the reps that they need to maintain the proficiency that is necessary for them. So what they do is they load-share with the hospital out in town, so some of the emergency room services, child delivery, and things like that, folks can do some of that out in town and they can do some of it on the base.

So that way they are able to have the right number of patients coming through to maintain proficiency for the doctor. You wouldn't want to have a heart surgeon that does one open-heart surgery every 6 months be your heart surgeon. And so what you gotta do is make sure that you find the right balance between the capacity of the hospital and the number of patients that are coming through.

But again, as the hospital—because the hospital has that capacity we bring more people in there. All they gotta do is start plugging in more doctors and nurses and technicians and they are able to sustain the necessary care. So just trying to find the right balance between cost, capacity, and doctor capability.

Mr. VALADAO. Just for the record, my nephew was born at that hospital so that is actually something that is very personal.

So again, thank you, Chairman. We will have some questions for the record.

So thanks for your service.

Mr. DENT. Thank you, Mr. Valadao.

Let's go to Mr. Farr now for 2.5 minutes—2.5, yes. We are going to be voting any time now.

Mr. FARR. Well, thank you, everybody. I thought I would just tell the committee a true story about going—out to Bethesda—I mean at Walter Reed to the rehab center there with my brother-in-law, who was trying to talk to military—he is—my brother-in-law is totally disabled but he has watched disability golf and trying to get accessible carts on military golf courses.

And we ran into a wounded warrior coming back from Middle East in a wheelchair named Tammy Duckworth. She came into the room just lit up, you know, like a—everybody said, "Wait 'til she comes in."

And so I was asking her, she said, "I guess you want to know how I lost my legs. I was trying to, you know, bring a helicopter down and couldn't figure out why my feet didn't work." And she said, "Because I didn't know it, I lost my legs but I was able to land it."

I said, "Well, what happens now?"

And she said, "Well, I am going to get my prosthetics and I am going right back. I am going right back."

So I asked the officer standing next to her, "Is that possible?"

He said, "If she can"—she is going—she wants to go back to be an instructor, not go back to—as a warfighter. He said, "If she can pass all of the requirements, all the physical requirements, she can go back."

She didn't pass them. She is now a congresswoman. So unintended consequences.

Anyway, I just want to thank all of you for your service. And particularly, you know, we have a tradition in this committee where we certainly listen to the combatant commanders and everybody else at the high rank, but I think this is one of our favorite moments of these hearings to really listen to the enlisted—the men and women of our services and what you do for them.

You speak the voice of the community, and I really appreciate that.

So I just want to—I do think, in all due respect, we need to also, as we defend the needs for these benefits, we also need to sort of be proud of them. And I don't think we should be afraid of telling people, "Look, you have given service. You are going to—you got these," and the private sector ought to hold up to this stuff.

America right now—and this is—I am just really worried about us, this whole discontent that is showing itself. And of all, what is—who are the most popular candidates out there? The ones that are dissing government.

Well, military is a big part of government. So if you are dissing all of it you are going to be dissing all the members of that family. And we have got to do a better job, us as politicians, of selling the benefits of government rather than just saying that government is the problem.

And I think you are role models for helping us sell it well. Thank you.

Mr. DENT. Thank you, Mr. Farr.

Let me recognize Mr. Jolly for 2.5 minutes.

SINGLE SAILOR HOUSING

Mr. JOLLY. Thank you, Mr. Chairman.

For the MCPON I am going to give the floor to you to make your best case here. I know your strong concern over single sailor housing. You mentioned it in your testimony; we have talked about it, as well.

What does this committee need to attend in a perfect world as best as we could? Given limited resources, how can we do better for the young men and women in the Navy for single sailor housing.

Master Chief STEVENS. Well, as I mentioned in my opening remarks—and I need to be clear because I have discussions with the Navy's most senior leaders and they know my passion on the single sailor housing, and they said, "MCPON, as you talk about this please don't ask people to ask us to move money from operational accounts to the housing account," right?

Mr. JOLLY. I understand. Right.

Master Chief STEVENS. And so again, this is something if we don't address it now it is going to be a huge problem later. So roughly 50 percent—just slightly less than 50 percent of our single sailor housing is inadequate right now. And the pace in which we are recapitalizing and building new facilities is in no way keeping up with what is necessary.

I just think we have to really take a hard look at this and what we are going to do in the future, because otherwise we are going to wake up and we are going to have a bill that will be impossible to pay. And I would submit that that is probably going on with all of the services to one level or another.

Mr. JOLLY. Yes.

Master Chief STEVENS. We have been moving money out of our shore infrastructure to our operational accounts out of necessity, and if we continue to do that we are going to be hurting. And these shore infrastructures play a vital role to our operational readiness. It may not be the alligator closest to the canoe, but it certainly plays a vital role, so we need to take a hard look at that in the future.

Mr. JOLLY. So 50 percent inadequate. Describe in 30 seconds “inadequate.” Convey to us what designates single sailor housing as inadequate.

Master Chief STEVENS. Well, so DoD's goal is that 90 percent of all the housing—and I forget the day; I think it is 2018—but 90 percent of all the single sailor—all the single service member housing should be at 80 percent on a scale from 0 to 100 percent. And so right now 50 percent of our housing is below that 80 percent.

We used to do it differently. I am not sure why they changed it. I think it is kind of semantics, but we used to do it in a condition of readiness, and one and two were considered to be, you know livable, and three was kind of livable, and four was inhabitable.

So I would say that, you know, probably 70 percent or below you are getting close to the inhabitable level. So we are nowhere near where we need to be right now.

Mr. JOLLY. All right. Thank you very much.

Thank you, Mr. Chairman.

Mr. DENT. Thank you.

And at this time I would recognize Mr. Price for 2.5 minutes.

Mr. PRICE. Thank you, Mr. Chairman.

Sergeant Major, in using an illustration from the Army I am not just focusing on the Army nor am I asking you to comment on the specific case, but I think to ask this question quickly I can use an illustration from Fort Bragg.

There have in recent years been very promising discussions about the way that the plans of the Army—the housing plans, the educational plans—might dovetail with some of the needs of the local community. There has, for example, been a focus on possible infill housing as opposed to just going farther and farther out into adjacent counties. That would obviously have a great impact on the city of Fayetteville, as well as meet the Army's needs.

There has been a good bit of talk about the secondary education needs and the way that—those objectives might come together. I have to say that with the proposed drawdown and with the budget

uncertainty, those discussions have also taken on an air of uncertainty and have been pushed into a more distant future.

DRAWDOWN

I raised that just to raise the broader question of that level of community cooperation and synergy with respect to military installations. I wonder if you have anything to report about, particularly creative examples of how this has worked. And I wonder here, too, about the consequences—perhaps unintended consequences—of the drawdown.

Sergeant Major DAILEY. Congressman Price, I think I can represent my fellow service members well, as we have taken a large chunk of the drawdown in our active force, which, as you know, major installations across our Army are not just installations; they are members of the community. And we like to think that way because my family was raised by them little hometown Americas outside those Army gates. We have many families that live and work out there.

As you know, as we draw down the Army to historic lows, as I have mentioned before, this doesn't just affect our readiness; it affects the American people in many ways. And we always want to partner with our community because you want them to feel like that is their Army base.

For security reasons we have had to close our gates and heighten security, and that is a necessity for the safety of our soldiers and our family members. But it is a toll.

It is a toll we feel from our partners outside our gates. We hear it all the time. It is a huge concern, as you know, and it is something that I think we are going to have to continue to contend with in the future.

Hopefully we won't have to make further cuts and further decisions. But I can tell you firsthand, to answer your question, we hear of great concern from our communities outside our gates.

Mr. PRICE. I am not sure I am understanding your answer. I believe these security concerns, and—but I am asking about these joint planning and exercises with local communities, and in particular the kind of synergy we have begun to see with respect to housing and education decisions.

Sergeant Major DAILEY. Sir, I don't have the specifics on any joint ventures outside of our installations. Of course, I could take that for the record.

[The information follows:]

Service members, Family, and Soldiers for Life are integral members of their communities. Formalized in the Community Covenant, the initiative is a commitment designed to foster and sustain effective state and community partnerships with the Army to improve the quality of life for Soldiers and their Families. Mutual support helps to build Soldier and Family resilience, mutual understanding, and support. As a result, the Covenant improves military readiness and fosters a more pleasant environment.

While the Community Covenant is an Army program, it extends to the other Military Services as well, recognizing that many community efforts support all Service Members and their Families regardless of their branch of service. Additionally, Army One Source employs a Community Support Coordinator, which provides local information, news, and links to resources that Soldiers and Families may require.

For transitioning service members, the Soldier for Life program provides a formalized transition assistance program. The program not only provides necessary transi-

tion information, but also links those members with community organizations to ease the process. In this way, a transitioning Soldier can begin networking with employers and organizations in his/her civilian community which reduces the stress associated with separation. As a result, Soldiers for Life can immediately make a positive impact on local communities.

Many states have partnered with the local communities to assist National Guard and Reserve Members, their Families, and Soldiers for Life. In this way, various community and benevolent organizations are brought together and offer a repository of information and points of contact that are easily accessible for those seeking assistance (schooling, mental health services, etc.). Many National Guard headquarters have also reached out to build partnerships with their local communities to ease transition and link members and Families with assistance.

At the local installation level, Garrison Commanders and staffs partner with local communities to ensure mutual understanding and support. Through outreach events, town hall meetings, "Adopt a Community" initiatives, and meeting with local community leaders, the Army ensures that the concerns and needs of all stakeholders are taken into consideration. For instance, many installations have signed Memoranda of Agreement to assist with emergency services, emergency medical treatment, and schooling. Other initiatives have resulted in support and funding to feeder schools in the local community, infrastructure repair and improvements, etc.

Chief Master Sergeant CODY. I could offer up a little bit. We are certainly doing it with some of the charter schools and are allowing those schools to be built on our installations. This is good for the members that live on the installations or in the immediate community, and it is also good for the community because children from those communities are able to attend those schools to fill them out.

We are also doing some ventures where—I use Nellis, just as an example, in Las Vegas, where the community actually built our gym there because it was something we were not going to be able to get within the budget and be able to sustain. They built that gym for us that helped with, no kidding, not just the military men and women but the civilians that live in the communities that work on the installation. And they were able to do that and then turn that over to the Department of Defense.

There are certainly some synergies taking place and doing just what you say: building housing communities close to the base at fixed cost, right? They are targeted at certain demographics of income, so they let that income of military members reside there as well as the local populous, so it is a dual kind of thing.

So there is a lot of effort there. We call it a P4 initiative in the Air Force, or these private-private-private public type of things. So I think there is a lot of growth potential and help to support both the local communities as well as the military.

Mr. PRICE. Thank you.

Thank you, Mr. Chairman.

Mr. DENT. Thank you.

At this time I am going to recognize Mr. Joyce, for 2.5 minutes.

QUALITY MEDICAL CARE

Mr. JOYCE. Thank you, Mr. Chairman.

Recognizing that access to quality medical care is an important objective, we certainly hear a lot about it on the V.A. side, how accessible is quality medical care in the different services, and what are we doing to make sure that our service members are receiving the highest-quality care?

One could answer for all or all could answer for one, however you want to address it, but it is sort of an open-ended question.

Chief Master Sergeant CODY. I think we provide tremendously great health care to our military members. That doesn't mean it is not challenging to get the type of care they need, depending on where you are at.

If we have military treatment facilities nearby with the right type of resources, that is obviously a better scenario for our military members and families, but it applies to retirees also; it goes to the extended footprint of TRICARE, and then the limitations that are placed on the various TRICARE programs on how they can access this care.

I would arguably say we do really good, but I think the demand signal is actually on the increase when you consider all the costs of war and the men and women that have served over the last 25 years that are leaving, and now some of that care is coming home to roost.

I think there is a desire by all of the Services—and we put this in in the budget that we want to draw more care back to the military treatment facilities and less out into the networks, only because we need that for the readiness of those no-kidding medical care providers. We need them to be trained and ready to go and keep their skills up.

But it is also important that we have good access and good ability to use a network and have referral capabilities and not make it so painful. It can be very difficult for family members to get the care that they need if it is not available or there is not room at a military treatment facility.

Master Chief STEVENS. I was going to—Congressman Joyce and Congressman Valadao—both of you bring up good points when it comes to military medicine. I think it is important that as we, as Chief Cody just mentioned, as we look at ways to save monies and reduce costs of military medicine that we don't overreach and start counting too much on the civilian sector both inside the states and really outside the states is where it really can become concerning, because it can impact readiness without really knowing about it until it is too late.

You know, something happens and you need that capability and that capability doesn't exist because you have been using capabilities out in the economy for so long, to reconstitute that could be very difficult. So there is a balance.

And I know that our professional medical folks in DoD are taking a close look at that, but I think it is something we all need to pay attention to.

Sergeant Major DAILEY. I believe it is critical because there have been recommendations, we know, about our medical care. And it is critical to state that I agree, we do need to fix access to care. I hear that as a concern from our soldiers and family members in many places that I travel.

But also, we have to maintain our medical treatment facilities. It is a readiness issue for us and for all the services because that is where our doctors receive the critical skills they need to be able to fight and win. I mean, we are going to need that medical care forward, and they have to be able to practice that medicine back here. And our families benefit from that expert care.

Mr. JOYCE. Also, I believe Sergeant Major Green brought up the nurses having a problem with credentialing. I am the co-chair of the Nursing Caucus and we are going to work on that for you, as well as other credentialing issues, going forward.

Sergeant Major GREEN. All the credentialing, sir. Appreciate that, sir.

Mr. JOYCE. Thank you, Mr. Chairman. I am out of time.

Mr. FARR. Can I comment on that, Mr. Chairman?

Mr. DENT. Sure.

Mr. FARR. What we are doing in our district right now—I hope the whole committee will come out and see—we are building the first joint clinic with DoD and V.A. And this committee ought to really pay attention to these because we are the only committee in Congress—the Senate doesn't have any—we are—we take care of soldiers from essentially cradle to the grave because we have all the veterans' authorities in this committee.

And I think this jointness particularly between DoD and V.A. needs to be really pushed. But that clinic is the way we are going to get quality of care for everybody.

Mr. DENT. Yes. It is a good point, Mr. Farr, that as we—I often talk about doing a better job integrating the veterans, and the veterans and the civilian health systems; we also have to talk about doing a better job integrating the veterans and the DoD health systems.

Mr. JOYCE. Mr. Chairman, I will second Mr. Farr's motion that we should do that as a group.

Mr. FARR. That was such a motion. [Laughter.]

Mr. DENT. Well, we are the Appropriations Committee. It is not always our role to set policy, although we would like to from time to time.

At this time I would like to recognize Mr. Fortenberry, for 2.5 minutes, and sounds like we have a few-minute reprieve on the vote.

Oh, there it goes.

Go ahead. So go ahead. We are good.

Mr. FORTENBERRY. I will hurry.

Nobody told me it wasn't our job to set policy.

Mr. DENT. Set policy from the authorizing committees; a little less from the Appropriations Committee. We all set policy.

Mr. FORTENBERRY. So, gentlemen, I gave you a quick list of things. Perhaps you can look at the issue of the TRICARE question that I talked about, get back to us, just in a cursory manner, just as an initial blush.

Two other things, though. The potential expansion of commissary benefits to benefits, maybe those who are disabled. I have proposed this. It gets hung up here and there. I want to put that back on the table.

I also have another bill that I want you to consider and potentially help with. It is called the Veterans Transitional—Entrepreneurial Transition Act, and what this does, it creates a pilot program whereby veterans who are prepared, because of their skill sets that they have obtained in the military, who are not in a position or do not need to use G.I. benefits for college—because the

original intent of the G.I. Bill is transition, and that generally is interpreted as higher education.

But there are a lot of—or potentially a lot of members of the military who have a sufficient set of skills that could move directly into small business on their own. This would provide a pilot project to see how the government could facilitate the upfront capital cost and, again, expand the number of veterans who are able to leverage their G.I. Bill benefits, and many do not.

So I propose that to you. I have talked to numerous veterans' groups about this. We continue to sensitize everyone to the potential here, and we have gotten a lot of great feedback. One exception, but we are still working on that.

I would like you to, again, in your analysis and thinking, see how this would integrate successfully starting with pilot programs where we would test it to make sure that this is functional. So that is what I had.

And again, thank you for your service.

Mr. DENT. Well, this concludes this morning's hearing.

I would like to remind all members that our next hearing is going to be on March 2 at 9:30 a.m. in 2359 Rayburn with the secretary of veterans' affairs, Bob McDonald.

So thank you all for your testimony. Appreciate it. And I think we want to do some pictures.

So this meeting is adjourned.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Department of Defense Schools

The Department of Defense has committed to recapitalizing more than half of the 192 schools over the next five years.

Question: What is your assessment of the impact that this initiative will have on the quality of life for military families?

Answer: The Army benefits greatly from the Department of Defense Education Activity (DoDEA's) commitment to ensure that our school-aged children are provided a high quality education that prepares them well for postsecondary education and/or successful careers. This commitment has contributed and will continue to contribute greatly to the quality of life for our military families and to the overall readiness of the Army.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Department of Defense Schools

Question: Do any of you have any personal experiences with worn-down DOD school facilities that need to be replaced?

Answer: Yes, I have seen worn-down DoD school facilities in my career. However, I am very pleased with the current DoD military construction program that will recapitalize 134 DoD facilities that are in poor or failing condition.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Department of Defense Schools

Question: Is the education of special needs children being addressed in each of the Services adequately? If not, please provide some examples for the Committee.

Answer: Yes, the education of the special needs children of Army Families is being adequately addressed. In accordance with applicable state and federal laws, Army Families receive assistance from school support specialists and Exceptional Family Member Program managers who assist them in accessing resources in their schools, military installation and local communities.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Barracks & Dormitories

Question: In the last few years, there seems to be a growing concern with unaccompanied housing. What does your individual Service plan to do about the quality of barracks or dormitories, and when do you anticipate completion of an upgrade program?

Answer: All Permanent Party Unaccompanied Personnel Housing Soldiers are housed in facilities that have a quality rating of good or adequate. Sustainment Restoration and Modernization funding is utilized to maintain quality standards in all enduring facilities.

The Army has a Training Barracks buyout program that is expected to be completed by end of Fiscal Year 2022. Currently 76 percent of training barracks in the Army have a quality rating of good or adequate. A total of \$675 million (Operations and Maintenance, Army and Military Construction, Army) is programmed to complete the buyout. Once complete, 100% of training barracks will be good or adequate.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Barracks & Dormitories

Question: What is the current percentage of inadequate housing for unaccompanied or single soldiers/sailors?

Answer: There are no Permanent Party (PP) Soldiers living in inadequate PP Unaccompanied Personnel Housing (UH) at Army Installations world-wide. Within the PP UH inventory, 17 percent are rated either poor or failure. Due to force structure reductions, these facilities are excess and not used to house PP Soldiers and will be repurposed, mothballed, and/or demolished.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Barracks & Dormitories

Question: Do the Services have initiatives underway to provide adequate housing for unaccompanied soldiers?

Answer: All Permanent Party Unaccompanied Personnel Housing Soldiers are housed in facilities that have a quality rating of good or adequate. While there are no initiatives specifically focused on unaccompanied housing, sustainment restoration and modernization funding is utilized to maintain quality standards in all enduring facilities.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Barracks & Dormitories

Question: With end strength levels coming down, how will this affect planned barracks and dormitories?

Answer: Due to force structure reductions, the Army has excess Permanent Party (PP) Unaccompanied Personnel Housing (UH) spaces at most installations in the United States. These excess facilities, not used to house PP Soldiers, will be repurposed, mothballed, and/or demolished. There are no PP UH barracks projects in the Future Years Defense Program.

[Questions for the Record submitted by Congressman Dent to Command Sergeant Major Daniel A. Dailey follows:]

Family Housing

Question: How many families in your branch are still living in inadequate housing, and when do you expect to complete all the construction to eliminate this deficit?

Answer: This response applies only to the Army owned housing inventory; all privatized housing is considered to be adequate.

In Fiscal Year 2016, there are about 525 military Families living in Army-owned Family housing, world-wide, that the Army considers to be inadequate Q3/Q4 (Poor/Failure). Most of these units are considered to be inadequate because of size. The Office of the Secretary of Defense has set a goal for adequate housing of 90% of the owned inventory and the Army will exceed this goal in 2019. No military Family is ever forced to live in inadequate housing.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Family Housing

Question: With housing privatization well on its way, service members are more dependent than ever before on the Basic Allowance for Housing (BAH). The Department has decreased the BAH to 95% - does this adequately cover housing costs? As a result of the decrease what out-of-pocket expenses are the soldiers, sailors and airmen having to cover?

Answer: The Army's Residential Communities Initiative (RCI) partners are currently absorbing the 2 percent reduction without passing on costs to Service members through reduction of administrative costs that are transparent to the Service member. Therefore, BAH does adequately covers costs in the privatized inventory. If BAH reductions continue, Service members on-post will likely see a reduction in preventive maintenance, longer waits for maintenance and repair, and charges for those services which are outside the BAH coverage (lawn maintenance, quarters cleaning, use of community centers, etc.). In addition to the direct impact on Soldier quality of life, the Army estimates that the reinvestment accounts designed to recapitalize the RCI projects over time will be reduced by 45 percent as a result of the reduction of BAH by 5 percent

Seventy percent of the Army's Soldiers live off-post. These Soldiers and Families are feeling the impacts of the 2 percent reduction and are either paying out-of-pocket, choosing to live further from the installation, or accepting a lower housing standard.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Operations Tempo

Question: What is your assessment of the impact that current and past operations tempo, including how it compares to the ideal deployment-to-dwell time, has on service members and the families?

Answer: The Army has not identified a problem. However, we are closely monitoring the readiness of the force through regular visits with units preparing for, recovery from, and participating in operations coupled with routine reviews of indicators. The review of indicators includes: monthly strategic readiness updates; monthly medical readiness reviews (up from 73 percent in 2012 to 83 percent of the force medically ready in 2016); monthly Sexual Harassment and Response Prevention, suicide, and safety trends; quarterly reviews of discipline trends; and quarterly reviews on recruitment and retention metrics.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Operations Tempo

Question: With the changes in force structure on the horizon do you believe that a strain on the force is imminent with the potential of increased deployments due to fewer soldiers, sailors and airmen?

Answer: Yes, absent a dramatic change in the current security environment and decline in Combatant Commands requirements to provide rotational forces while meeting emergent demands, continued reductions in force structure coupled with a lack of consistent and predictable funding from Congress will strain our ability to rebuild readiness over time.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Operations Tempo

Question: The fiscal year Presidential budget submissions have contained proposals that introduce new enrollment fees and higher deductibles for TRICARE Standard/Extra, new enrollment fees for retirees 65 and older and increases pharmacy co-pays to name a few examples. The fiscal year 2016 budget submission proposes to consolidate TRICARE healthcare plans with altered deductibles/co-pays to encourage beneficiaries to seek care that will overall improve the continuity of care i.e. active duty can use local healthcare for wellness visits. How will these proposed increases and the ability for soldiers to use local healthcare be received by your soldiers and their families? Do you believe the increase in co-pays is necessary and affordable?

Answer: I believe Soldiers, Family members, and Retirees should continue to receive appropriate medical care at the medical treatment facilities at no cost. Family Members and Retirees have an option to enroll in a self-managed option, which allows for provider choice with modest co-pays. Our Medical Treatment Facilities will continue to provide high-quality healthcare to our military Family, and we expect the majority of the Active Duty Families to remain enrolled with the military treatment facilities.

However, I do not believe that increased co-pays is necessary or affordable, especially in light of pay raises that have fallen below the employment cost index and other measures focused on reducing personnel costs that are borne by Army Families. I believe that cost savings should and can be found internal to Tricare in order to prevent increased costs to Soldiers, Family members, and Soldiers for Life.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Additional Round of BRAC

A request to authorize a new round of BRAC in 2019 is included in the fiscal year 2017 budget submission. Previous requests for BRAC have been unanimously rejected by the Congress.

Question: With proposed force structure reductions and consolidation of infrastructure, do you believe a new round of BRAC is necessary?

Answer: Yes, the Army supports another round of BRAC. A BRAC round would save significant resources in the intermediate or long term, and facilitate implementation of necessary organizational reforms, to include those recommended by the National Commission on the Future of the Army. With recent Army force structure drawdowns, our analysis indicates a Total Army of 980,000 Soldiers will carry over 170 million square feet of excess capacity (21 percent), with an annual cost of more than \$500 million. This is a needless burden that we cannot bear indefinitely. The Army must be able to eliminate permanent infrastructure requirements to avoid wasting resources operating partially filled installations -- resources that are better spent on readiness and modernization. The longer we wait, the worse the financial pressures become, which will push the Army out of balance.

In addition to the Active Component's need for BRAC, the Reserve Components can benefit from an opportunity to consolidate outdated facilities into locations with more ideal recruiting demographics for recruiting and retention. This would benefit Soldiers with modern training and maintenance facilities, which can be shared with other Joint Reserve Components.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Additional Round of BRAC

Question: If so, please be specific as to why it is needed and what the criteria should include when evaluating a facility.

Answer: BRAC provides the only fair, objective, and comprehensive process to close a few lower military value installations and realign remaining missions to higher military value locations. This allows the Army to permanently and significantly eliminate reoccurring installation overhead expenses.

While Congress will be able to shape future BRAC criteria, we believe it should be based on a meticulous, objective, and well-documented analysis, with a focus on reducing capacity, not capabilities. The Army intends to continue to use military value as the primary consideration and treat all bases equally using an approved force structure plan and statutory selection criteria to develop recommendations that would be reviewed by an independent Commission. The Commission's decisions would then be reviewed by the President and Congress on an "all-or-nothing" basis to prevent partisan politics from determining the outcome.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Question: What particular initiatives are you focusing on as Command Sergeant Major

Answer: My initiatives as the Sergeant Major of the Army focus on building and sustaining readiness and taking care of the Total Army and our Family members. It is imperative that the Army accurately identify and reduce the number of non-deployable Soldiers by ensuring that deployment readiness and medical readiness are nested and achieve the same goal. A smaller Army requires each person to be deployable; for every non-deployable service member retained, a deployable Soldier may be asked to leave. However, I must stress that we will not break faith with Soldiers and Families, and I will work to improve and to ensure the viability of a robust transition assistance program (Soldier for Life and closer coordination with the Veterans Administration).

I am committed to sustaining and modernizing the development of Noncommissioned Officers. A Noncommissioned Officer must possess knowledge, skills, and attributes that are agile and adaptable in order to effectively train and operate in today's complex environment. To achieve these developmental goals, the Army is expanding broadening assignments (such as Congressional Fellowships and Professorships at the United States Army Sergeants Major Academy); has transitioned to the Select, Train, Education, and Promote (STEP) model for promotions; is pilot testing the Master Leaders Course which will be required for promotion to Master Sergeant (E-8); and is working with the Department of Defense and Members of Congress to increase credentialing opportunities.

I am steadfast in my commitment to expand credentialing opportunities. An expanded credentialing program will increase educational access and reduce costs to service members, lower education costs to the Army, reduce unemployment compensation for former service members, and will provide America's hometowns with fully credentialed veterans that can immediately impact their communities.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Question: From your travels to Army installations what have you seen as the most pressing concerns of the soldiers and their families?

Answer: While the morale and dedication of our Soldiers continues to remain high, during my travels, Soldiers and Families have expressed a wide variety of concerns related to serving in the Army. For many, the biggest challenge is Family separation resulting from repeated deployments. For others, permanent changes of station and Family relocation provide a great deal of stress. This is especially true for Families with an “exceptional Family member.” Some Soldiers mention mission readiness and being properly equipped and trained to fight and win the nation’s wars as being of concern. For other Soldiers and Families, housing and availability of medical care are at the top of the list of entitlements to protect.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

Question: Have any new or unexpected issues been brought to your attention, in the past year?

Answer: I have not heard any new or unexpected issues in the past year, rather continued concern over decreasing or unpredictable entitlements.

[Questions for the Record submitted by Congressman Dent for Command Sergeant Major Daniel A. Dailey follows:]

In your testimony you state "After visiting and talking with thousands of Soldiers and their families in the last year, you believe that the quality of life for our Soldiers and their families is stressed."

Question: Can you provide some examples to the Committee as to why you believe that the quality of life for soldiers and their families is stressed.

Answer: General Milley identified readiness as the Army's number one priority. Mission uncertainty tends to be acceptable to Soldiers and, therefore, has minimal effect on individual readiness. However, uncertainty over possible changes to compensation and benefits, Family services, housing, and other programs exacerbates Soldier and Family stress. Uncertainty in these areas could generate stress, negatively impact morale and, consequently, readiness.

My biggest concern is the cumulative effects of budgetary decisions on Soldier and Family quality of life.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Barracks

Question: On that topic, what are some programs and areas that we can improve in the short term to help hold the line and benefit our sailors?

Answer: Budgetary challenges continue to place pressure on construction and recapitalization of Single Sailor Housing. Although we monitor barracks safety and prioritize funds for facilities most in need, we are not recapitalizing unaccompanied housing at the rate at which it is degrading. If we start planning to invest now in improvements in this area, the less costly it will be in the long run. It is my hope that Congress continues to provide the needed relief without needing to move money out of operational readiness accounts in the future.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Department of Defense Schools

The Department of Defense has committed to recapitalizing more than half of the 192 schools over the next five years.

Question: What is your assessment of the impact that this initiative will have on the quality of life for military families?

Answer: Quality K-12 education is a retention issue and very important to Navy families; high quality education requires high quality facilities for our military children and youth. Parents recognize that the new construction supports the overdue transformation of Department of Defense schools consistent with the 21st Century Education Initiative. Parents are excited about this initiative, built on a model to reinforce Science, Technology, Engineering and Math (STEM) curriculums, and to generate students who are competitive in the global world. Navy families appreciate the recapitalization plan and the Department of Defense dedication to provide quality education to their children.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Department of Defense Schools

Question: Do any of you have any personal experiences with worn-down DOD school facilities that need to be replaced?

Answer: The faculty and those who are involved with DoD schools across the Fleet are some of the most professional educators I have had the privilege to spend time with. The service members and families of those children who attend these schools have always expressed to me how satisfied they are with the education they receive. While I have not had any personal experiences in regards to worn-down DoD school facilities, it is my opinion that many of our DoD schools are in need of modernizations such as basic information technology updates, smart boards, wireless capabilities, laboratories, etc. I do believe the opportunity exists to evaluate our schools for those types of modernizations.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Department of Defense Schools

Question: Is the education of special needs children being addressed in each of the Services adequately? If not, please provide some examples for the Committee.

Answer: Navy families have a good experience with the Department of Defense Schools delivery of special education support. The Department of Defense Schools follows requirements of the Individuals with Disabilities Education Act to improve educational outcomes for military associated students. Additionally, for students attending Department of Defense Schools, the Navy provides support to families with children have special education needs through the Exceptional Family Member Program, Educational and Developmental Intervention Services, and K12 Special Education System Navigation provided by Navy Child and Youth Programs.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Barracks & Dormitories

Question: In the last few years, there seems to be a growing concern with unaccompanied housing. What does your individual Service plan to do about the quality of barracks or dormitories, and when do you anticipate completion of an upgrade program?

Answer: Budgetary challenges continue to place pressure on construction and recapitalization of Single Sailor Housing. Although we monitor barracks safety and prioritize funds for facilities most in need, we are not recapitalizing unaccompanied housing at the rate at which it is degrading. However, in FY16, I am pleased to report that Navy did complete our Homeport Ashore initiative to house single shipboard Sailors ashore when in their ship is in homeport. We also continue to work towards achieving the Office of the Secretary of Defense (OSD) adequacy goal of 90% "Adequate" for permanent party barracks. Within today's fiscal constraints, this effort will continue for over a decade. Our 2017 budget requests a recapitalization project to support Fleet Sailors temporarily assigned to the Portsmouth Naval Shipyard. In addition, we plan to renovate four barracks in FY 2017 at the following locations: Naval Support Activity Panama City, FL; Joint Expeditionary Base Little Creek – Fort Story, VA; Naval Medical Center Portsmouth, VA; and Naval Air Station Corpus Christi, TX.

[Questions for the Record submitted by Congressman Dent for
Master Chief Petty Officer Michael D. Stevens follows:]

Barracks & Dormitories

Question: What is the current percentage of inadequate housing for unaccompanied or single soldiers/sailors?

Answer: At the end of FY15, approximately forty (40) percent of the unaccompanied housing (Barracks and Dormitories) were identified as inadequate. The Navy continues to manage housing for our unaccompanied Sailors within today's fiscal constraints by carefully monitoring the safety of our barracks and prioritizing funds for the buildings in the worst condition.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Barracks & Dormitories

Question: Do the Services have initiatives underway to provide adequate housing for unaccompanied soldiers?

Answer: Yes, the Navy develops an Unaccompanied Housing recapitalization plan annually to monitor our progress towards achieving the DOD adequacy goal and prioritize our investments for unaccompanied Sailors. Our 2017 budget request includes a recapitalization project to support Fleet Sailors temporarily assigned to the Portsmouth Naval Shipyard. In addition, we plan to renovate four barracks in FY 2017 at the following locations: Naval Support Activity Panama City, FL; Joint Expeditionary Base Little Creek – Fort Story, VA; Naval Medical Center Portsmouth, VA; and Naval Air Station Corpus Christi, TX.

[Questions for the Record submitted by Congressman Dent for
Master Chief Petty Officer Michael D. Stevens follows:]

Barracks & Dormitories

Question: With end strength levels coming down, how will this affect planned barracks and dormitories?

Answer: As there are currently deficits in present accommodations, there will be no effect on planned barracks and dormitories.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Family Housing

Question: How many families in your branch are still living in inadequate housing, and when do you expect to complete all the construction to eliminate this deficit?

Answer: Family Housing supports Navy Readiness by providing Sailors and their families with suitable, affordable, and safe environments in Navy-owned/leased, privatized or community housing. OSD's goal is for 90% of each Service's family housing inventory to achieve a rating of 80 out of 100 on the condition index; 75% of Navy's family housing inventory achieves a rating of 80 or higher. The majority of Navy's inadequate inventory is family housing units transferred from Air Force to Navy when Guam became a Navy-led joint region. At current funding levels, Navy will meet the OSD 90% benchmark in FY21. Currently, there are 1,364 inadequate homes occupied with 1,291 of these homes classified as "Poor" with a Facility Condition Index (FCI) between 79-60 (100 scale) and 73 are classified as "Failing" with a FCI of less than 60.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Family Housing

Question: With housing privatization well on its way, service members are more dependent than ever before on the Basic Allowance for Housing (BAH). The Department has decreased the BAH to 95% - does this adequately cover housing costs? As a result of the decrease what out-of-pocket expenses are the soldiers, sailors and airmen having to cover?

Answer: BAH currently covers 98 percent of housing costs, with a planned gradual reduction to 95 percent by Fiscal Year 2019. BAH can adequately cover housing costs, depending on where the service member chooses to reside. While nearly all housing costs are covered by BAH, any additional reductions will further decrease a Sailor's overall "buying power."

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Operations Tempo

Question: What is your assessment of the impact that current and past operations tempo, including how it compares to the ideal deployment-to-dwell time, has on service members and the families? [Q]With the changes in force structure on the horizon do you believe that a strain on the force is imminent with the potential of increased deployments due to fewer soldiers, sailors and airmen?

Answer: Extremely high OPTEMPO, extended deployment lengths, and unpredictable schedules have historically had a negative impact on retention. Analysis shows that as we reduce the number of ships available to deploy without reducing global commitments, the average length of time deployed for the ships remaining increases. As a result, this requires service members to spend greater time away from their homeports and families. Although many factors play a role in retention rates, and it is difficult to make a direct correlation, it is logical to assume that longer deployments negatively impact retention rates.

To mitigate these effects, the Optimized Fleet Response Plan (OFRP) aligns resources and processes for readiness generation to improve efficiency, while balancing operational availability with the need to protect the long term health of the force. Part of OFRP is the institutionalization of set deployment lengths (six to seven months, depending on the particular platform). As the Navy continues to implement OFRP, Sailors and their families will experience greater stability and predictability.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Operations Tempo

Question: With the changes in force structure on the horizon do you believe that a strain on the force is imminent with the potential of increased deployments due to fewer soldiers, sailors and airmen?

Answer: Navy force structure, with the exception of a few force elements, is relatively stable, and in certain cases, is increasing. The Navy's supply-based force generation model provides predictable and consistent levels of presence. The Optimized Fleet Response Plan (OFRP) aligns resources and processes for readiness generation to improve efficiency, while balancing operational availability with the need to protect the long term health of the force. Part of OFRP is the institutionalization of set deployment lengths (six to seven months, depending on the particular platform). As the Navy continues to implement OFRP, Sailors and their families will experience greater stability and predictability.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

TRICARE

Question: The fiscal year Presidential budget submissions have contained proposals that introduce new enrollment fees and higher deductibles for TRICARE Standard/Extra, new enrollment fees for retirees 65 and older and increases pharmacy co-pays to name a few examples. The fiscal year 2016 budget submission proposes to consolidate TRICARE healthcare plans with altered deductibles/co-pays to encourage beneficiaries to seek care that will overall improve the continuity of care i.e. active duty can use local healthcare for wellness visits. How will these proposed increases and the ability for soldiers to use local healthcare be received by your soldiers and their families? Do you believe the increase in co-pays is necessary and affordable?

Answer: The intent of the TRICARE proposals contained in the fiscal year 2017 budget submission is to modernize the health benefit to support military readiness, provide beneficiaries choice and increase access to care, while still containing costs for the Department of Defense. Unlike the 2016 proposal to consolidate TRICARE health plans, the current proposal maintains two health plan options: managed-care (similar to TRICARE Prime) and self-managed care (similar to TRICARE Standard/Extra).

Under the current proposal, active duty service members will continue to receive priority for the high-quality care provided within our military Medical Treatment Facilities (MTFs) and be referred to a civilian health care provider when appropriate and without any cost-sharing requirements. Non-active duty beneficiaries will be empowered to select a health benefit plan that best meets their needs and can opt for an integrated health care delivery system and network, or seek care from providers of their choice through a less restrictive option.

The moderate adjustments to the participation fees, deductibles, cost-sharing, and the catastrophic cap are designed to create an economic advantage for the direct care system (the managed care benefit option) while not creating a cost-prohibitive barrier for beneficiaries seeking increased provider choice. In comparison, the proposed cost-sharing amounts are equal to or well-below other federal health care programs and commercial health insurance payers. The increase in co-pays also attempt to make a sensible update to beneficiary out-of-pocket costs, reduce risk to Military Service accounts, and aid in the financial stability of the Military Health System.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Additional Round of BRAC

A request to authorize a new round of BRAC in 2019 is included in the fiscal year 2017 budget submission. Previous requests for BRAC have been unanimously rejected by the Congress.

Question: With proposed force structure reductions and consolidation of infrastructure, do you believe a new round of BRAC is necessary?

Answer: The Department of the Navy supports the Administration's request for a new round of BRAC. Although the Navy has not had the force structure reductions that have been seen by the Army and Air Force since the last BRAC round in 2005 we would use the BRAC process to ensure our infrastructure is optimally aligned to support the force structure and the associated mission capability requirements. Today's fiscal environment demands that we consolidate facilities and divest excess infrastructure in order to reduce the costs ashore and free up resources to support warfighting capabilities. The BRAC process offers the best opportunity to objectively assess and evaluate opportunities to properly align our domestic infrastructure with our evolving force structure and laydown.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Additional Round of BRAC

Question: If so, please be specific as to why it is needed and what the criteria should include when evaluating a facility.

Answer: The Navy fully supports the Administration's request to authorize a round of BRAC in 2019. Today's fiscal environment demands that we divest excess infrastructure to reduce the costs ashore and free up resources to support warfighting capabilities. The Department of the Navy believes the BRAC process offers the best opportunity to objectively assess and evaluate opportunities to properly align our domestic infrastructure with our evolving force structure and laydown.

Facilities would be evaluated based on their military value. Specifically:

- (1) Their ability to support the current and future mission capabilities and their impact on operational readiness of the total force of the Department of Defense, including the impact on joint warfighting, training, and readiness;
- (2) The availability and condition of land, facilities, and associated airspace (including training areas suitable for maneuver by ground, naval, or air forces throughout a diversity of climate and terrain areas and staging areas for the use of the Armed Forces in homeland defense missions) at both existing and potential receiving locations;
- (3) The ability to accommodate contingency, mobilization, surge, and future total force requirements at both existing and potential receiving locations to support operations and training; and,
- (4) The cost of operations and the manpower implications.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Question: What programs are currently in place or are planned for the professional development of sailors?

Answer: Programs currently in place for the professional development of Sailors are:

- Chief Petty Officer (CPO) 365 Training
- The Command Career Counselor Course along with the First Term Success Workshop and Command Development Training
- The Instructor Development Continuum which includes
 - Workspace Trainer (TBD FY17)
 - Navy Instructor Training Course (training path for Navy Enlisted Classification 9502)
- Officer Leader Development (required at positional milestones)
 - Division Officer Leadership Course (currently available, but will change to a different format in the near future)
 - Department Head Leadership Course
 - Prospective Executive Officer Leadership Course
 - Prospective Commanding Officer Leadership Course
 - Major Command Leadership Course
 - Sequential Major Command Course
 - Advanced Officer Leadership Course
 - Naval Leadership and Ethics Center (NLEC) alumni support
- Enlisted Leader Development (required at rank progression milestones and delivered at the command level by command trainers)
 - Petty Officer Selectee Leadership Course
 - Petty Officer Second Class Selectee Leadership Course
 - Petty Officer First Class Selectee Leadership Course
 - Chief Selected Leadership Course
 - Chief's Mess Training
 - Senior Enlisted Academy
 - Command Master Chief/Chief of the Boat Course
 - Fleet Chief Petty Officer Training Team
 - MCPON Executive Leadership Symposium
- Command Managed Equal Opportunity (CMEO) Manager (addresses all equal opportunity and sexual harassment issues). CMEO course supports the collateral duty requirement. The CMEO is supported by Immediate Superior In Command's Command Climate Specialist.
- Drug and Alcohol Program Advisor (DAPA) Course supports the DAPA collateral duty requirement. Fleet facing component of the Navy Drug and Alcohol Program.

Programs currently planned for the professional development of Sailors are:

- LifeSkills Course – Combines our current Personal Financial Management, Navy Military Training and Bystander Intervention Training into one comprehensive course. Implementation set for 28 Mar 16 for all new, post-recruit training, technical-training schoolhouses.
- Reserve non-commissioned unit Personal Qualification Standard (PQS) for command
- Intermediate Leadership Course – will replace Department Head Leadership course
- Primary Leadership Course – will replace Division Officer Leadership course

The Type Commanders (TYCOMs) will assume responsibility for delivery of Primary and Intermediate Leadership courses, while NLEC will maintain control of the core content.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Question: What programs does the Navy currently have in place to assist sailors or other members of the military with substance abuse issues or destructive decisions?

Answer: The Navy Alcohol and Drug Abuse Prevention Office implements a comprehensive, science-based prevention program, consisting of Sailor education, prevention awareness, advocacy, trend analysis/threat assessment and intervention. Our messaging continuously promotes responsible use of alcohol for those of legal age and reinforces healthy alternatives to using alcohol while off-duty.

Navy's policy on drug abuse and misuse is "zero tolerance." Detection, deterrence and prevention, are key elements in combating drug abuse. We conduct frequent random urinalysis on illegal and illicit drugs to deter drug abuse. Our drug prevention efforts serve as a platform to educate on the health, career, and safety risks associated with abusing drugs.

Navy substance abuse prevention is supported by extensive treatment programs. Our Substance Abuse Rehabilitation Program (SARP) provides diagnostic evaluations, evidence-based treatment and rehabilitation services across the following levels of care:

- Level 0.5, Early Intervention/Education Program (IMPACT);
- Level I, Outpatient Treatment;
- Level II, Intensive Outpatient/Partial Hospitalization;
- Level III, Residential Treatment; and
- Level IV, Medically Managed Intensive Inpatient Treatment

Following completion of treatment, SARP uses an innovative information technology approach throughout the world (Navy My Ongoing Recovery Experience (MORE)) and continuing care to continue supporting those in recovery.

Education, accountability, and command climate are keys to curbing these destructive behaviors. Our goal is to provide Sailors with the support network, health care, and skills needed to overcome adversity and to make responsible, well informed decisions.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Question: Can you please provide the Committee the status of Navy barracks and other quality of life facilities on Navy installations.

Answer: Navy has approximately 17,500 facilities that support Sailor and Family Readiness, which includes unaccompanied housing. The average age of these facilities is 33 years, and they have an average condition of “80” on the 100-point Facility Condition Index. We continue to work towards achieving the Office of the Secretary of Defense (OSD) adequacy goal of 90% “Adequate” permanent party barracks. At current funding levels, the Navy will not meet OSD’s goal and the overall condition of Navy’s unaccompanied housing inventory remains at status quo. Navy is managing our unaccompanied housing inventory within fiscal constraints and critical repairs are conducted to ensure units meet health/safety standards for our Sailors.

[Questions for the Record submitted by Congressman Dent for Master Chief Petty Officer Michael D. Stevens follows:]

Your statement says "As we prioritize military construction projects to enable operational readiness, we have difficulty meeting the requirements for infrastructure - such as barracks, administrative buildings and research and development facilities."

Question: Please provide some examples of administrative buildings and research and development facilities that remain a challenge for the sailors who rely on shore installations to provide support for the mission.

Answer: In order to resource critical warfighting readiness and capabilities, Navy continues to take a deliberate level of risk in shore infrastructure investment and operations. This risk includes funding for facilities sustainment, restoration and modernization (FSRM). When restoring and modernizing infrastructure, we prioritize life/safety issues and focus on repairing only the most critical components of our mission-critical facilities. As an example, Naval Air Station Oceana, Building B420 is the home of Naval Education and Training Command's Center for Naval Intelligence, providing the majority of basic and specialized intelligence training for the Navy, Marine Corps, Coast Guard, U.S. civilian, and foreign naval personnel. This building has heating, ventilating, and air conditioning issues that have caused training disruptions during outages and subsequent repairs. By deferring less critical repairs, especially for facilities not directly tied to the Department of the Navy's warfighting mission, we allow certain facilities to degrade and accept that our overall facilities maintenance backlog is increasing. We acknowledge that this backlog must eventually be addressed. While these situations are not ideal, and may present challenges for Sailors, they are necessary in today's fiscal environment.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Department of Defense Schools

The Department of Defense has committed to recapitalizing more than half of the 192 schools over the next five years.

Question: What is your assessment of the impact that this initiative will have on the quality of life for military families?

Answer: Improved facilities and a shift towards technology-enabled facilities will provide students enrolled in DoD schools the opportunity to have a positive and empowering learning experience.

Over the next three years, 11 new schools will be opening at Marine Corps installations MCAS Beaufort, MCAS Iwakuni, Camp Lejeune-New River, Camp Butler and Quantico. The impact on families with school-age military dependents will be realized through student success in these improved facilities. According to a review of scholarly literature by the US Department of Education (DoE), improved facilities have a positive impact on student health, behavior, concentration, and achievement. Additionally, teacher efficacy, morale, and job satisfaction is improved, which impacts the students' experience.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Department of Defense Schools

Question: Do any of you have any personal experiences with worn-down DOD school facilities that need to be replaced?

Answer: We have a very robust process in place to ensure quality school facilities for our military dependent children. The Marine Corps works closely with the Department of Defense Education Activity (DoDEA) Military Construction program to conduct routine monitoring of school facilities, ensuring that renovations and building replacements are proactively incorporated into the budget far in advance. Current MILCON budgets reflect revision on numerous facilities through FY2021.

Twice a year, the Dependent's Education Counsel (DEC) facilitates collaboration between the services and DoDEA regarding the planned MILCON projects to ensure that these projects meet the needs of the DoD schools located at the installations.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Department of Defense Schools

Question: Is the education of special needs children being addressed in each of the Services adequately? If not, please provide some examples for the Committee.

Answer: Ensuring a quality education for our special needs students is a top priority for the Marine Corps. DoD schools abide by all federal requirements such as the Individuals with Disability Education Act (IDEA). In addition to ensuring that the parents of students with special needs are assigned to locations that have the appropriate education services based on the Individual Education Plans (IEP) and 504 Plans of these students, the Marine Corps supplements school services by providing services such as counselling and respite care as needed.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Barracks & Dormitories

Question: In the last few years, there seems to be a growing concern with unaccompanied housing. What does your individual Service plan to do about the quality of barracks or dormitories, and when do you anticipate completion of an upgrade program?

Answer: Under the Commandant of the Marine Corps Bachelor Housing Military Construction Redline Initiative, the Marine Corps executed or is in the process of executing over \$2.6B in funding from FY08 to FY15 to construct approximately 151 new unaccompanied housing facilities. We have also renovated 232 unaccompanied housing facilities under the Facilities Sustainment, Restoration, and Modernization program during that same time period in order to improve the Quality of Life for our unaccompanied Marines. In FY16, the Marine Corps has programmed an additional \$112 million, which will provide new barracks at MCB Hawaii and MCB Quantico.

The Marine Corps will meet the DoD goal of 90% adequacy worldwide by the end of FY17, which is also when all of our MILCON projects for unaccompanied housing will be complete. However, we will continue to assess unaccompanied housing facilities, and program for the continued sustainment and restoration of our unaccompanied housing facilities as needed to ensure that we are continually providing quality housing to our unaccompanied Marines.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Barracks & Dormitories

Question: What is the current percentage of inadequate housing for unaccompanied or single soldiers/sailors?

Answer: All of our permanent party unaccompanied housing facilities meet, at a minimum, the very basic habitation standards. At the end of FY 2015, approximately 10% of our unaccompanied housing inventory had a Q3 (poor) rating, and there were no unaccompanied housing facilities with a Q4 (failing) rating. Condition assessments of these facilities are being scheduled over the next 3 years, and recapitalization projects will be programmed based on the results of the assessments.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Barracks & Dormitories

Question: Do the Services have initiatives underway to provide adequate housing for unaccompanied soldiers?

Answer: Yes, under the Commandant of the Marine Corps (CMC) Bachelor Housing Military Construction Redline Initiative, the Marine Corps executed, or is in the process of executing over \$2.6B in funding from FY08 to FY15 to construct approximately 151 new unaccompanied housing facilities. We have also renovated 232 Unaccompanied Housing facilities under the Facilities Sustainment Restoration and Modernization Program during that same time period in order to improve the Quality of Life for our unaccompanied Marines. In FY16, the Marine Corps has programmed an additional \$112 million which will provide new barracks at Marine Corps Base (MCB) Hawaii and MCB Quantico.

The Marine Corps will meet the DoD goal of 90% adequacy worldwide by the end of FY17, which is also when all of our MILCON projects for Unaccompanied Housing will be complete. However, we will continue to assess Unaccompanied Housing facilities, and program for the continued sustainment and restoration of our Unaccompanied Housing facilities as needed to ensure that we are continually providing quality housing to our unaccompanied Marines.

[Questions for the Record submitted by Congressman Dent for
Sergeant Major Ronald L. Green follows:]

Barracks & Dormitories

Question: With end strength levels coming down, how will this affect planned barracks and dormitories?

Answer: The Marine Corps continually assesses housing requirement projections to ensure that sufficient housing is available where needed. As military forces draw down, older unaccompanied housing facilities that are no longer required or have reached their economic life will either be repurposed or demolished.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Family Housing

Question: How many families in your branch are still living in inadequate housing, and when do you expect to complete all the construction to eliminate this deficit?

Answer: From the over 24,000 homes in our family housing inventory, approximately 337, or one percent, of Marine Corps owned or leased homes are considered inadequate. Of these, 61 are in government owned homes at Marine Corps Air Station Iwakuni, Japan, where the homes will all be renovated by the end of FY17. The remaining 276 families are in housing that were originally part of a Section 802 lease, but were incorporated in a Public Private Venture (PPV) housing project in September 2015 and are now scheduled for demotion and replacement by FY19.

Housing privatization uses a different rating system from our other facilities for determining the condition of the homes. Under that system, none of the homes are classified as inadequate. However, we are tracking 800 homes at Marine Corps Base Camp Pendleton and Marine Corps Air Station Cherry Point which were determined to be inadequate when they were privatized and have not yet been renovated or replaced. Approximately 368 of these homes are pending demolition or replacement. Concessions are being offered on the remaining 432 homes, which are pending recapitalization as funds become available. Most of these homes, though livable, do not meet current Marine Corps size and/or adequacy standards.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Family Housing

Question: With housing privatization well on its way, service members are more dependent than ever before on the Basic Allowance for Housing (BAH). The Department has decreased the BAH to 95% - does this adequately cover housing costs? As a result of the decrease what out-of-pocket expenses are the soldiers, sailors and airmen having to cover?

Answer: Service members live in privatized housing on many Department of Defense (DOD) installations. However, the vast majority of service members reside on the economy in private sector housing. DOD is aware of potential revenue decreases for privatized housing partners (PPV) and potential out-of-pocket costs for service members resulting from BAH decreases. DOD is currently working with PPV partners to adjudicate the issue.

Prior to FY15, BAH rates were based on rent, household utilities, and rental insurance. Beginning in FY15, BAH became based on the median cost of rent and household utilities with rental insurance being excluded as a cost in establishing BAH rates. Out-of-pocket BAH reductions began in FY15 and the out-of-pocket costs will slowly increase with BAH rates reflecting 95% of median rent and utility costs in FY19. However, BAH is not based on members actually incurring expenses for housing. We do not have data on what housing costs members incur except for those members living in privatized housing. Therefore we do not know whether members will actually incur out-of-pocket expenses and, if they do, what these expenses might be. Service members are aware that there will be a gradual increase in out-of-pocket housing expenses. Because the decreases in BAH are being gradually phased, members will be aware and able to make informed housing decisions.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Operations Tempo

Question: What is your assessment of the impact that current and past operations tempo, including how it compares to the ideal deployment-to-dwell time, has on service members and the families? [Q]With the changes in force structure on the horizon do you believe that a strain on the force is imminent with the potential of increased deployments due to fewer soldiers, sailors and airmen?

Answer: Regardless of the challenges we may face, the Marine Corps will continue to provide ready and responsive units to meet core and assigned missions in support of all directed current operational, crisis, and contingency requirements.

Over the last several years, the Marine Corps has sourced additional units to meet Geographic Combatant Commander emerging requirements. The aggregation of these deployments, coupled with changes to the global security environment, has created a demand/supply imbalance with respect to maintaining stated deployment-to-dwell goals.

Maintaining the readiness of our forward deployed forces during a period of high operational tempo amidst fiscal uncertainty, as well as a declining topline, comes with ever increasing operational risk, particularly to our non-deployed readiness and their ability to execute wartime missions, respond to unexpected crises, and surge for major contingencies.

If this cycle continues, deployment-to-dwell rates will continue to shrink and the stress on our operational forces will only grow, affecting Marines and, in particular, their families who, ultimately, must bear the burden of operating in this environment.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Operations Tempo

Question: With the changes in force structure on the horizon do you believe that a strain on the force is imminent with the potential of increased deployments due to fewer soldiers, sailors and airmen?

Answer: Regardless of the challenges we may face, the Marine Corps will continue to provide ready and responsive units to meet core and assigned missions in support of all directed current operational, crisis, and contingency requirements. However, maintaining the readiness of our forward deployed forces during a period of high operational tempo amidst fiscal uncertainty, as well as a declining topline, comes with ever increasing operational risk that must be addressed.

As the Nation's first responders, the Marine Corps' home-stationed units are expected to be at or near the same high state of readiness as our deployed units, since these non-deployed units will provide the capacity to respond with the capability required (leadership and training) in the event of unexpected crises and or major contingencies. To this end, the service is currently working on several readiness issues related to the more efficient management of manpower and equipment to improve home station readiness.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

TRICARE

Question: The fiscal year Presidential budget submissions have contained proposals that introduce new enrollment fees and higher deductibles for TRICARE Standard/Extra, new enrollment fees for retirees 65 and older and increases pharmacy co-pays to name a few examples. The fiscal year 2016 budget submission proposes to consolidate TRICARE healthcare plans with altered deductibles/co-pays to encourage beneficiaries to seek care that will overall improve the continuity of care i.e. active duty can use local healthcare for wellness visits. How will these proposed increases and the ability for soldiers to use local healthcare be received by your soldiers and their families? Do you believe the increase in co-pays is necessary and affordable?

Answer: The Marine Corps feels the reforms are necessary given the long-term fiscal realities within defense budget funding levels; we must balance the rate of growth in pay and benefit costs. The health benefit reform proposals help control cost while offering simplicity, choice and value for our beneficiaries. We are confident that we will continue to attract and retain highly qualified Marines, as the pay and benefit package is highly competitive in the labor market. We need to make sure that any changes do not overly burden our families with special needs children, active duty dependents, or retirees.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Additional Round of BRAC

A request to authorize a new round of BRAC in 2019 is included in the fiscal year 2017 budget submission. Previous requests for BRAC have been unanimously rejected by the Congress.

Question: With proposed force structure reductions and consolidation of infrastructure, do you believe a new round of BRAC is necessary?

Answer: While we do not believe we need to close any installations, the Marine Corps would comply with any BRAC legislation signed into law.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Additional Round of BRAC

Question: If so, please be specific as to why it is needed and what the criteria should include when evaluating a facility.

Answer: While we do not believe we need to close any installations, the Marine Corps would comply with any BRAC legislation signed into law.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Question: Sergeant Major Green, are there areas of inadequate family housing on your installations? If so, what needs to be done to improve family housing for soldiers and their families?

Answer: Yes, the Marine Corps does have inadequate family housing at some of our installations. We continue to address these inadequacies through current and planned renovation projects as well as through ongoing Public-Private Venture (PPV) phases and initiatives. Overall, Congress has been very supportive in funding quality-of-life initiatives aimed at renovating Marine Corps-owned homes, and in authorizing additional PPV phases aimed at privatizing inadequate homes for their ultimate demolition or replacement. Congress' continued support in approving requested Family Housing projects and initiatives is what is needed for the Marine Corps to continually improve the quality of housing that we provide to our Marines, Sailors and their families.

[Questions for the Record submitted by Congressman Dent for Sergeant Major Ronald L. Green follows:]

Question: The Marine Corps unfunded priorities list for fiscal year 2017 include two bachelor enlisted quarters (Yorktown and Camp Lejeune) and an enlisted dining facility and community building that were request in fiscal year 2015 but not provided because of the BBA. How are the lack of these projects affecting the quality of life of Marines?

Answer: We thank Congress for providing substantial MILCON funding from FY08–15. However, repeated cuts to MILCON funding, coupled with a decrease in maintenance on existing facilities, will reverse hard earned gains in infrastructure development. Reduced MILCON funding will lead to deferment of critical infrastructure to support training, operations, logistics, and quality of life.

Specifically for the three projects noted in the question, impacts to quality of life are as follows:

Barracks at Yorktown – Current facilities for Marine Corps Security Force Regiment throughout the Hampton Roads area are severely deteriorated and inadequate to meet mission requirements.

Barracks at Camp Lejeune - The current billeting for Fleet Medical Training Battalion East, warehouse, and maintenance shop facilities are 1940s-vintage buildings that require extensive maintenance and repair in order to continue operations.

Enlisted Dining Facility at Yuma – The existing facility is undersized to support the base population. Additionally, inadequate ventilation and air conditioning capacity in the dining room and food preparation areas results in temperatures exceeding, at times, 130 degrees Fahrenheit in the food preparation areas.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Department of Defense Schools

The Department of Defense has committed to recapitalizing more than half of the 192 schools over the next five years.

Question: What is your assessment of the impact that this initiative will have on the quality of life for military families?

Answer: Congressional appropriations in Fiscal Years 2012-2015 that the Department of Defense administered through the Office of Economic Adjustment, to provide assistance to local education authorities in renovating or replacing facilities they otherwise would not have the funds for, was a great benefit for our Airmen who have school-aged children. The Air Force alone has 7 public schools located on Air Force installations that were included in the initial 33 prioritized locations to receive these benefits. We eagerly look forward to the completion of the renovation and replacement projects as our Air Force families benefit tremendously by enhanced learning environments that accommodate appropriately sized classrooms in 21st century school facilities.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Department of Defense Schools

Question: Do any of you have any personal experiences with worn-down DOD school facilities that need to be replaced?

Answer: I currently do not have any experience with worn-down DOD schools. The DOD Schools I have personally seen or visited are in decent shape and the parents of our school children are overwhelmingly satisfied with the quality of the facilities and education.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Department of Defense Schools

Question: Is the education of special needs children being addressed in each of the Services adequately? If not, please provide some examples for the Committee.

Answer: Ensuring the children who have special needs receive quality support and education remains a challenge, as Airmen and their families relocate between the States and overseas locations. Our goal is to ensure our affected Airmen and dependents with special needs have equitable support with simplified and consistent processes to assist with the challenges they face.

The internal Air Force delivery of early intervention services, which drives education development related services, as prescribed by the Educational and Developmental Intervention Services (EDIS) program is currently provided through medical and Department of Defense Education Activity (DoDEA) functions. Recently, the Department of Defense hosted a rapid improvement event to determine the best way to synchronize activities and align them under the single function of DoDEA, with EDIS as an inherent educational function. We eagerly look forward to the implementation of the recommendation, which will ensure the greatest transparency to servicemembers and their special needs dependents.

In the United States, the majority of educational functions for special needs children are provided in concert by State established agencies and activities, as described in Individuals with Disabilities Education Act and codified in Title 20 United States Code. While the Military Interstate Children's Compact Commission has greatly aided in getting States to agree to standardized administrative procedures for military children who move around, Airmen who have special needs children still have repetitive challenges during relocation. For example, Airmen repeatedly have to re-establish individualized education plans with local schools and State provided services, procedures that are routinely different from State to State or vary from one duty location to another.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Barracks & Dormitories

Question: In the last few years, there seems to be a growing concern with unaccompanied housing. What does your individual Service plan to do about the quality of barracks or dormitories, and when do you anticipate completion of an upgrade program?

Answer: The Air Force is committed to providing quality living environments for unaccompanied Airmen. Our investments via military construction and the Dormitory Focus Fund in Fiscal Years 2010-2014 have resulted in 95% of the Air Force permanent party dormitory inventory being currently adequate. This year, if Congress supports the budget request, we will invest \$94 Million to build new training dormitories at Joint Base San Antonio – Lackland and Fairchild Air Force Base, Washington. We will also continue to utilize sustainment, restoration and modernization funding to maintain our dormitory inventory. Plans are underway to kick off a new Dormitory Master Plan in the near term to update facility condition assessments and inform future strategic planning efforts.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Barracks & Dormitories

Question: What is the current percentage of inadequate housing for unaccompanied or single soldiers/sailors?

Answer: Five percent of the total Air Force unaccompanied housing inventory, to include both permanent party and training facilities, is currently inadequate. There are approximately 5,500 inadequate beds out of the Air Force's total inventory of 96,300 beds. Of the 62,500 permanent party beds, 1,700 are inadequate. The Air Force is planning an update of the Dormitory Master Plan in the near term to update our facility condition assessments to inform our future strategic planning efforts.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Barracks & Dormitories

Question: Do the Services have initiatives underway to provide adequate housing for unaccompanied soldiers?

Answer: The Air Force is committed to providing quality living environments for unaccompanied Airmen. We use a comprehensive planning tool and the Dormitory Master Plan to establish requirements. This plan identifies dormitory conditions through physical assessments and categorizes deficiencies for investment through military construction, maintenance and repair, and divestiture in order to sustain adequate and suitable housing for our Airmen. An update to the Dormitory Master Plan is scheduled to begin in the near term.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Barracks & Dormitories

Question: With end strength levels coming down, how will this affect planned barracks and dormitories?

Answer: The Air Force's dormitory master planning efforts assess our projected requirement against our existing dormitory inventory to incorporate the impact of changing end strength levels and validate our planned dormitory investments. The Fiscal Year 2017 planned dormitory projects replace an aging basic military training facility and construct a required technical training facility. Fiscal Year 2017 planned construction will ensure appropriate requirements are met for current mission end strength levels.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Family Housing

Question: How many families in your branch are still living in inadequate housing, and when do you expect to complete all the construction to eliminate this deficit?

Answer: There are approximately 4,200 Air Force families living in inadequate, but safe and habitable, government-owned or privatized housing worldwide. The remaining inadequate privatized units are on schedule to be eliminated by the end of Fiscal Year 2019. The Air Force has planned a comprehensive investment strategy using family housing construction and operation and maintenance funds through the Future Years Defense Program and beyond to bring the required government-owned inventory up to adequate standards.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Family Housing

Question: With housing privatization well on its way, service members are more dependent than ever before on the Basic Allowance for Housing (BAH). The Department has decreased the BAH to 95% - does this adequately cover housing costs? As a result of the decrease what out-of-pocket expenses are the soldiers, sailors and airmen having to cover?

Answer: In an effort to slow the growth in compensation costs, the 2015 BAH for Housing program incorporated a change in BAH rates. Based on authority provided in the Fiscal Year 2015 and Fiscal Year 2016 National Defense Authorization Acts, a member cost-sharing element (out-of-pocket expense) of one percent was introduced into the housing allowance rates in 2015. This out-of-pocket expense will increase by one percent annually until it is capped at 5%. Thus, out-of-pocket expenses will be 2% in 2016, 3% in 2017, 4% in 2018 and 5% in 2019.

The out-of-pocket is administered using an absorption rate, which is computed to ensure members of a similar pay grade/dependent status pay the same amount out-of-pocket regardless of their location.

However, depending on members' actual housing choices, they may or may not have to pay out of pocket for housing. For example, in 2014, BAH increased by an average of 0.5% (inclusive of the NDAA reduction for 1% out-of-pocket cost and the elimination of renter's insurance from the rate calculation equation). In 2015, BAH rates increased an average of 3.4% (inclusive of the NDAA reduction of 2% out-of-pocket cost). Subsequently, if a service member chooses a more costly residence than the median, he or she will have greater out-of-pocket expenses. The opposite is true if a service member chooses to occupy a less costly residence.

We also have individual rate protection in place to prevent decreases in housing allowances as long as the status of a service member remains unchanged. Rate protection continues unless the status of a service member changes due to:

- Permanent Change of Station (PCS)
- Reduction in paygrade
- Change in dependent status

This ensures that members who have made long-term commitments in the form of a lease or contract are not penalized. Service members are entitled to the BAH rates published January 1st or the amount of housing allowance they received on December 31st, whichever is larger.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Operations Tempo

Question: What is your assessment of the impact that current and past operations tempo, including how it compares to the ideal deployment-to-dwell time, has on service members and the families? [Q]With the changes in force structure on the horizon do you believe that a strain on the force is imminent with the potential of increased deployments due to fewer soldiers, sailors and airmen?

Answer: The Air Force's capacity to reach the Secretary of Defense's goal of 1:2 deploy-to-dwell is dependent on both its end strength and the number of Airmen the Air Force must deploy (Operational Tempo).

The Air Force has recognized that the evolving geopolitical situation continues to place significant demands on the force and we recognize the increased strain this places on our Airmen. As a result, the Air Force halted the previous force reductions and has embarked on a growth strategy. Accordingly, during the Fiscal Year 2016 President's Budget request, the Air Force began to address key capability gaps in the nuclear, maintenance, cyber, intelligence, surveillance and reconnaissance and support career fields adding roughly 4,000 in end strength across these enterprises. As warfighter demands persist, the Fiscal Year 2017 budget cycle sought to carry forward Fiscal Year 2016 end strength levels of 317,000 to stabilize the force and posture for future manpower increases in order to address maintenance capacity shortfalls, additive F-35 beddowns, expanded training capacity requirements and systemic unit under-manning.

With our current manning levels and projected growth, we are working to address OPTEMPO concerns and other stressors. Currently, we have no entire career fields with less than a 1:2 median deploy to dwell rate. However, our Airmen continue to feel the strain as we provide the preponderance of combat force against our adversaries around the world.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Operations Tempo

Question: With the changes in force structure on the horizon do you believe that a strain on the force is imminent with the potential of increased deployments due to fewer soldiers, sailors and airmen?

Answer: The Air Force has recognized that the evolving geopolitical situation continues to place significant demands on the force and we recognize the increased strain this places on our Airmen. As a result, the Air Force halted the previous force reductions and has embarked on a growth strategy. Accordingly, in the Fiscal Year 2016 President's Budget request, the Air Force began to address key capability gaps in the nuclear, maintenance, cyber, intelligence, surveillance and reconnaissance and support career fields by adding roughly 4,000 end strengths across these enterprises. As warfighter demands persist, the Fiscal Year 2017 President's Budget request seeks to carry forward Fiscal Year 2016 end strength levels of 317,000 to stabilize the force and posture for future manpower increases to address maintenance capacity shortfalls, additive F-35 beddowns, expanded training capacity requirements and systemic unit under-manning.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

TRICARE

Question: The fiscal year Presidential budget submissions have contained proposals that introduce new enrollment fees and higher deductibles for TRICARE Standard/Extra, new enrollment fees for retirees 65 and older and increases pharmacy co-pays to name a few examples. The fiscal year 2016 budget submission proposes to consolidate TRICARE healthcare plans with altered deductibles/co-pays to encourage beneficiaries to seek care that will overall improve the continuity of care i.e. active duty can use local healthcare for wellness visits. How will these proposed increases and the ability for soldiers to use local healthcare be received by your soldiers and their families? Do you believe the increase in co-pays is necessary and affordable?

Answer: The TRICARE proposal in the Fiscal Year 2017 President's Budget submission will not change how military members access healthcare, and all active duty families will continue to have access to healthcare at no cost regardless of duty location when they select the managed care health plan option. For the small percentage of family members who select the TRICARE Choice health plan with modest co-pays, TRICARE will continue to be one of the best and most affordable health benefits in the United States, with lower out-of-pocket costs compared to other employers. The proposed plan's modestly higher deductibles and co-pays will encourage beneficiaries to select appropriate levels of care, at affordable locations such as Military Treatment Facilities.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Additional Round of BRAC

A request to authorize a new round of BRAC in 2019 is included in the fiscal year 2017 budget submission. Previous requests for BRAC have been unanimously rejected by the Congress.

Question: With proposed force structure reductions and consolidation of infrastructure, do you believe a new round of BRAC is necessary?

Answer: The Air Force strongly supports the Office of the Secretary of Defense's request for BRAC authority, as it will allow the Air Force to comprehensively and transparently align infrastructure to operational needs.

The Air Force estimates that we have 30 percent excess infrastructure capacity; we have more infrastructure than missions of today and tomorrow require. The Air Force has a widening gap between shrinking force structure and retained infrastructure capacity. Since the last round of BRAC, the Air Force has thousands fewer personnel and hundreds fewer aircraft in our planned force structure, yet we have not closed a single installation in the United States. Since the 1991 Gulf War, we have 60% fewer fighter squadrons (135 to 44) and 39% fewer military personnel. Ultimately, we are paying to retain more installations than we require, and BRAC is the most effective means by which the Air Force can reduce excess infrastructure.

The arguments against BRAC are that it costs too much, is too hard on communities, and that it doesn't consider the potential of future force structure growth. Regarding cost, the Air Force saves \$2.9 billion per year from the previous rounds of BRAC in aggregate. BRAC 2005 saves the Air Force \$1.0 billion every year. Regarding communities, not all communities lose in BRAC, some gain mission and benefit economically. At a 2015 Association of Defense Communities poll, 92% of community leaders believe that BRAC is a better alternative than the status quo and the possibility of hollowed out bases. Regarding future growth, the Air Force currently has approximately 30% excess infrastructure capacity and has no intention of eliminating all of it. Even at the height of recent force structure levels (the last 15 years), the Air Force has never dipped below 20% excess infrastructure capacity.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Additional Round of BRAC

Question: If so, please be specific as to why it is needed and what the criteria should include when evaluating a facility.

Answer: BRAC is the most effective means by which the Department of Defense can reduce costly excess capacity. It allows for a comprehensive and transparent process to consolidate and right-size our infrastructure to the needs of our force structure today and in the future. Without BRAC authority, the Air Force will continue to spend money maintaining excess infrastructure that would be better used to recapitalize and sustain our weapons systems, on readiness training, and on investing in Airmen quality of life programs.

The Secretary of Defense is responsible for establishing the goals of a BRAC round. In previous rounds of BRAC, goals focused on objective criteria emphasizing military value in the following categories: mission, contingency, mobilization, future force requirements, operational readiness and cost. Evaluations using these criteria were performed at the installation level, not the facility level.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Question: Chief Master Sgt. Cody, how is the declining budget impacting installation services and family programs? What adjustments to these services need to be done or have already been implemented?

Answer: Reduced funding to Air Force services and family programs has had a significant impact on sustaining installation services and family programs. Constrained funding contributed to the closure of 42 morale, welfare, and recreation (MWR) activities from Fiscal Year 2012 to Fiscal Year 2015. Additional MWR activity closures have been curtailed with MWR program restoration funding provided by Headquarters Air Force in Fiscal Year 2015.

To overcome the funding shortfall, Air Force Services has been transforming the delivery of programs and services to gain efficiencies. Some examples are included below:

1. A new "community commons" service delivery model was developed which merges three or four programs such as; Information, Tickets and Tours, Arts and Crafts, Outdoor Recreation, and Libraries with food and beverage operations to maximize foot traffic, reduce labor and optimize the facility footprint, into one location to better serve customers and gain resource efficiencies. To date, four community commons projects are complete with five more nearing completion.
2. Another initiative involves Air Force libraries. Three library service delivery models have been created including traditional, modified, and digital library services, so installation commanders can modify local operations based on the needs of the mission and local military community. All three library models include space for studying, home schooling and meetings. Over the next several years, the Air Force anticipates restoring library services to installations where the library has closed, utilizing one of these three models.
3. A third initiative underway is the Food Transformation Initiative (FTI). FTI has enhanced Airmen's lives by optimizing resources, consolidating facilities and creating synergy with non-appropriated fund activities through a campus dining program similar to what you see on many college campuses today. FTI has increased hours of operations, expanded venues, and incorporated greater menu variety which have resulted in an increase in dining facility utilization by 10% from the pre-FTI state.

The Air Force understands the importance of services and family programs as evidenced by the MWR funding restore in Fiscal Year 2015. Recognizing the need for transformation in an uncertain fiscal environment, the Air Force continually works to improve programs through a Total Force working group designed to review all readiness, resiliency and retention programs to ensure limited resources are directed to the most effective programs. However, MWR activity closures may occur if funding does not rise in future years.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Question: CMSAF Cody, you have been representing the finest enlisted Airmen in our Nation's history for the past couple years, thank you and your wife for your leadership and service. In all of your travels, what is the biggest concern you are hearing from the Airmen?

Answer: Athena and I travel nearly 300 days a year, most of which are spent visiting with and listening to our fine Airmen. In our discussions, their greatest concerns have consistently been the following:

1. **Compensation:** Our Airmen are concerned that today's fiscal challenges will be placed on their backs by way of cuts to their earned compensation. The collective impact of compensation discussions - including TRICARE, retirement modernization, pay raises, Basic Allowance for Housing, GI Bill benefits and more - have left many Airmen questioning their commitment to serve. Their continued commitment - despite these conversations - speaks to their character, passion and talent. We must always be thankful for their willingness to serve, but cannot take it for granted.
2. **Operations Tempo:** Over the last three years, our Air Force manning has decreased by nearly 24,000 Airmen. Yet our operations around the globe have remained steady, or escalated...they have not decreased along with manpower. Our Airmen are feeling the strain and continue to struggle to find the proper work-life balance they need to remain resilient for the long term.
3. **Support Facilities:** Due to the limited top-line budgets, the Air Force has had to defer maintenance and repair needs for many of our support and work facilities, including dormitories and overseas family housing. While we are slowly moving forward to eliminate the inadequate houses and dormitory facilities in our inventory, there is more we could do - given greater top-line budgets - to upgrade our support and work facilities and provide a greater quality of life benefit to our Airmen.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

In your statement you state "by employing increased accession and expanded retention programs, we will aim to meet manning levels to preserve A-10 and EC-130 capabilities while continuing to build the F-35 force, increase maintenance capacity and retain experience to improve readiness."

Question: Can you provide additional information on the accession and expanded retention programs?

Answer: The Air Force has shifted force management from a reduction focus to a growth posture to meet increased mission requirements. The plan to grow the force is deliberate, addressing mission and readiness demands and shaping the workforce to meet current and future mission and skill requirements. We are using the most direct way of growing the force, by increasing accession of enlisted Airmen entering basic military training. The Air Force has increased Fiscal Year 2016 enlisted accessions levels by over 7,000 from our Fiscal Year 2015 levels. We are also retaining experience through robust and expanded incentive programs, like Selective Reenlistment Bonuses (increased from 40 specialties in Fiscal Year 2015 to 117 in Fiscal Year 2016/17); bringing on prior service accessions; utilizing Reserve active duty tour opportunities; and implementing High Year of Tenure extensions (increased from 38 specialties in Fiscal Year 2015 to 122 in Fiscal Year 2016/17). These programs target our shortfalls across the board with specific emphasis on battlefield airmen, maintenance, intelligence, surveillance and reconnaissance, support, nuclear, Air Liaison Officer, intelligence, remotely piloted aircraft, pilots and cyber career fields.

[Questions for the Record submitted by Congressman Dent for Chief Master Sergeant James A. Cody follows:]

Question: Is this made more difficult by not being able to retire the A-10s?

Answer: Yes. The Air Force had anticipated shifting A-10 manpower to other airframes. As this did not materialize, we must continue to fill A-10 manpower requirements while sourcing additional manpower for new missions such as the F-35.

[Questions for the Record submitted by Congressman Rooney for Command Sergeant Major Daniel A. Dailey follows:]

Question: How do we ensure that funding for our military facilities keeps pace with funding for our technological developments?

Answer: Funding for military facilities that are related to readiness is a priority in the Army. The Army Facilities Standardization Program adapts facility requirements to new technologies. Some recent examples include the deployment of the Army's newest technological development in Unmanned Aerial Vehicles (UAVs). Army facilities standards were developed for the new hangars to support these UAVs and prioritized military construction projects developed Army-wide for the fielding of these units, including one for \$47 million in Fiscal Year 2017 at Fort Wainwright. Another example is the Non-commissioned Officers' Academy (NCOA) at Fort Drum. Through standardization, the Army is able to update the facilities standards for the NCOA to enhance both the quality of life for the students and maintain the highest standards for training readiness. The Army will continue to make improvements and modernize through the military construction programs and the Army Facilities Standardization Program to match readiness requirements with technological developments.

[Questions for the Record submitted by Congressman Rooney for Command Sergeant Major Daniel A. Dailey follows:]

Question: Would you say that with the troop drawdown, the military has consolidated and pulled back from areas of strategic geographical significance? And if so, how does that affect our troop's capability to respond to these threats?

Answer: The drawdown has caused the Army to adjust how we would normally posture our forces in order to avoid pulling back from strategically significant areas. The Army currently provides 186,700 Soldiers worldwide to meet global requirements, including 7 named operations (up from 5 in 2014); heel-to-toe rotations in the Middle East, Europe, and Korea; and a three-fold increase in exercises in Europe to buttress NATO. To accomplish this with fewer people we had to raise our personnel tempo, which inevitably increased stress on the force. Our Soldiers and their families endure continued separation without the monetary compensation we have provided them when deployed to combat.

[Questions for the Record submitted by Congressman Rooney for Command Sergeant Major Daniel A. Dailey follows:]

Question: What are we doing to expand access to care for behavioral health in terms of a coordinated effort or universal program across all the branches of the Armed Services?

Answer: The Army has aggressively extended access to behavioral healthcare through active screening programs and a system of care that strives to effectively and efficiently deliver evidence-based treatment. The standardized clinical programs that comprise the Army's Behavioral Health (BH) System of Care, such as Embedded BH and BH providers within primary care clinics, are specifically designed to improve access to care by increasing the number of opportunities for Soldiers to initiate care.

The Army has been successful at meeting ongoing high demand for acute appointments as evidenced by the most recent access to care data. As of January 2016, the Army met the same-day standard for acute appointments 94% of the time. BH clinics on all installations allow Soldiers to walk in without an appointment or a referral. The Army has also initiated several actions to increase capacity to long-term outpatient treatment, such as increasing the use of tele-behavioral healthcare, maximizing behavioral health provider hiring and increasing modalities, such as Intensive Outpatient Programs, that deliver several treatment sessions per week.

In 2015, BH leaders across the DoD formed the DoD Mental Health Strategic Plan to optimize care across the department. A working group meets bimonthly to identify issues and implement key policy changes. Through this venue, several elements of the Army's BH approach have been adopted by other Services, including the BH Data Portal (BHDP). BHDP is an Army-developed, industry-leading model for monitoring behavioral health patients' clinical outcomes. Via a secure web application, it provides real-time information on treatment effectiveness that allows providers to adjust their treatment efforts. In September 2013, the DoD required all Armed Services to implement BHDP, and the Obama Administration recognized it as a best practice in August 2014.

[Questions for the Record submitted by Congressman Rooney for Command Sergeant Major Daniel A. Dailey follows:]

Question: What transition programs do we have in place to help someone who might be discharged un-expectedly? What metrics do you have in place to track the effectiveness/the rate of attendance at these seminars?

Answer: The Soldier for Life – Transition Assistance Program (SFL-TAP) is the Army’s transition program providing the tools and resources needed in order to successfully transition from active duty service. All Soldiers are required to complete transition requirements. Soldiers discharged unexpectedly are required to complete as much of the SFL-TAP as possible before separation. Additionally, the Army assists Soldiers in a smooth transition to Department of Veteran Affairs (VA) or Department of Labor (DOL) for follow-on services. As with all transitioning Soldiers, the Army tracks the Veterans Opportunity to Work (VOW) to Hire Heroes Act of 2011 compliance and Soldier’s transition activities in the Army’s Authoritative System for transition services, TAP XXI. In coordination with the Department of Defense, we are working with the VA, DOL, and other agencies to receive feedback on Soldier specific outcomes in order to continue to enhance our transition efforts to better prepare Soldier to reach their post-transition goals. Our ability to gauge effectiveness and attendance rates are the VOW compliance rates (law) and Career Readiness Standards (policy) metrics.

[Questions for the Record submitted by Congressman Rooney for Command Sergeant Major Daniel A. Dailey follows:]

Question: When I was at Ft. Hood with my wife - we were both Lieutenants in the JAG Corps - our situation was very comfortable. How do we plan to attract quality volunteers and compete with the private sector when the financial certainty and job security of the Armed Forces has declined or at least failed to keep pace with the private sector?

Answer: We are committed to sustaining the All-Volunteer Force. Even in a challenging recruiting and retention market, the Army seeks to attract the Nation's most talented young men and women. This effort requires dedicated resources to ensure we keep pace with the private sector. While the 11th Quadrennial Review of Military Compensation in 2012 determined military compensation has grown relative to civilian wages (90th percentile for enlisted personnel and 83rd percentile for officers), we can never compensate our Soldiers enough for their sacrifice during a time of war. We must continue to offer world class health care, competitive retirement plans, and other benefits to attract and retain our Nation's very best.

Questions for the Record submitted by Congressman Rooney for
Command Sergeant Major Daniel A. Dailey follows:]

Question: What programs do we have in place to ensure that our service members, especially the newer troops are financially literate and are planning for the future?

Answer: The Army Center for Initial Military Training currently provides comprehensive financial literacy training during Basic Combat Training, Advanced Individual Training (AIT), Basic Officer Leader Course, Warrant Officer Basic Course, and throughout a Soldier's life cycle. Soldiers attending AIT receive 8 hours of mandatory Financial Education. The Army is in the process of implementing additional training to reinforce financial planning through the Financial Readiness Program. Examples include budget management, consumer awareness, credit management, savings and investing, health benefits, retirement resources, and the new retirement system.

The Consumer Financial Protection Bureau, in collaboration with the U.S. Army Recruiting Command, provides a financial education program for Army Delayed Entry Program participants. During this waiting period, recruits often make financial decisions that can translate into future financial difficulties throughout their military career. Therefore, this initiative may contribute to improved financial literacy (from pending entry into the military).

[Questions for the Record submitted by Congressman Rooney for Command Sergeant Major Daniel A. Dailey follows:]

Question: How are you handling prioritizing the allocation of funds between military readiness and the quality of life for the troops? When does it get to the point where the quality of our barracks impacts our readiness to deploy especially if troops are getting sick due to the working conditions in some of our facilities?

Answer: The Army views installation readiness alongside training readiness in our overall resource framework. The Army continues the strategy of carefully rationing limited resources to support Army installations worldwide, emphasizing must-fund programs and accepting risk in the sustainment of our facilities. The installations programs remain challenged by the accumulated backlog of facilities sustainment, restoration and modernization work resulting from the past several years of reduced funding and the inability to divest. Even given reduced funding, if the conditions of a facility were to potentially cause Soldiers to get sick, this would be considered a “life, health, and safety” issue, and the condition or project causing the issue would become a high priority for repair. The Army sustainment funding is reduced as a result of lower funding levels, however, life, health, and safety related projects should still be adequately resourced.

Soldier and Family quality of life directly impacts the Army’s readiness posture. Sustainment, Restoration and Modernization funding is used to address life, health, and safety issues of all Army facilities, including barracks. Military Construction funding is used only for deficit construction, to address new requirements. The current quality of barracks does not impact readiness as all permanent party unaccompanied housing has a quality rating of Q1/Q2 (Good/Adequate).

[Questions for the Record submitted by Congressman Rooney for Command Sergeant Major Daniel A. Dailey follows:]

Question: How has the drawdown affected retention and job security among active military members?

Answer: To date, the Army has continued to meet its retention goals by retaining high quality Soldiers with the proper mix of skills and grades, which is critical to support our force structure and end strength. We provide targeted incentives to continue to retain Soldiers with the highest potential in certain critical specialties. However, as the economy improves, we may need to increase such incentives. While the Army would prefer not to involuntarily separate anybody, due to budget constraints, we hold centralized selection boards in order to retain our very best. A secondary result of these boards is the Soldiers that remain receive validation of their higher performance and potential to continue to serve.

[Questions for the Record submitted by Congressman Rooney for Master Chief Petty Officer Michael D. Stevens follows:]

Question: How has the drawdown affected retention and job security among active military members?

Answer: Although Navy is reducing end strength in fiscal year 2017, officer continuation remains at historically high levels due, in large part, to targeted incentive pays and bonuses improved mentoring, recent efforts to add flexible career options, and increased emphasis on life-work integration initiatives. However, some active control-grade inventory shortfalls of specific communities such as Aviation and nuclear-trained Surface Warfare Officers still persist, and are being targeted through incentives and other retention tools.

Enlisted retention also remains high, as does job security. Navy is achieving nearly half of the intended reductions by becoming more efficient and timely with our training through an initiative entitled "Ready Relevant Learning," which will speed up the process to provide effective training necessary for Sailors to perform their duties during their first tour in the Fleet, and subsequently provide follow-on training at critical junctions in their career progression. By conducting the "right training" at the "right time," this will result in a reduced number of Sailors in schools and in a training status at a given time. Remaining force structure cuts represent about one percent of the entire enlisted force and will be achieved through natural attrition and voluntary early-out programs for Sailors in over-manned ratings.

[Questions for the Record submitted by Congressman Rooney for Master Chief Petty Officer Michael D. Stevens follows:]

Question: Would you say that with the troop drawdown, the military has consolidated and pulled back from areas of strategic geographical significance? And if so, how does that affect our troop's capability to respond to these threats?

Answer: Navy's ability to respond around the globe is based on combat power – largely delivered by ships and aircraft rather than end strength. Combatant Commander demand for Naval forces remains high. Navy would need over 500 ships to meet 100% of Combatant Commander demand. The Secretary of Defense must prioritize the global allocation of limited naval resources to maximize the strategic impact of these forces. Navy end strength has stabilized and is allocated as required to support fleet size and operations.

[Questions for the Record submitted by Congressman Rooney for Master Chief Petty Officer Michael D. Stevens follows:]

Question: What are we doing to expand access to care for behavioral health in terms of a coordinated effort or universal program across all the branches of the Armed Services?

Answer: The Mental Health Working Group (MHWG) is an ongoing cooperative effort between the Services and the Defense Health Agency (DHA). The MHWG has been chartered to accomplish four key goals with respect to the mental health of the MHS beneficiary population: better health; better care; lower cost; and increased readiness.

Goal two (better care) contains several initiatives for expanding access to quality mental health care across all the Services. In aggregate, these initiatives will serve to analyze the current state of the mental health care system in the Services, identify best practices as well as opportunities for inter-service standardization. In addition, this effort will help inform and implement these findings across all Service branches in order to ensure ready access to safe and effective mental healthcare.

[Questions for the Record submitted by Congressman Rooney for Master Chief Petty Officer Michael D. Stevens follows:]

Question: What transition programs do we have in place to help someone who might be discharged un-expectedly? What metrics do you have in place to track the effectiveness/the rate of attendance at these seminars?

Answer: Preparation for gainful post-service employment begins in basic training and continues through the last day of Navy service. The Career Development Board process is our primary delivery method to expose transition topics across the military lifecycle to ensure all Sailors, active and reserve, and their families are provided the necessary guidance to make informed career decisions from accession to transition.

For short notice separations, virtual access to Transition Goals, Plans and Success (GPS) curricula is available; although, quota availability and time permitting, the classroom approach remains the preferred method of delivery. Sailor feedback on the participant survey reflects that 92 percent agreed, or strongly agreed, that the course enhanced their confidence in transition planning.

Prior to transitioning from the Navy, all Sailors participate in a capstone event to verify that Career Readiness Standards (CRS), which are used to measure and assess each Sailor's preparedness for transition, have been met. Staff will also review potential risks that transitioning Sailors may face, as well as tools and resources available to them. Sailors requiring additional assistance are referred for supplemental training opportunities. Additionally, Sailors who do not meet CRS will be offered a 'warm handoff' to appropriate government agencies and organizations able to provide continued benefits, services, and support to them, in their capacity as veterans.

[Questions for the Record submitted by Congressman Rooney for Master Chief Petty Officer Michael D. Stevens follows:]

Question: When I was at Ft. Hood with my wife - we were both Lieutenants in the JAG Corps - our situation was very comfortable. How do we plan to attract quality volunteers and compete with the private sector when the financial certainty and job security of the Armed Forces has declined or at least failed to keep pace with the private sector?

Answer: Navy understands we are engaged in a “war for talent” when it comes to attracting high quality personnel required to effectively run our Navy. Although we continue to meet or exceed most of the reserve and active component recruiting goals, we recognize that the head winds are getting stronger with an improving economy and increased demands placed on our personnel. In order to meet the challenges of today’s recruiting environment we use a two-pronged approach – tapping into the intangibles like honor, patriotism and selfless service, and using thoughtful and innovative economic policies. The intangibles work to a certain degree, but in order to attain the marginal difference necessary to fill our ranks we understand that finances are a driving force behind a lot of people’s decision to “Go Navy” or take some other offer from the civilian sector or other branch of government. To ensure that we get the highest return on our financial investments we offer recruiting bonuses and loan repayment programs to a very select niche of ratings like cyber warfare, nuclear power and our special warfare communities. On the officer side, we have found that the best way to get the talent we need is through our student programs where we pay tuition and offer stipends to the highest potential students. It is a very competitive process and the demand for these scholarships and / or stipends is very healthy. In cases where we need a direct accession for an officer program from those who are already graduated we offer accession bonuses.

[Questions for the Record submitted by Congressman Rooney for Master Chief Petty Officer Michael D. Stevens follows:]

Question: What programs do we have in place to ensure that our service members, especially the newer troops are financially literate and are planning for the future?

Answer: The Navy Personal Financial Management (PFM) Program supports commanders in maintaining unit financial readiness to sustain mission readiness, as well as promote personal readiness and retention in the military. Personal financial education and training are designed to support a continuum of service from initial entry through transition.

The Navy financial literacy education program is delivered during accession training through recruit training and a life skills course, at the unit level during command indoctrination, and as part of Command-Assigned Readiness-Enhancement (CARE) training covering topics at the unit commander's discretion. Training on basic PFM skills is provided to Sailors within 3 months of arriving at the first permanent duty station, and prior to deployment, Service members are encouraged to establish an extended absence financial plan.

Each Navy unit also has a Command Career Counselor to answer basic questions about benefits, and a Command Financial Specialist, trained on policies and practices, to provide basic financial literacy training and help Sailors create a basic budget.

Our Fleet and Family Support Centers provide more in-depth classroom instruction on various financial topics, including their Million Dollar Sailor program, and also offers one-on-one counseling with Personal Financial Managers. For those Sailors at remote or isolated locations, including Navy Reservists, Military OneSource offers telephonic counseling through Personal Financial Counselors. Financial Literacy is also part of our Transition Assistance Program for separating Sailors.

[Questions for the Record submitted by Congressman Rooney for Master Chief Petty Officer Michael D. Stevens follows:]

Question: How are you handling prioritizing the allocation of funds between military readiness and the quality of life for the troops? When does it get to the point where the quality of our barracks impacts our readiness to deploy especially if troops are getting sick due to the working conditions in some of our facilities?

Answer: While the Navy continues to take risk in shore investment in all facility categories in order to fund military readiness, we are programming approximately \$100M/year on average to eliminate inadequate barracks. If environmental issues arise that affect the health of our Sailors, we immediately follow established protocols to eliminate the problem. If necessary, we will reassign the Sailor to accommodations outside of the problem area and resolve the issue before returning the area to a usable status. This proactive management of our barracks will allow us to manage our risks and not impact our Sailors ability to deploy.

[Questions for the Record submitted by Congressman Rooney for Master Chief Petty Officer Michael D. Stevens follows:]

Question: How do we ensure that funding for our military facilities keeps pace with funding for our technological developments?

Answer: Budget reductions and continuing resolutions have compelled Navy to take deliberate risk in shore infrastructure in order to sustain Fleet readiness today. To mitigate impacts, Navy has made difficult decisions and focused on infrastructure directly tied to our primary missions. This means we must defer repairs and upgrades for the vast majority of our infrastructure, including utilities systems, waterfront structures, airfields, laboratories, barracks, administrative buildings, academic institutions, warehouses, ordnance storage, and other vital facilities.

The Navy is closely monitoring the condition of our shore infrastructure, and we acknowledge that long-term underinvestment in these facilities will take an eventual toll on our ability to support deploying forces.

[Questions for the Record submitted by Congressman Rooney for Sergeant Major Ronald L. Green follows:]

Question: How has the drawdown affected retention and job security among active military members?

Answer: Nothing indicates the drawdown has had any effect on Marine Corps retention. Overall retention goals are trending positive and the majority of MOSs are trending to meet all retention goals. Certain MOSs have historically lower retention rates and this holds true this year (these include combat MOSs – Infantry 03XX, Communications 06XX, and Field Artillery 08XX). A smaller Marine Corps demands a keen focus on retaining talented Marines in all MOSs. Marines that submit for reenlistment but do not receive a boat space due to keen competition have the option to submit for a lateral move or the Commander's Quality Marine Identification Program. We will continue to offer reenlistment opportunities to qualified Marines at all tier levels for all MOSs that have remaining boat spaces.

[Questions for the Record submitted by Congressman Rooney for Sergeant Major Ronald L. Green follows:]

Question: Would you say that with the troop drawdown, the military has consolidated and pulled back from areas of strategic geographical significance? And if so, how does that affect our troop's capability to respond to these threats?

Answer: The global security environment is constantly changing. For the foreseeable future, the U.S. must expect a security landscape characterized by volatility, instability and complexity, and a growing potential among adversaries to employ weapons of mass destruction. The future operating environment will continue to be characterized by challenges that will stretch the employment capacity of the U.S. military and demand a force-in-readiness with global response capabilities.

In partnership with the Navy, the Marine Corps is globally postured to provide flexible, adaptable, and capable forward deployed/forward based forces within each Geographic Combatant Command to rapidly respond to crises within the arc of instability and within regions of anticipated future conflicts. Coupled with an inherent reach-back capability for additional USMC CONUS-Based Crisis Response Forces, the Marine Corps provides the National Security Staff and Joint Staff with myriad crisis response options across the full range of military operations to create decision space for our Nation's senior leaders.

However, maintaining the readiness of our deployed forces during a period of high operational tempo amid the current fiscal uncertainty, as well as a declining topline, comes with ever increasing operational risk, particularly to our non-deployed readiness. This, coupled with the drawdown, results in a stressed deployment-to-dwell ratio, which will ultimately strain the force.

[Questions for the Record submitted by Congressman Rooney for Sergeant Major Ronald L. Green follows:]

Question: What are we doing to expand access to care for behavioral health in terms of a coordinated effort or universal program across all the branches of the Armed Services?

Answer: The Marine Corps has made significant strides in expanding access to care through several universal and coordinated approaches. In November of 2013, the Navy Bureau of Medicine, Marine Corps Health Services, and the Marine and Family Division developed the Comprehensive System of Psychological Health Services for Active Duty Marines and their Families Memorandum of Understanding (MOU). The MOU offers provisions for medical and nonmedical service delineation of roles and processes for an effective and efficient system of care. The MOU also includes administrative reporting requirements and communication processes between Navy Medical Treatment Facilities (MTF) and Marine Corps Community Services (MCCS) Behavioral Health (BH) entities to meet the demands for psychological healthcare for Marines, attached sailors (referenced hereafter as Marines), and their families. Further, individual MOUs exist at Marine Corps installations between the Navy MTFs and MCCS BH programs, to ensure that local needs are appropriately addressed.

Also in 2013, the Marine Corps developed the Community Counseling Program (CCP), in line with the “no wrong door” approach to care and expanding suicide prevention efforts. Every installation across the Marine Corps houses a Community Counseling Center (CCC), which increases care coordination and behavioral health support to Marines. The CCCs ensure that Marines and their families receive the appropriate resources based on their needs. CCCs may direct Marines to the Substance Abuse Counseling Center, the Family Advocacy Program, or the Navy MTF’s behavioral health resources based on individual need, or address the Marine’s needs internally through individual, family, and group counseling. While the number of new cases has steadily increased through FY15 and is steady so far in FY16, the average wait times for a CCP assessment and for the first appointment after assessment have consistently remained below seven days. In January 2016, wait times for assessments averaged six days while wait times for the first appointment after assessment averaged five days.

CCCs also provide support to the Marine Intercept Program (MIP) for those Marines who have suicidal ideations or attempts by contacting the Marine’s leadership within 24 hours of an incident (or the first working day following a weekend) in order to connect with that Marine. The CCC makes contact with the Marine at 3, 7, 14, 30, 60, and 90 days following the incident to address safety concerns and provide service coordination. The CCC counselor consults with the commander after each contact to ensure command coordination is in place. MIP utilization has risen to 88% since 2014.

In 2014, the Marine Corps, Navy Medicine, and Health Services collaborated to develop the Psychological Health Advisory Committee (PHAC). The mission of the PHAC is to advise Marine Corps senior leadership on psychological health programs and initiatives that focus on elimination of gaps in medical and non-medical healthcare and identification of best practices in research and application.

The Marine Corps works closely with the Under Secretary of Defense (Personnel & Readiness) and the Department of Suicide Prevention Office on the foundational and specific recommendations of the Department of Defense Task Force on the Prevention of Suicide by Members of the Armed Forces. The Marine Corps is in full support of the task force's recommendations, including: improving communication between commanders and care providers, ensuring all reserve component members receive face-to-face behavioral health checks before and after deployment, and developing an even more aggressive campaign to encourage help-seeking and remove barriers to quality care. We work collaboratively with sister services on best practices for the prevention of suicide. The Marine Corps also works closely with the Office of the Secretary of Defense's Family Advocacy Program and Sexual Assault Prevention and Response Office to ensure we are coordinating our efforts and providing the best care to our Marines and families.

Overall, our efforts expand our previous model of behavior health and increase our ability to offer services easily and quickly.

[Questions for the Record submitted by Congressman Rooney for Sergeant Major Ronald L. Green follows:]

Question: What transition programs do we have in place to help someone who might be discharged un-expectedly? What metrics do you have in place to track the effectiveness/the rate of attendance at these seminars?

Answer: Transition Readiness and Discharged Unexpectedly: The Transition Readiness Program (TRP) provides a comprehensive transition and employment assistance program for Marines and their families. The program emphasizes a proactive approach that will enable them to formulate effective post-transition entrepreneurship, employment, and educational goals. The TRP ensures that Marines are prepared for their transition from military to civilian life and provides them with the tools and resources needed to pursue Department of Defense (DoD) directed Career Readiness Standards (CRS).

The Marine Corps currently offers a Marine For Life Cycle (M4LC) approach to transition, in which Marines to gain awareness of career readiness preparations at the beginning of and throughout their careers at pre-determined action points. This allows the Marine to be proactive in aligning military career goals with post-transition goals. The Personal and Professional Development Staff (P&PD) staff provides hands-on assistance with career coaching, financial management, assessments, education, job searches, and additional resources to support military career development and facilitate successful post-separation goals. Additionally, transition services are provided to Marines for 180 days post-separation.

The Personal Readiness Seminar (PRS) is the first Action Point in our M4LC and is a four-hour USMC seminar designed for Marines to attend upon arrival at their first permanent duty station. The curriculum provides an overview of Personal and Professional Development services throughout their M4LC (Library Services, Family Member Employment, Voluntary Education, Vocational Credentialing, Personal Financial Management, Transition Readiness, and Information and Referral), as well as financial topics such as banking and financial services, savings and investments, living expenses, understanding debt, and service members' rights.

The Transition Readiness Seminar (TRS) is the final Action Point, and a week-long workshop, where Marines receive a wide range of valuable information and services to help facilitate the transition process to civilian life. The first step is mandatory Pre-separation Counseling (DD2648/-1), where they are counseled on benefits and entitlements earned as a result of their time in service, the opportunity to develop a transition plan, and provided information on resources to assist in transitioning to civilian life. All Marines are also provided with a Point of Contact and location for the Department of Labor (DoL) and the Veteran Affairs (VA) representative at the location of their destination. The workshop includes Resilient Transitions, Military Occupation Specialty Crosswalk, Department of Labor Employment Workshop, Department of Veterans Affairs Benefits I and II Briefs, and Financial Planning. There are three additional tracks that provide hands-on/in-depth application available to the Marines throughout the Marine For Life Cycle: Accessing Higher Education; Career and Technical Training; and Entrepreneurship.

Capstone is the culmination of the transition process, and occurs NLT 90 days from separation or retirement. The Commanding Officer, or designee, personally interviews each separating Marine to determine if the Marine has met Career Readiness Standards (CRS), has a viable plan to transition from military to civilian life, and the opportunity to be connected with external agencies that offer additional assistance. Any Marine who does not meet the CRS or does not have a viable transition plan is provided a warm handover to Department of Labor or Veteran Affairs partner agencies for post-transition assistance.

The Marine Corps is currently drafting policy to stress the importance of the warm handover process during the Capstone review. Commanders (or designees) are to ensure that "at risk" Marines who have not met CRS, evaluated post-military housing requirements, or are being discharged for reasons other than honorable, are connected to the Department of Labor and/or Department of Veterans Affairs for additional services.

Metrics to track the effectiveness/the rate of attendance at these seminars: During the PRS, a financial pre-test and a post-test is provided to gauge knowledge attainment as a result of participating in the course.

During the TRS, participants are provided an opportunity to take an assessment following the end of each module related to the information and quality of the course.

All transition attendance and checklist information is recorded in the Department of Defense Transition Assistance Program (DoDTAP) web application from the Defense Manpower Data Center (DMDC) system. The DoD, Transition to Veterans Program Office, sends this information quarterly, and on a monthly basis provides Veterans Opportunity to Work (VOW) Compliance and Career Readiness Standards metrics to HQMC.

All other Personal & Professional Development workshops and session attendance are reported through an internal Personal & Professional Development metrics reporting database.

[Questions for the Record submitted by Congressman Rooney for Sergeant Major Ronald L. Green follows:]

Question: When I was at Ft. Hood with my wife - we were both Lieutenants in the JAG Corps - our situation was very comfortable. How do we plan to attract quality volunteers and compete with the private sector when the financial certainty and job security of the Armed Forces has declined or at least failed to keep pace with the private sector?

Answer: Over recent years, DOD has faced significant budget challenges as a result of the Budget Control Act of 2011 and the Bipartisan Budget Acts of 2014 and 2015. Balancing resources is particularly important as funding levels decline. We reluctantly must slow personnel cost growth to preserve the readiness and modernization portions of the budget. Despite our initiatives to slow personnel cost growth, the military has remained competitive with the civilian sector. Current military pay for both officers and enlisted is above the 80th percentile for civilians of equivalent education levels. However, multiple years of pay raises below the EC1 combined with a reduction in BAH rates could cause a larger gap between military and civilian wages. The military also provides various incentives to include separations pay and early retirement options so that we are able to retain the highest quality service members.

[Questions for the Record submitted by Congressman Rooney for Sergeant Major Ronald L. Green follows:]

Question: What programs do we have in place to ensure that our service members, especially the newer troops are financially literate and are planning for the future?

Answer: The Marine Corps Personal Financial Management Program leads our financial literacy and readiness efforts. Program educational offerings are based upon a financial continuum of learning beginning at accession training and continuing to the return to civilian life.

Recognizing that Marines enter initial training at various levels of financial literacy, financial education at the Recruit Depot, Officer Candidate School, and The Basic School (TBS) is focused on the most basic topics of financial responsibility, banking fundamentals, elements of pay and the Leave and Earnings Statement (LES), an introduction to the Thrift Savings Plan, Service members Group Life Insurance (SGLI), special consumer protections unique to military members and their families such as the Service members Civil Relief Act (SCRA), and resources available for assistance with financial management. TBS curriculum also includes adverse financial management factors, potential warning signs of financial difficulty, and how to discuss financial responsibility with subordinates.

Upon arrival at the first permanent duty station, all Marines are required to attend the Personal Readiness Seminar (PRS). This relatively new addition to our financial readiness continuum was added in October 2014. The PRS is a four hour period of instruction covering Personal and Professional Development programs and services: Voluntary Education, Marine Corps Credential Opportunities On-Line (COOL), Library Services, Transition, Information and Referral, Family Member Employment Assistance, Leadership Scholar, Personal Financial Management (PFM), and Marine For Life. Following the Personal and Professional Development orientation, Marines receive three hours of financial instruction. This is a scenario based curriculum using a fictional Marine, LCpl Washington. Students are provided a sample Leave and Earnings Statement and bank statements and are led through exercises to calculate financial ratios including debt to income ratio, savings ratio, and living expense ratio. Students work in groups to complete a budget and identify areas where LCpl Washington can increase savings and decrease spending. Other topics covered include consumer awareness, evaluating wants versus needs, debt management, implications of poor financial management, and resources available.

Financial education required at later points on the Marine For Life Cycle are addressed by the PFM Standardized Curriculum. Topics for these periods of instruction include Saving and Investing, Housing Options, Financial Considerations for Major Life Events, Retirement and Estate Planning, Vehicle Purchasing/ Leasing, Insurance, Raising Financially Fit Kids, Your Money Personality, Financial Planning for Your Move, Financial Planning for Transition, Funding Educational Costs, Time Value of Money, Banking and Financial Services, Military Pay, Allowances and Benefits, Managing Income Expenses, Savings and Credit, Credit and Debt Management, Consumer Awareness, Taxes, Legal Issues, and Command Financial Specialist Training. These topics are available through the installation PFM office and satisfy annual

training requirements. In addition, financial education toolkits are available through the Marine Corps Leadership Development framework. Toolkits are designed to increase individual Marines financial literacy; and for leaders as a way to bring financial topics and education into the regular mentoring process. Currently, there are a relatively small number of toolkit topics, but we are actively building these materials and increasing the topics available.

Finally, the Marine Corps requires all units with more than 75 Marines to appoint and train a unit Command Financial Specialist (CFS). These collateral duty Marines deliver the PFM program at the individual unit level. The basic requirements for a CFS candidate are:

- E-6 and above (E-5 with HQMC waiver).
- Highly motivated, financially stable.
- Successful completion of the one week CFS Training curriculum.
- Completion of Basic Pay and Allowances and Personal Finance Management online MarineNet modules.
- Participation in continuing education events like the CFS Forum.

Unit CFS personnel provide financial education, counseling and information and referral services to the Marines in their units. Their proximity to command members can assist in early identification and intervention for financial difficulties as well as providing proactive modeling of positive financial behaviors.

[Questions for the Record submitted by Congressman Rooney for Sergeant Major Ronald L. Green follows:]

Question: How are you handling prioritizing the allocation of funds between military readiness and the quality of life for the troops? When does it get to the point where the quality of our barracks impacts our readiness to deploy especially if troops are getting sick due to the working conditions in some of our facilities?

Answer: Current fiscal constraints require the Marine Corps to make difficult choices in order to remain a forward postured, ready force that is capable across the range of military operations. As resources diminish, we will continue to protect the near-term operational readiness of our deployed and next-to-deploy units while taking risk in medium- and long-term investment programs such as FSRM and certain quality-of-life programs, a necessary balance that ensures the readiness of those in harm's way. However, this risk is not taken lightly; we also remain committed to the well-being of all of our Marines and family members and reductions to infrastructure investments were done responsibly. The President's Budget will allow us to address issues of life, health, and safety, and to maintain our facilities at a standard of Q2 (Fair).

[Questions for the Record submitted by Congressman Rooney for Sergeant Major Ronald L. Green follows:]

Question: How do we ensure that funding for our military facilities keeps pace with funding for our technological developments?

Answer: Current fiscal constraints require the Marine Corps to make difficult choices in order to remain a forward postured, ready force that is capable across the range of military operations. As resources diminish, we will continue to protect the near-term operational readiness of our deployed and next-to-deploy units while taking risk in medium- and long-term investment programs such as FSRM and certain quality-of-life programs, a necessary balance that ensures the readiness of those in harm's way. However, this risk is not taken lightly, and will be carefully balanced against home station readiness requirements, including facilities readiness. As always, there will be careful coordination between facilities investments and with technological investments.

[Questions for the Record submitted by Congressman Rooney for Chief Master Sergeant James A. Cody follows:]

Question: How has the drawdown affected retention and job security among active military members?

Answer: The Air Force's overall aggregate retention is at minimum acceptable levels. As we move from a drawdown to growing the force, retention becomes increasingly important. The Air Force is currently addressing retention concerns, through robust and expanded incentive programs to retain experience; bringing on prior service accessions; utilizing Reserve active duty tour opportunities; and extending enlisted service through high year of tenure extensions.

[Questions for the Record submitted by Congressman Rooney for Chief Master Sergeant James A. Cody follows:]

Question: Would you say that with the troop drawdown, the military has consolidated and pulled back from areas of strategic geographical significance? And if so, how does that affect our troop's capability to respond to these threats?

Answer: No, the Air Force remains fully committed to meeting any and all combatant commander requirements regardless of geography, however it has not come without a significant strain on the force. The Fiscal Year 2017 President's Budget request will provide the Air Force with additional resources to continue to meet these and other obligations as established by the Defense Strategic Guidance. However, the Air Force and other Military Services may have to change this position if Budget Control Act caps continue to remain in effect.

[Questions for the Record submitted by Congressman Rooney for Chief Master Sergeant James A. Cody follows:]

Question: What are we doing to expand access to care for behavioral health in terms of a coordinated effort or universal program across all the branches of the Armed Services?

Answer: The Department of Defense (DoD) has a wide range of support and medical services available to address the behavioral health needs of our active duty and their families. Prevention and early intervention non-medical counseling services offered across the DoD include the Military and Family Life Counseling (MFLC) program, Military One Source, and Chaplains. These services are most appropriate to address low severity relational problems, bereavement, stress management and occupational problems.

With regards to medical behavioral health care, the DoD has two primary services, which include Primary Care Behavioral Health (PCBH) and specialty mental health. The Behavioral Health Optimization Program (BHOP) is the Air Force's PCBH program and it has expanded integrated behavioral health consultative services in primary care at 72 of 76 Military Treatment Facilities (MTFs). The Internal Behavioral Health Consultants (IBHCs) at these locations are psychologists and social workers, who optimize health care provided by the Primary Care Manager by conducting brief, targeted assessment and interventions in a primary care setting. This consultative service is available to all beneficiaries and aims to provide early intervention.

In Fiscal Year 2015, the Air Force piloted tiered behavioral health care at three MTFs. Patients seeking behavioral health services were first seen in primary care (BHOP) and referred to specialty mental health if clinically warranted. The pilot found access to care increased when patients enter the system through BHOP. This allowed the facilities to see twice as many unique patients for their behavioral health needs (8,815 in FY14 compared to 19,329 in FY15). We have expanded the tiered behavioral health care approach to three additional Air Force bases and are currently in the process of expanding this service at all MTFs, with the goal of full implementation by 2018. This approach will also allow for greater access in specialty mental health clinics across MTFs. In addition, the Air Force Medical Operations Agency is pursuing the increase of case management services to support specialty mental health clinics to reduce administrative burden that limits mental health access.

[Questions for the Record submitted by Congressman Rooney for Chief Master Sergeant James A. Cody follows:]

Question: What transition programs do we have in place to help someone who might be discharged un-expectedly? What metrics do you have in place to track the effectiveness/the rate of attendance at these seminars?

Answer: Mandated transition assistance program services and benefits for Airmen separating unexpectedly include:

Mandatory

- Enhanced Pre-separation Counseling, 4 hours
- Department of Labor Employment Workshop (also includes DOD curriculum), 4 days
- Veterans Benefits Briefing, 6 hours
- Capstone (member's commander and Airman & Family Readiness Center validate career readiness), 1-3 hours

Additional

- Higher Education Seminar, 2 days
- Entrepreneurial Seminar, 2 days
- Technical Training Seminar, 2 days

Eligible Service members who are undergoing short-notice separation and cannot access brick and-mortar curriculum in a timely manner must access the transition assistance program curriculum online via Joint Knowledge Online to meet mandatory requirements. We track the attendance utilizing a Defense Manpower Data Center web service, where all separating members are tracked in meeting VOW to Hire Heroes Act compliance. Based on DD form 2958 data received by DMDC through the web service, the Air Force's VOW compliance rate for known VOW eligible Service members is 99%.

[Questions for the Record submitted by Congressman Rooney for Chief Master Sergeant James A. Cody follows:]

Question: When I was at Ft. Hood with my wife - we were both Lieutenants in the JAG Corps - our situation was very comfortable. How do we plan to attract quality volunteers and compete with the private sector when the financial certainty and job security of the Armed Forces has declined or at least failed to keep pace with the private sector?

Answer: We still believe the Department of Defense and the Air Force in particular is an attractive place to work and we continue to meet all of our recruitment goals as a Service, but we cannot draw a direct comparison with all elements of the private sector. Wages are but one element of the overall compensation package and we look at the entire package of benefits that we provide to our Airmen with opportunities for education and training to include post 9/11 GI Bill benefits often cited as key attractors. We also place significant attention to quality of life, and family programs, providing the best quality of life we can, consistent with mission dictates. The recent expansion of maternity leave benefits is but one example of that which will help our female Airmen and families. Additionally, military service is not for everyone, but for many, it is a calling, and we take pride in our Airmen's dedication to Service and our Nation.

Finally, we understand that the market is increasingly competitive and we must have an effective recruiting program that utilizes an assortment of tools. I do want to highlight the necessity of a dedicated and resourced advertising and marketing program that allows us to successfully reach, inspire, engage, and recruit the best talent among the diverse tapestry of America.

[Questions for the Record submitted by Congressman Rooney for Chief Master Sergeant James A. Cody follows:]

Question: What programs do we have in place to ensure that our service members, especially the newer troops are financially literate and are planning for the future?

Answer: Airman & Family Readiness Centers (A&FRCs) are required by law to provide Financial Education to Airmen. All Airmen (officer and enlisted) receive basic financial education at their first duty station. Additionally, A&FRCs provide basic budgeting, investment, credit score repair, home-buying, car buying, and budgeting for beginners classes. One-on-one services are also provided upon request under the Air Force Aid Society emergency assistance program. All services are free and each installation's A&FRCs are the points of contact for financial education supporting assigned members/families and the leads on local efforts ensuring Airmen are protected from predatory/unfair practices.

The legislative changes made to 10 USC §992 create an enduring requirement, which are significant in terms of how the Air Force delivers this capability to the Airmen and families in the field. Crucial to this effort is the ability to provide financial training and counseling consistent with national level standards for sound, financial practices. In some of the new requirements, there are stand-alone activities that can be delivered at the "awareness" level for the training piece. However, the Air Force must re-tool and increase financial learning for our Airmen and families to be a holistic "cradle-to-grave" approach as part of their future retirement will be based on official financial decisions (Thrift Saving Plan Vesting, Career Status Bonus options, life events, etc.) they make today.

[Questions for the Record submitted by Congressman Rooney for Chief Master Sergeant James A. Cody follows:]

Question: How are you handling prioritizing the allocation of funds between military readiness and the quality of life for the troops? When does it get to the point where the quality of our barracks impacts our readiness to deploy especially if troops are getting sick due to the working conditions in some of our facilities?

Answer: The Air Force utilizes a “worst first, mission critical” enterprise-wide approach when prioritizing limited facilities funding. For the military construction program, life, safety and health as well as mission dependency are factors considered during project prioritization. Regarding dormitories, the Air Force uses a comprehensive planning tool, the Dormitory Master Plan, to establish requirements. This plan identifies dormitory conditions through physical assessments and categorizes deficiencies for investment through military construction, maintenance and repair, and divestiture in order to sustain adequate and suitable housing for our Airmen. The Fiscal Year 2017 planned dormitory projects replace an aging basic military training facility and construct a required technical training facility. Fiscal Year 2017 planned construction will ensure appropriate requirements are met for current mission end strength levels.

[Questions for the Record submitted by Congressman Rooney for Chief Master Sergeant James A. Cody follows:]

Question: How do we ensure that funding for our military facilities keeps pace with funding for our technological developments?

Answer: Integrating proven technologies in facilities standards increases the quality of life for our Airmen who occupy those facilities. We use the Unified Facilities Criteria (UFC) as the governing standards for construction. UFC documents provide planning, design, construction, sustainment, restoration, and modernization criteria, and apply to the military departments, the defense agencies, and the DoD field activities in accordance with DoD Directive 4270.5 (Military Construction) and USD (AT&L) Memorandum dated May 29, 2002. The United States Army Corps of Engineers, Naval Facilities Engineering Command, and the Air Force Civil Engineer Center are responsible for administration of the UFC system. As technologies develop and mature they are integrated into construction standards through technical publications and guide specifications as part of the UFC program. Projects are planned, programmed, and designed in accordance with most current UFC requirements.

[Questions for the Record submitted by Congressman Valadao for Command Sergeant Major Daniel A. Dailey follows:]

Internet Access

Over Christmas, I had the opportunity to travel with the Army to visit soldiers in Iraq. When I was there I was able to talk to them about some of the issues they face. I heard from a lot of them that one of the hardest things about being deployed is being away from home. Many of them rely on bad and expensive internet access to communicate with their families. Being able to communicate with family is obviously a big part of keeping morale up.

Question: Sergeant Major Dailey, can you tell me more about internet service for soldiers deployed and if you have had similar problems with trying to connect your own family during your deployments?

Answer: Since our earliest deployments to Iraq, providing Morale, Welfare and Recreation (MWR) communications services has been and remains an Army priority. While communications connectivity for our units varies from extremely austere to high-speed Internet, each command team offers what it can to its Soldiers. I have personally experienced MWR communications that ranged from limited access (telephone calls and personal email) all the way to high-speed Internet that parallels what is available stateside.

Most sites in Iraq have minimal infrastructure, the operating environment is highly volatile and force protection measures restrict movement among installations. This is not the Iraq most service members and veterans recall from Operation Iraqi Freedom, and the entire range of services available – not just Internet access – reflects that status.

While Soldiers are allowed to use official unclassified networks for unofficial business, some functions are blocked for security, such as Skype (which is unavailable on all DoD networks). Service members also can utilize Internet cafes provided by MWR, which are labeled unofficial, at no cost. Commercial services, such as wifi, which are also labelled unofficial, can be purchased at certain sites as well. With the exception of those on special missions, all Soldiers stationed at Army locations in Iraq have access to unofficial Internet resources.

Free voice calls to CONUS (via the Defense Switched Network) are available at locations where official unclassified networks exist. Soldiers receive detailed instructions on how to use unclassified phones to place free voice calls to family and friends.

[Questions for the Record submitted by Congressman Valadao for Command Sergeant Major Daniel A. Dailey follows:]

Internet Access

Question: I know that many of the soldiers were concerned about their families back home. What type of programs or assistance do you have for families while their soldiers are deployed and can we improve them?

Answer: The Army provides many programs and assistance to Families while Soldiers are deployed.

Family Readiness Groups, made up of Family members and supported by the deploying unit, are established to serve as a communications mechanism between Families and the deploying command. This conduit facilitates the transfer of accurate information between the command, deployed Soldier and his/her Family members. It also serves as a focal point to address issues and concerns raised by Family members. The Virtual Family Readiness Group web system provides the functionality of a traditional FRG in an ad-hoc and on-line setting to meet the needs of geographically dispersed units and Families across all components of the Army.

Training for Rear Detachment Commanders, Family Readiness Group Leaders, Family Readiness Liaison Officers, and Family Readiness Supports Assistants is provided through the Mobilization, Deployment and Stability Support Operations (SSO) program. SSO staff provide Families and Soldiers with information regarding deployment related issues, and community support resources.

The Army seeks continual improvement of the programs and assistance it provides to Families through the Army Family Action Plan process. This process addresses issues locally, eventually raising those that cannot be resolved at that level to a higher level for action.

[Questions for the Record submitted by Congressman Valadao for Master Chief Petty Officer Michael D. Stevens follows:]

Lemoore

My district is home to Naval Air Station Lemoore. In the past couple of years, services at the hospital on base have been cut back and it is no longer a 24 hour hospital. Last summer, I flew out to the USS Ronald Reagan where I was able to speak with some of the sailors and pilots who are stationed at Lemoore. They brought up a concern about the hospital. While they are at sea, they worry about their families getting access to emergency medical care and pregnancy services. They can go to hospital up the road in Hanford, but it is 20 minutes away and is more expensive for copays.

Question: Master Chief Petty Officer Stevens, do you think that having full service hospitals on base is a big concern for sailors and how we can we help families get the medical services they need if there is not a full service hospital?

Answer: In 2012, the Navy's Bureau of Medicine and Surgery (BUMED) conducted an analysis of nine inpatient facilities which sought to realign resources to achieve the best value while continuing to provide exceptional health care services to our beneficiaries at home and abroad. As a result of this study, Naval Hospital Lemoore phased out labor and delivery services and transitioned their Urgent Care Center to an expanded access Medical Home Port.

To mitigate any concern associated with our families and best serve their needs, the hospital continues to provide pre and postnatal care to pregnant patients, and promotes primary care services, which are now available every day of the week including weekends and holidays, for all of their patients' routine and acute needs. Navy Medicine is continuously working to improve access for beneficiaries to let them get the care they need when they need it across the Enterprise. These include simplified appointing processes, virtual care via secure e-mail messaging and telephone consults, nurse-run protocols, embedding specialists in the primary care clinics, and the Nurse Advice Line which is available 24/7 for beneficiaries to receive clinical guidance outside business hours or in emergencies.

Active Duty Family Members (ADFM) also have the option to choose which TRICARE health plan they utilize. ADFMs enrolled in TRICARE Prime, who utilize a TRICARE network facility, will not incur any out-of-pocket-costs for care. ADFMs who choose TRICARE Standard in lieu of TRICARE Prime, and utilize a TRICARE network facility, will incur out-of-pocket costs for care. Currently, there are four TRICARE network facilities located within 11 miles of Naval Hospital Lemoore, with many services ranging from emergency to specialty care.

[Questions for the Record submitted by Congressman Valadao for Master Chief Petty Officer Michael D. Stevens follows:]

Post Service Training

Also on my trip to the Reagan, some of the sailors mentioned concerns about transition to life after their service. Finding a job can be difficult for those leaving the service, as 7 percent of post 9/11 veterans are unemployed. I know that the Navy has programs like Transition GPS that provide classes and tips on life after the Navy. But many of the sailors I spoke with felt that there could be more done to help them prepare.

Question: Master Chief Petty Officer Stevens, can you discuss Transition GPS as well as how you see opportunities to better help out in the transition process and hopefully lower the unemployment rate 9/11 veterans?

Answer: Preparation for gainful post-service employment begins in basic training and continues through the last day of Navy service. The Career Development Board process is our primary delivery method for exposing transition topics across the military lifecycle to ensure all active and reserve Sailors, and their families, are provided the necessary guidance to make informed career decisions from accession to transition.

Transition Goals, Plan, Success (GPS) Program, targeted for delivery 12 months prior to transition, is a series of training sessions that includes Pre-Separation Counseling, three-day Department of Labor Employment Workshop (DOLEW), Veterans Affairs Benefits Briefings, Financial Education, Military Occupational Code Crosswalk, Family/Special Issues, and an Individual Transition Plan (ITP) review. Additionally, participants may select from optional two-day training tracks in Education, Entrepreneurship, or Technical training.

Fleet and Family Support counselors also provide individual résumé assistance and, upon request, other transition-related workshops including First Term and Mid-Career Workshops (Career Options and Navy Skills Evaluation Program (CONSEP)). These four-day courses are designed to assist active duty service members in achieving Navy and future civilian career goals. Training topics provide vital information on career-making decisions, upward mobility, college and certification opportunities, apprenticeships, financial management and investment strategies, which enhance the Sailor's ability to achieve personal and professional success.

While serving on active duty, Sailors are encouraged to take advantage of Navy Credentialing Opportunities Online (Navy COOL) and the United Services Military Apprenticeship Program (USMAP), which translate skills acquired through Navy technical training into civilian credentials. Navy also funds in-service educational opportunities, through the Tuition Assistance Program, which enhance Sailors' post-Navy job skills.

Sailor feedback reflects that 92 percent agreed, or strongly agreed, that the Transition Assistance Program enhanced their confidence in transition planning. We will continue to monitor the effectiveness of the Navy Transition Assistance Program with an eye towards opportunities for additional program enhancements based on sharing lessons learned from the current program across the Department of Defense.

In addition to offering professional development and transition preparation, Navy installations host job/career fairs and work with non-profit and community-based transition support organizations to develop partnerships that foster post-transition support. For example, Naval Weapons Station Yorktown/Naval Shipyard Newport News offers *Transition on the Go*, a partnership with state/local agencies and private organizations, which holds semi-annual programs to afford transitioning Sailors the opportunity to connect with local support resources. Ninety-five percent of attendees reported that the program made them feel more comfortable with transition.

[Questions for the Record submitted by Congressman Valadao for Master Chief Petty Officer Michael D. Stevens follows:]

Barracks

In the past couple of years, NAS Lemoore has done a lot to improve the conditions of barracks and housing on base. But I have heard that in the Navy there is close to a 50% shortfall in adequate single-sailor housing. Additionally, housing benefits are being reduced and it seems like there is an overall reduction in the benefits of our active duty sailors and the overall quality of life. We are lucky to have an all volunteer force, but it seems that we are not doing enough to help them out.

Question: Master Chief Petty Officer Stevens, can you talk about the problems with providing adequate housing and how the overall reduction in benefits and services affects our sailors?

Answer: In order to resource critical warfighting readiness and capabilities, Navy continues to take a deliberate level of risk in Shore infrastructure investment and operations. The Navy is however managing our unaccompanied housing inventory within fiscal constraints and critical repairs are conducted to ensure units meet health/safety standards for our Sailors. We remain committed to making sure we provide for our Sailors, civilians and their families by funding our most important missions and programs. The Navy is committed to ensure that any changes to benefits:

- protect the long-term viability of the All-Volunteer Force,
- improve quality-of-life for service members and their families, and
- safeguard the fiscal sustainability of the military compensation and retirement systems.

[Questions for the Record submitted by Congressman Valadao for Sergeant Major Ronald L. Green follows:]

Commissaries

Families and service members depend on commissaries for access to good products and low prices. I know that our sailors and their families at Lemoore appreciate having access to the commissary because they are in a rural area. When our service members are on deployment, it seems like they appreciate knowing that their families can get everything they need on base. However, whenever we talk about cuts in services for our troops, commissaries are always at the top of the list.

Question: Sergeant Major Green, how important are commissaries in the Marine Corps and what can we do to strengthen and make sure that Marines can depend on them?

Answer: The commissaries are very important to our young men and women in the enlisted ranks, many of whom are married with young families. As you know, the Marine Corps is overwhelmingly young with enlisted personnel comprising 75% of the total force for the Marine Corps. Fully 80% of our enlisted troops rate the commissaries as either essential to make ends meet or gain a substantial savings by using it. The 30% savings this commissary benefit provides is critical to the financial wellbeing of our Marine Corps families. That is a significant savings for these young families, and is an integral part of military pay and compensation. Were this benefit cut, with less purchasing power each month, military families would be forced to make tough choices in their household budgets – deciding between getting the car fixed, paying off credit card debt, saving for college, or postponing a much needed family vacation. I cannot emphasize enough that this is a benefit that needs to stay around for our Marines and their families. Your continued support of the President's Budget request and of the commissary program will ensure that this vital benefit remains available.

THURSDAY, MARCH 3, 2016.

INSTALLATIONS, ENVIRONMENT, ENERGY AND BRAC

WITNESSES

PETE POTOCHNEY, PERFORMING THE DUTIES OF ASSISTANT SECRETARY OF DEFENSE, ENERGY, INSTALLATIONS AND ENVIRONMENT

KATHERINE G. HAMMACK ASSISTANT SECRETARY OF THE ARMY INSTALLATIONS, ENERGY AND ENVIRONMENT

DENNIS V. MCGINN ASSISTANT SECRETARY OF THE NAVY ENERGY, INSTALLATIONS AND ENVIRONMENT

MIRANDA A. A. BALLENTINE ASSISTANT SECRETARY OF THE AIR FORCE INSTALLATIONS, ENVIRONMENT AND ENERGY

CHAIRMAN OPENING STATEMENT

Mr. DENT [presiding]. Good morning. I would like to welcome everybody and bring this hearing of the House Appropriations Subcommittee on Military Construction and Veterans Affairs to order.

And again, I welcome everyone to this morning's hearing on installations, environment, energy and BRAC fiscal year 2017.

We have many questions to address concerning the 2017 budget request.

It is notable that the military construction budget is down by more than 10 percent in fiscal year 2016 enacted levels. The budget request shows that combatant commanders' priorities and new mission sets were taken care of. But that seems to be at the expense of the services' basic needs.

Projects planned in the future years' defense program for fiscal year 2017 dropped out. The impact of the Balanced Budget Act is still being felt as services attempt to include funding to restore projects that were cut to include quality of life projects.

We want to discuss how force structure changes will affect the military construction budget in fiscal year 2017 and beyond.

Another high-profile issue is the European Reassurance Initiative which our allies are very interested in. And the fiscal year 2017 budget request includes \$113.6 million for seven countries. Some of us did visit Europe this past summer and talked quite a bit about the European Reassurance Initiative.

Last, we all have a keen interest in managing our facilities better in terms of requirements versus capacity, both overseas and in the U.S.

The panel before us today has a lot of answers to these questions I am sure. But before I introduce our witnesses, I would like to turn to the Ranking Member, Mr. Bishop, for any opening remarks he might like to offer at this time.

Mr. Bishop.

RANKING MEMBER OPENING STATEMENT

Mr. BISHOP. Thank you very much, Mr. Chairman.

And let me welcome all of our distinguished witnesses. I am glad that today we are going to be able to talk about the President's 2017 military construction budget request and we have the civilian leadership that can explain the priorities for military construction in each of the services.

The folks before us have dealt with some big issues over the past few years. You have all dealt with sequestration and you all have dealt with the budget caps mandated by the Budget Control Act. And you are once again functioning under another budget compromise passed by this body last year, at least hopefully we will be functioning under that.

I think each of you have done a great job in prioritizing the needs of your respective services and doing what is best for the warfighter. Each of your services has elected to invest in critical infrastructure and the needs of combatant commanders and the warfighter, as opposed to quality-of-life facilities.

In fact, I am concerned that we are basically seeing quality-of-life projects disappear as you are forced to focus on other needs.

Mr. Chairman, I remember saying 2 years ago that the Army's budget request was the lowest I had ever seen. Now fast-forwarding to the 2017 request, this budget is the lowest I have ever seen.

Changing gears on another subject equally important is the DOD request to conduct another BRAC round in 2019.

In 2005, Congress authorized a BRAC that ended up being far more expensive and expansive than we had been led to believe. And I understand in 2004 it was known that the department had 24 percent excess capacity. But in the 2005 BRAC, defense made reductions of only 3.4 percent.

I understand that the 2005 BRAC was a reshaping BRAC, but a lot of money was spent to move things and, most importantly, move people. So I have concerns regarding another round of BRAC, but I also have concerns about maintaining infrastructure that we don't need, because those dollars could go to more pressing needs.

So Mr. Chairman, I realize that these are very, very difficult issues for all of the members of Congress.

And with that said, I am glad for today's hearing so we can discuss these issues openly. And I look forward to a very vigorous discussion.

So thank you for the opportunity to share my concerns. And I yield back.

Mr. DENT. Thank you, Mr. Bishop.

Now I would like to introduce our witnesses. And before I do, I believe we are going to vote somewhere between 9:50 and 10:05, and so we will have to break briefly for that. I don't know how many votes we have. Just one vote? Well, then we can do it quickly and come back. So it shouldn't be a long delay.

So our witnesses, the honorable Pete Potochney, acting assistant secretary of defense for energy, installations and environment; the honorable Katherine Hammack, assistant secretary of the Army for installations, energy and environment; the honorable Dennis

McGinn, assistant secretary of the Navy for energy, installations and environment; and Ms. Miranda Ballentine, assistant secretary of the Air Force, installations, environment and energy.

Thank you again for taking the time to be here and sharing your perspectives and expertise.

Without objection, your written comments and statements will be entered in the official record. Due to the number of witnesses, I would ask that each of you summarize your statement in about 5 minutes so that that can maximize the amount of time for dialogue and questions between the panel and the subcommittee members.

So with that, we welcome you. So I guess we will go from right to left, we will start with Mr. Potochney.

MR. POTOCHNEY OPENING STATEMENT

Mr. POTOCHNEY. Chairman Dent, Ranking Member Bishop and distinguished members of the subcommittee, I appreciate the opportunity to be here and the honor to be here as well.

By way of introduction, I am Pete Potochney, I am currently the deputy assistant secretary for basing and I am performing the duties of the assistant secretary for energy, installations and environment.

I appreciate my statement being in the record, and I will summarize it very quickly.

And my summary is essentially what you, Mr. Chairman, and Ranking Member Bishop just said. We are in a budget dilemma. We are making tough choices. We need BRAC in order to make those choices a little bit easier so that we are not spending money and resources better spent on our facilities that we do need and on readiness.

And I don't know what much more I could say about that. I think you all recognize the situation we are in and we surely do.

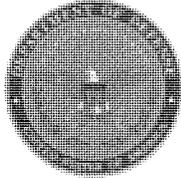
Regarding the next BRAC round, the last one was expensive. The transformation focus of it did require that we spend a lot more money than we would otherwise. There is benefit in that.

BRAC is a recapitalization engine, to a certain extent; however, the focus of the next round will certainly be on reducing excess capacity and that is what we are after.

And so if Congress does give us the authority for BRAC, we will be asking for a 2019 round. This is the fifth time we are asking, I think we can use it in a way that Congress would be satisfied.

However, in recognition of the concerns that you all have, we do want to enter into a dialogue about that request. I think we all appreciate that the BRAC process works. It is effective, it is fair, it is transparent, so we don't want to do any harm to it. But if there are changes necessary, we would certainly like to talk to you about it.

And having said all that, that concludes my remarks. Thank you.
[The information follows:]



**Office of the Under Secretary of Defense
(Acquisition, Technology and Logistics)**



**Peter J. Potochney
Deputy Assistant Secretary of Defense, Basing**

Peter Potochney began his Department of Defense civilian employment in 1984 as the Deputy Director of the Installations Assistance Office-East, Marietta, GA, responsible for installation management issues. In 1986, he transferred to the Pentagon and worked in both the installation and acquisition management areas. In 1989, he was selected to join the newly formed Base Closure and Utilization Directorate where he first served as an Assistant Director, principally responsible for Navy and Marine Corps issues associated with the selection and implementation of closures and realignments. Mr. Potochney became the Director of the Base Closure office as it completed the 1995 selection process.

In January 1996, after completion of the BRAC 95 selection process, Mr. Potochney became the Director of Housing. In this capacity, his responsibilities included DoD-wide policy development and oversight of issues related to the operation and ownership of both government and private sector housing serving the needs of the military. He also remained responsible for policy development associated with base realignment and closure issues.

In 2002, upon authorization of the BRAC 2005 round, Mr. Potochney became the Director, Base Realignment and Closure, responsible for policy development and oversight of the analysis supporting the BRAC 2005 round. In November 2008, Mr. Potochney was named Director of the newly-formed Basing Directorate. The Directorate is responsible for completion of the BRAC recommendations, U.S. and overseas basing, and real estate.

Mr. Potochney received a Bachelor of Arts degree in Biology from Montclair State College, Upper Montclair, NJ, in 1975 and a Master of Science degree in Systems Management from the University of Southern California in 1983.

Mr. Potochney served on active duty in the US Navy, receiving his commission from Officer Candidate School in 1976. His active duty service included afloat tours as the Supply Officer of two destroyers. Additionally, he served as the Assistant Director of Contracts, Defense Contract Management Area, Hartford, CT, and as a Logistics Plans Officer on the staff of the US Commander-in-Chief, Pacific, Honolulu, HI.

Mr. Potochney resides in Springfield, VA, with his wife and son.

(December 2015)

Statement of
Mr. Pete Potochney
Performing the Duties of Assistant Secretary Of Defense
(Energy, Installations and Environment)

Before the House Appropriations Committee
Subcommittee on Military Construction
The Installation, Environment and BRAC Budget Overview Hearing

March 3, 2016

Introduction

Chairman Dent, Ranking Member Bishop and distinguished members of the subcommittee: Thank you for the opportunity to present the President's Fiscal Year (FY) 2017 budget request for the Department of Defense programs supporting energy, installations, and the environment.

In my testimony, I will focus first on the budget request. As you will note, the Administration's budget includes \$7.4 billion for Military Construction (including family housing), and \$10.2 billion for Facility Sustainment and Recapitalization. These are both decreases from last year, as the Bipartisan Budget Act of 2015 caps overall defense spending. Although this request allows a reduction in facilities risk due to a slight increase in Sustainment funding by the Services, the Department is still accepting risk in facilities. As this Subcommittee well knows, facilities degrade more slowly than readiness, and in a constrained budget environment, it is responsible to take risk in facilities first.

My testimony will also address the environmental budget. This budget has been relatively stable, and we continue to show progress in both our compliance program, where we've seen a decrease in environmental violations, and in cleanup, where 84% of our 39,000 sites have reached Response Complete. We remain on track to meet our goals of 90% Response Complete in 2018, and 95% in 2021.

As you know, Operational Energy Plans and Programs merged with Installations and Environment office in 2015 to form the Office of Assistant Secretary of Defense for Energy, Installations and Environment (EI&E). EI&E now oversees all energy that is required for training, moving and sustaining military forces and weapons platforms for military operations, as well as energy used on military installations. While the budget request for Military Construction and Environmental Remediation programs includes specific line items, the Department's programs for Operational Energy and Installation Energy are subsumed into other accounts. With that in mind, I will summarize the newly released 2016 *Operational Energy Strategy* and address the budgets for the Department's operational and installation energy portfolio.

In addition to budget, I will also highlight a handful of top priority issues – namely, the Administration's request for BRAC authority, European consolidation efforts, European Reassurance Initiative, the status of the movement of Marines from Okinawa to Guam, an overview of our energy programs, and climate change.

Fiscal Year 2017 Budget Request – Military Construction and Family Housing

The President's FY 2017 budget requests \$7.4 billion for the Military Construction (MilCon) Appropriation—a decrease of approximately \$1.0 billion from the FY 2016 budget request (see Table 1 below). This decrease is directly attributable to the resourcing constraints established by the Bipartisan Budget Agreement and the Department's need to fund higher priority readiness and weapon's modernization program. The request does recognize the Department's need to invest in facilities that address critical mission requirements and life, health, and safety concerns, while acknowledging the constrained fiscal environment. In addition to new construction needed

to bed-down forces returning from overseas bases, this funding will be used to restore and modernize enduring facilities, acquire new facilities where needed, and eliminate those that are excess or obsolete. The FY 2017 MilCon request includes projects that directly support operations and training, maintenance and production, and projects to take care of our people and their families, such as medical treatment facilities, unaccompanied personnel housing, and schools.

As shown by the decrease in this year's budget request, the DoD Components continue to take risk in the MilCon program in order to lessen risk in other operational and training budgets. While the Department's FY 2017 budget request funds critical projects that sustain our warfighting and readiness postures, taking continued risk across our facilities inventory will degrade our facilities and result in the need for significant investment for facility repair and replacement in the future. Our limited MilCon budget for FY 2017 leaves limited room for projects that would improve aging workplaces, and therefore, could adversely impact routine operations and the quality of life for our personnel.

Table 1. MilCon Appropriation Request, FY 2016 versus FY 2017

Account Category	FY 2016 Request (\$ Millions)	FY 2017 Request (\$ Millions)	Change from FY 2016	
			Funding (\$ Millions)	Percent
Military Construction	6,653	5,741	(912)	(14%)
Base Realignment and Closure	251	205	(46)	(18%)
Family Housing	1,413	1,320	(93)	(7%)
Chemical Demilitarization	0	0	0	0%
NATO Security Investment Program	120	178	58	48%
TOTAL	8,437	7,444	(993)	(12%)

Military Construction

The FY 2017 military construction request of \$6.1 billion addresses routine requirements for construction at enduring installations stateside and overseas, and for specific programs such as Base Realignment and Closure and the NATO Security Investment Program. This is a 13 percent decrease from our FY 2016 request, and this level of funding remains significantly less than historic trends prior to the Budget Control Act. In addition, we are targeting MilCon funds to three key areas.

First and foremost, our MilCon request supports the Department's operational missions. MilCon is key to supporting forward deployed missions as well as implementing initiatives such as the Asia-Pacific rebalance, European Infrastructure Consolidation, European Reassurance Initiative, and cyber mission effectiveness. Our FY 2017 budget request includes \$473 million for 13 F-35A/B/C maintenance, production, training, and support projects to accommodate initial F-35

deliveries; \$194 million to support 8 fuel infrastructure projects; \$62.2 million for a power upgrades utility project in support of the U.S. Marines relocation to Guam; \$260 million for recapitalization of National Security Agency facilities; and \$53.1 million for the third phase of a Joint Intelligence Analysis Complex Consolidation at Royal Air Force Croughton, United Kingdom. The budget request also includes \$470 million to address new capabilities/mission, force structure growth, and antiquated infrastructure for Special Operations Forces; \$176 million for 3 Missile Defense Agency projects, including \$156 million for Phase 1 of the Long Range Discrimination Radar System Complex in Alaska; a \$76 million investment to recapitalize facilities at three Naval Shipyards; and \$124 million for 4 unmanned aerial vehicle operational facilities.

Second, our FY 2017 military construction budget request continues the Department's 10 year plan (which started in FY 2011) to replace and recapitalize more than half of the DoDEA schools. Funding in FY 2017 includes \$246 million to address four schools in poor condition at Dover, Delaware; Kaiserslautern, Germany; Kadena AB, Japan; and RAF Croughton, United Kingdom.

Third, the FY 2017 budget request includes \$304 million for medical facility recapitalization. This includes \$50 million for the first increment of a \$510 million project for the Walter Reed Medical Center Addition/Alteration; \$58.1 million for increment six (of a \$982 million seven increment project) for the Medical Center Replacement at Rhine Ordnance Barracks in Germany; and \$195.9 million for five other smaller medical/dental facilities. All the projects are crucial for our continued delivery of quality health care that our service members and their families deserve whether stationed stateside or during overseas deployments.

Overseas Contingency Operations

The FY 2017 Overseas Contingency Operations budget request includes \$47.9 million for projects supporting the mission in East Africa (Djibouti). The request also includes \$113.6 million in European Reassurance Initiative military construction funding for military construction activities for the Active components of all Military Services, and Defense-Wide Activities supporting military operations in Europe in direct support of NATO, Operation Freedom's Sentinel, and Operation Inherent Resolve. Funds provided would bolster security of U.S. NATO Allies and partner states in Europe and deter aggressive actors in the region by enhancing prepositioning and weapons storage capabilities, improving airfield and support infrastructure, providing 5th generation warfighting capability, and building partnership capacity.

Family and Unaccompanied Housing

A fundamental priority of the Department is to support military personnel and their families to improve their quality of life by ensuring access to suitable, affordable housing. Service members are engaged in the front lines of protecting our national security and they deserve the best possible living and working conditions. Sustaining the quality of life of our people is crucial to recruitment, retention, readiness and morale.

Our FY 2017 budget request includes \$1.3 billion to fund construction, operation, and maintenance of government-owned and leased family housing worldwide as well as to provide housing referral services to assist military members in renting or buying private sector housing, and oversight of privatized family housing (see Table 2 below). Included in this request is \$356 million for construction and improvements; \$232 million for operations (including housing referral services); \$229 million for maintenance; \$154 million for utilities; and \$349 million for leasing and privatized housing oversight.

This funding request supports over 38,000 government-owned family housing units, almost all of which are on enduring bases in foreign countries now that the Department has privatized the vast majority of our family housing in the United States (over 206,000 units). The Department is also leasing more than 9,000 family housing units where government-owned or privatized housing is not feasible. Our request also includes \$3.3 million to support administration of the Military Housing Privatization Initiative (MHPI) Program as prescribed by the Federal Credit Reform Act of 1990, to ensure the project owners continue to fund future capital repairs and replacements as necessary to provide quality housing for military families and to ensure that these projects remain viable for their 40-50 year lifespan.

In FY 2015, the Department notified Congress of DoD's intent to transfer \$96 million of Navy family housing construction funds into the Department's Family Housing Improvement Fund (FHIF) to execute Hawaii Phase 6 to support Marine Corps housing requirements in Hawaii. Execution of Hawaii Phase 6 brings the Department's total privatized family housing inventory to nearly 202,000 homes.

Table 2. Family Housing Budget Request, FY 2016 versus FY 2017

Account Category	FY 2016 Request (\$ Millions)	FY 2017 Request (\$ Millions)	Change from FY 2016	
			Funding (\$ Millions)	Percent
Family Housing Construction/ Improvements	277	356	79	29%
Family Housing Operations & Maintenance	1,136	961	(175)	(15%)
Family Housing Improvement Fund*	0	3	3	100%
TOTAL	1,413	1,320	93	(7%)

*We made no FY 2016 request for funds to oversee privatized housing because we had sufficient FY 2015 cost savings to cover our FY 2016 expenses.

The Department also continues to encourage the modernization of Unaccompanied Personnel Housing (UPH) to improve privacy and provide greater amenities. In recent years, we have heavily invested in UPH to support initiatives such as BRAC, global restationing, force structure modernization, and the Navy's Homeport Ashore initiative. However, this constrained budget

request only includes five UPH projects totaling \$161 million, all of which are for transient personnel or trainees such as a \$67 million Recruit Dormitory at Joint Base San Antonio, Texas.

Facilities Sustainment and Recapitalization

In addition to new construction, the Department invests significant funds in maintenance and repair of our existing facilities. Sustainment represents the Department's single most important investment in the condition of its facilities. It includes regularly scheduled maintenance and repair or replacement of facility components—the periodic, predictable investments that should be made across the service life of a facility to slow its deterioration, optimize the Department's investment, and save resources over the long term. Proper sustainment slows deterioration, maintains safety, preserves performance over the life of a facility, and helps improve the productivity and quality of life of our personnel.

The accounts that fund these activities have taken significant cuts in recent years. Recognizing that too much risk has been endured in maintaining their facilities, the Military Departments increased Facility Sustainment commitments in FY 2017. The FY 2017 DoD budget request includes \$8.1 billion of Operations and Maintenance (O&M) funding for sustainment of our real property, representing 74% of the requirement based on the Facilities Sustainment Model (FSM).

Table 3. Sustainment and Recapitalization Budget Request, FY 2016 versus FY 2017

Account Category	FY 2016 Request (\$ Millions)	FY 2017 Request (\$ Millions)	Change from FY 2016	
			Funding (\$ Millions)	Percent
Sustainment (O&M)	8,022	7,450	572	(7%)
Recapitalization (O&M)	2,563	2,088	(475)	(19%)
TOTAL	10,585	9,538	(1,047)	(10%)

For FY 2017, the Department's budget request includes \$7.4 billion for sustainment and \$2.1 billion for recapitalization (see Table 3 above) in Operations & Maintenance funding only. The combined level of sustainment and recapitalization funding (\$9.5 billion) is a 10 percent decrease from the FY 2016 President's Budget (PB) request (\$10.6 billion), and reflects an acceptance of significant risk in DoD facilities. In fact, the request supports average DoD-wide sustainment funding level that equates to 74% of the FSM requirement as compared to the Department's goal to fund sustainment at 90% of modeled requirements.

Recent and ongoing budget constraints have limited investment in facilities sustainment and recapitalization to the point that 13.2 percent of the Department's facility inventory is in "poor" condition (Facility Condition Index (FCI) between 60 and 79 percent) and another 18.9 percent is in "failing" condition (FCI below 60 percent) based on recent facility condition assessment data. Compared to last year, the Department is seeing more poor facilities moving into failing conditions. Until the out-year sequestration challenges are overcome, the Department will

continue to take risk in funding to sustain and recapitalize existing facilities. This will ultimately result in DoD facing larger bills in the out-years to restore or replace facilities that deteriorate prematurely.

Fiscal Year 2017 Budget Request – Environmental Programs

The Department has long made it a priority to protect the environment on our installations, not only to preserve irreplaceable resources for future generations, but to ensure that we have the land, water and airspace we need to sustain military readiness. To achieve this objective, the Department has made a commitment to continuous improvement, pursuit of greater efficiency and adoption of new technology. In the President's FY 2017 budget, we are requesting \$3.4 billion, a slight decrease from FY 2016, to continue the legacy of excellence in our environmental programs.

The table below outlines the entirety of the DoD's environmental program, but I would like to highlight a few key elements where we are demonstrating significant progress – specifically, our environmental restoration program, our efforts to leverage technology to reduce the cost of cleanup, and the Readiness and Environmental Protection Integration (REPI) program.

Table 4: Environmental Program Budget Request, FY 2017 versus FY 2016

Program	FY 2016 Request (\$Millions)	FY 2017 Request (\$Millions)	Change from FY 2016	
			Funding (\$Millions)	Percent
Environmental Restoration	1,107	1,030	-77	-7%
Environmental Compliance	1,389	1,493	103	7%
Environmental Conservation	389	420	31	8%
Pollution Prevention	101	84	-17	-17%
Environmental Technology	200	186	-14	-7%
BRAC Environmental	217	181	-36	-17%
TOTAL	3,405	3,395	-10	-0.3%

Environmental Restoration

We are requesting \$1.2 billion to continue cleanup efforts at remaining Installation Restoration Program (IRP – focused on cleanup of hazardous substances, pollutants, and contaminants) and Military Munitions Response Program (MMRP – focused on the removal of unexploded ordnance and discarded munitions) sites. This includes \$1.0 billion for "Environmental Restoration," which encompasses active installations and Formerly Used Defense Sites (FUDS) locations and \$181 million for "BRAC Environmental." The amount of BRAC Environmental funds requested will be augmented by \$108 million of land sale revenue and prior year, unobligated funds, bringing the total amount of BRAC Environmental funding planned for obligation in FY 2017 to \$289 million. These investments help to ensure DoD continues to make property at BRAC locations safe and environmentally suitable for transfer. We remain engaged with the Military Departments to ensure they are executing plans to spend remaining unobligated balances in the BRAC account.

Table 5: Progress Toward Cleanup Goals

Goal: Achieve Response Complete at 90% and 95% of Active and BRAC IRP and MMRP sites, and FUDS IRP sites, by FY2018 and FY2021, respectively			
	Status as of the end of FY 2015	Projected Status at the end of FY 2018	Projected Status at the end of FY 2021
Army	90%	94%	97%
Navy	80%	86%	92%
Air Force	80%	89%	94%
DLA	86%	97%	97%
FUDS	80%	89%	94%
Total	84%	91%	95%

We are cleaning up sites on our active installations in parallel with those on bases closed in previous BRAC rounds – cleanup is not something that DoD pursues only when a base is closed. In fact, the significant progress we have made over the last 20 years cleaning up contaminated sites on active DoD installations is expected to reduce the residual environmental liability in the disposition of our property made excess through the BRAC process or other efforts.

By the end of 2015, the Department, in cooperation with state agencies and the Environmental Protection Agency, completed cleanup activities at 84 percent of Active and BRAC IRP and MMRP sites, and FUDS IRP sites, and is now monitoring the results. During FY 2015 alone, the Department completed cleanup at over 870 sites. Of the roughly 39,500 restoration sites, almost 31,500 are now in monitoring status or cleanup completed. We are currently on track to meet our program goals – anticipating complete cleanup at 95 percent of Active and BRAC IRP and MMRP sites, and FUDS IRP sites, by the end of 2021.

Our focus remains on continuous improvement in the restoration program: minimizing overhead; adopting new technologies to reduce cost and accelerate cleanup; refining and standardizing our cost estimating; and improving our relationships with State regulators through increased

dialogue. All of these initiatives help ensure that we make the best use of our available resources to complete cleanup.

Environmental Technology

A key part of DoD's approach to meeting its environmental obligations and improving its performance is its pursuit of advances in science and technology. The Department has a long record of success when it comes to developing innovative environmental technologies and getting them transferred out of the laboratory and into actual use on our remediation sites, installations, ranges, depots and other industrial facilities. These same technologies are also now widely used at non-Defense sites helping the nation as a whole.

While the FY 2017 budget request for Environmental Technology overall is \$191 million, our core efforts are conducted and coordinated through two key programs - the Strategic Environmental Research and Development Program (SERDP - focused on basic research) and the Environmental Security Technology Certification Program (ESTCP - which validates more mature technologies to transition them to widespread use). The FY 2017 budget request includes \$65 million for SERDP and \$32 million for ESTCP for environmental technology demonstrations, with an additional \$20 million requested specifically for energy technology demonstrations.

These programs have already achieved demonstrable results and have the potential to reduce the environmental liability and costs of the Department - developing new ways of treating groundwater contamination, reducing the life-cycle costs of multiple weapons systems, and improving natural resource management.

As an example, this past year SERDP-sponsored project to conduct basic research that will develop an environmentally benign Chemical Agent Resistant Coating (CARC), which is critical technology for the protection of military assets. Current CARC coatings contribute approximately 2.3 million pounds of volatile organic compounds (VOCs) and hazardous air pollutants (HAPs) to the environment each year. The new novel powder CARC is absent of solvent, emits nearly zero VOCs, can be recycled, and is compatible with existing CARC systems. In addition, testing to date proves that the exterior durability of this coating is superior to any liquid CARC system, supporting DoD's initiative for corrosion prevention and mitigation. Coating products are currently in transition to Original Equipment Manufacturers, Depots, and the Defense Logistics Agency (DLA).

Looking ahead, our environmental technology investments are focused on the Department's evolving requirements. In the area of Environmental Restoration, we are launching a new three-year initiative to support sustainable range management by researching the environmental impacts of new munitions compounds and we will continue our investments in technologies to address the challenges of contaminated groundwater sites where no good technical solutions are currently available. We are working to understand the behavior of contaminants in fractured bedrock and large dilute plumes, which represent a large fraction of these sites, and to develop treatment and management strategies. We will continue our efforts to develop the science and tools needed to meet the Department's obligations to assess and adapt to climate change. Finally,

to transition the important work of improving the sustainability of our industrial operations and reducing life-cycle costs by eliminating toxic and hazardous materials from our production and maintenance processes we are initiating a program to demonstrate that our most hazardous chemicals can be eliminated from a maintenance production line.

Environmental Conservation and Compatible Development

To maintain access to the land, water and airspace needed to support our mission needs, the Department continues to successfully manage the natural resources entrusted to us – including protecting the many threatened and endangered species found on our lands. DoD manages approximately 25 million acres containing many high-quality and unique habitats that provide food and shelter for nearly 520 species-at-risk and over 400 that are federally listed as threatened or endangered species. That is 9 times more species per acre than the Bureau of Land Management, 6 times more per acre than the United States Fish and Wildlife Service (USFWS), 4.5 times more per acre than the Forest Service, and 3.5 times more per acre than the National Park Service. A surprising number of rare species are found only on military lands – including more than 15 listed species and at least 75 species-at-risk.

The FY 2017 budget request for Conservation is \$420 million. The Department invests these funds to manage its imperiled species as well as all of its natural resources in an effort to sustain the high quality lands our service personnel need for testing, training and operational activities, and to maximize the flexibility our servicemen and women need to effectively use those lands. Species endangerment and habitat degradation can and does have direct mission-restriction impacts. That is one reason we work hard to *prevent* species from becoming listed and, if they do become listed, to manage these species and their habitat in ways that sustain the resource and enable our ability to test and train. All of our plans now adequately address these species, and we have successfully and consistently avoided critical habitat designations because our plans adequately address management concerns for species that exist on our lands. Getting ahead of any future listings has been a prime, natural resource objective for the last several years and will remain so in the future.

Readiness and Environmental Protection Integration (REPI) Program

To help ensure DoD sustains its national defense mission and protects species under duress, the Department has developed a strategy that supports conservation beyond installation boundaries. Under this strategy DoD engages with other governmental and non-governmental partners, as well as private landowners, to develop initiatives and agreements for protecting species for the purposes of precluding or mitigating regulatory restrictions on training, testing, and operations on DoD lands. Expanding the scale and options for protecting species on non-DoD land benefits conservation objectives while helping sustain access to, and operational use, of DoD live training and test domains.

This strategic focus is a key element of the Readiness and Environmental Protection Integration (REPI) Program. Under REPI, the Department partners with conservation organizations and state and local governments to preserve buffer land and sensitive habitat near installations and ranges. Preserving these areas allows the Department to avoid more costly alternatives such as

workarounds, restricted or unrealistic training approaches, or investments to replace existing test and training capability. Simultaneously, these efforts ease the on-installation species management burden and reduce the possibility of restricted activities, ultimately providing more flexibility for commanders to execute their missions.

Included within the \$420 million for Conservation, \$60 million is directed to the REPI Program. The REPI Program is a cost-effective tool to protect the nation's existing training, testing, and operational capabilities at a time of decreasing resources. In the last 13 years, REPI partnerships have protected more than 437,000 acres of land around 86 installations in 29 states. In addition to the tangible benefits to training, testing, and operations, these efforts have resulted in significant contributions to biodiversity and recovery actions supporting threatened, endangered and candidate species.

The REPI Program supports the warfighter and protects the taxpayer because it multiplies the Department's investments through unique cost-sharing agreements. Even in these difficult economic times, REPI is able to directly leverage the Department's investments at least one-to-one with those of our partners, effectively securing critical buffers around our installations for half-price.

In addition, DoD, along with the Departments of the Interior and Agriculture, continues to advance the Sentinel Landscapes Partnership to protect large landscapes where conservation, working lands, and national defense interests converge — places defined as Sentinel Landscapes. Established in 2013, the Sentinel Landscapes Partnership further strengthens interagency coordination and provides taxpayers with the greatest leverage of their funds by aligning federal programs to advance the mutually-beneficial goals of each agency.

Thus far, three Sentinel Landscapes have been identified around Joint Base Lewis-McChord, Washington; Fort Huachuca, Arizona; and Naval Air Station (NAS) Patuxent River and the Atlantic Test Ranges, Maryland. The pilot Sentinel Landscape project at JBLM influenced the USFWS decision to avoid listing a butterfly species in Washington, Oregon, and California. The USFWS cited the "high level of protection against further losses of habitat or populations" from investments made by Joint Base Lewis-McChord's REPI partnership, actions that allow significant maneuver areas to remain available and unconstrained for active and intense military use at JBLM. At Fort Huachuca, NAS Patuxent River and the Atlantic Test Ranges, DoD is working with USFWS, the Natural Resources Conservation Service, the U.S. Forest Service, and a variety of state and private conservation organizations to protect important swaths of special use airspace used for aircraft testing and training, while also benefiting ecologically sensitive watersheds and the installations, wildlife, and working lands dependent on those resources.

Fiscal Year 2017 Budget Request – Energy Programs

Unlike the Department's Military Construction and Environmental Remediation programs, where the budget request includes specific line items, our energy programs are subsumed into other accounts. The following sections describe the Energy portion of the budget request. Further discussion of energy follows in the highlighted issues section.

Operational Energy

In FY 2017, the Department's budget request includes an estimated \$9.8 billion for 93.3 million barrels of fuel. In order to increase warfighting capability and reduce operational risk, the Department's FY 2017 budget request also includes \$2.5 billion for adaptations and improvements in our use of operational energy. Operational energy is the energy used to power aircraft, ships, combat vehicles, and mobile power generation at contingency bases. While there is no explicit budget request for Operational Energy, these investments across multiple accounts and appropriations are intended specifically to improve military capability.

Within this overall request, the Department is requesting \$37.3M in RDT&E funding to support the Operational Energy Capabilities Improvement Fund (OECIF). OECIF provides funding to DoD research programs that improve operational energy performance organized around a specific annual theme or focus area, as well as sustain funding to those programs already underway. The FY 2017 President's Budget will provide funding for new programs, as well as support those programs established in FY14-FY16.

Finally, the Department is requesting \$5.4 million in FY17 to fund the operations of OASD(EI&E) and oversee operational energy activities. Each year, EI&E certifies that the President's Budget is adequate for carrying out the Department's *Operational Energy Strategy*. The full certification report, which will be provided to Congress in the near future, will provide a more comprehensive assessment of the alignment of operational energy initiatives with the goals of the recently released 2016 *Operational Energy Strategy*.

2016 Operational Energy Strategy

Reflecting lessons learned, strategic guidance, and the evolving operational environment, the 2016 *Operational Energy Strategy* is designed to improve our ability to deliver the operational energy needed to deploy and sustain forces in an operational environment characterized by peer competitors, asymmetric insurgents, and unforgiving geography. The strategy identifies the following three objectives:

- **Increase Future Warfighting Capability.** Foremost, the strategy focuses on increasing warfighter capability through energy-informed force development. In addition to energy Key Performance Perimeters (eKPP) informed by energy supportability analyses that improve the combat effectiveness and supportability of major acquisition programs, the Department will continue to invest in energy innovation that improves the long-term capability of the Department, such as increasing the unrefueled range or endurance of platforms. With this knowledge of inherent energy constraints and risks, the Military Departments will be better able to make energy-informed decisions related to force development and future capabilities.
- **Identify and Reduce Logistics and Operational Risks.** To effectively reduce logistics risks, the Department will address energy risks in near-term operation plans as well as more exploratory, longer-term concepts of operation. Initiatives that fall into this category seek to mitigate warfighting gaps found in Integrated Priority Lists, OPLANs,

and wargames. The Department's focus on risk will ensure future forces are better aligned to mitigate potential threats to operations.

- Enhance Mission Effectiveness of the Current Force. Finally, the strategy will improve the effectiveness of U.S. forces operating around the globe today. To do so, the Department will emphasize improved energy use in operations and training, and enhanced education of operators, logisticians, and system developers. These initiatives may include material and non-material enhancements to day to day operations, as well as adaptations in training, exercises, and professional military education.

In coordination with the Combatant Commands, Military Departments, Joint Staff, and Defense Agencies, my office is overseeing the execution of fifteen targets arrayed across the three objectives. For instance, we are supporting Joint Staff oversight of the energy KPP, facilitating operational energy advisors at the Combatant Commands, and assessing the role of operational energy in war games and operation plan reviews. In addition to the Defense Operational Energy Board, we will use existing requirements, acquisition, programming, and budgeting processes to review Department progress against these targets.

Installation Energy

As with Operational Energy, there is no explicit request in the overall budget for Facilities Energy – utilities expenditures are included in the Base Operations O&M request. Facilities Energy remains our single largest base operating cost and in FY15, we spent \$3.9 billion to heat, cool, and provide electricity to our buildings. To reduce this cost the Department is pursuing energy efficiencies through building improvements, new construction, and third party investments.

The Department's FY 2017 budget request includes approximately \$618 million for investments in conservation and energy efficiency, most of which will be directed to existing buildings. The majority (\$468 million) is in the Military Components' operations and maintenance accounts, to be used for sustainment and recapitalization projects. Such projects typically involve retrofits to incorporate improved lighting, high-efficiency HVAC systems, double-pane windows, energy management control systems, and new roofs. The remainder (\$150 million) is for the Energy Conservation Investment Program (ECIP), a Military Construction account used to implement energy efficiency, water conservation, and renewable energy projects. Each individual ECIP project has a positive payback (i.e. Savings to Investment Ratio (SIR) > 1.0) and the overall program has a combined SIR greater than 2.0. This means for every dollar we invest in ECIP, we generate more than two dollars in savings.

The Military Component investments include activities that would be considered regular maintenance and budgeted within the O&M accounts for Facilities Sustainment, Restoration, and Maintenance activities. The risk that has been accepted in those accounts will not only result in fewer energy projects, but failing to perform proper maintenance on our buildings will without question have a negative impact on our energy usage. In plain terms, upgrades to air conditioning systems will not reduce energy usage as projected if the roof is leaking or the windows are broken.

In addition to retrofitting existing buildings, we continue to drive efficiency in our new construction. Our new buildings must be constructed using the high-performance sustainable buildings standards issued by my office 2 years ago which include greater energy efficiency requirements.

Additionally, the Department is taking advantage of third-party financing through Energy Savings Performance Contracts (ESPCs) and Utility Energy Service Contracts (UESCs), to implement energy efficiency improvements in our existing buildings. Under these contracts private energy firms or utility companies make energy upgrades to our buildings and are paid back over time using utility bill savings.

Facilities Energy Management

With respect to facilities energy management the Department has made great progress towards improving the energy efficiency of its installations. Since FY09, the Department reduced the energy consumed on our military bases by 10%, avoiding over \$1.2 billion in operating costs.

In addition to using appropriated funding for energy conservation and efficiency initiatives, the Department is continuing to take advantage of third-party financing tools through energy performance based contracts (ESPCs and UESCs) to implement energy efficiency improvements in our existing buildings. While such performance-based contracts have long been part of the Department's energy strategy, the Services have significantly increased the use of ESPCs and UESCs in response to the President's Performance Contracting Challenge (PPCC) originally issued in December 2011 and extended in May 2014. The PPCC challenged federal agencies to award \$4 billion in energy performance based contracts by the end December 2016. The DoD's commitment to the challenge is just over \$2 billion in contracts. To date the Department has awarded \$1.3 billion in ESPCs and UESCs.

Regarding renewable energy, the Department has a goal to deploy 3 gigawatts of renewable energy by FY 2025. Most renewable energy projects we pursue are financed by private developers. DoD's authorities for renewable energy - particularly the ability to sign power purchase agreements of up to 30 years - provide incentives for private firms to fund the projects themselves, and can also provide a strong business case that they are able to offer DoD lower energy rates than are being paid currently. The DoD does not make any capital investment in these renewable energy projects. When feasible, renewable energy projects are being built with micro-grid-ready applications that can enable the provision of continuous power in the event of a disruption.

As of the end of FY15 the Department has 702 megawatts in renewable energy projects in operation. The Services also have more than 550 megawatts of projects under construction including a 15 MW Solar PV/ 50 MW wind "hybrid" project at Ft Hood, TX and an off-site 210 MW solar PV facility that will supply power to 14 Department of Navy installations in California. Further, there is another 1.3 gigawatts of renewable energy projects in various stages of development; putting the Department well on track towards meeting its 3 gigawatt goal.

Highlighted Issues**Merger of the Energy, Installations, and Environment Organizations**

As you know, the FY 2015 National Defense Authorization Act directed the merger of the Assistant Secretary of Defense for Operational Energy Plans and Programs and the Deputy Under Secretary of Defense for Installations and Environment to create the Assistant Secretary of Defense for Energy, Installations and Environment. The ASD (EI&E) is now the principle advisor to the Secretary of Defense for Acquisition, Technology, and Logistics on matters relating to energy, installations, and environment and the principal advisor to the Secretary of Defense and the Deputy Secretary of Defense regarding operational energy plans and programs.

The Department is currently developing the required report on the status of the merger, and will provide that to the Congress later this year. I can tell you that through the merger operational energy functions have benefited from additional resources and collaboration with complementary functions related to installation energy, facilities investment and management, and basing.

Base Realignment and Closure

Given the need to find efficiencies and reexamine how our infrastructure is configured, the Administration is requesting the authority from Congress to conduct a 2019 BRAC round. As indicated in testimony last year, the Department has excess capacity. The Army and Air Force have analyzed their infrastructure and have found that they have 18 percent and 30 percent excess capacity, respectively. We are currently conducting a DoD wide parametric analysis as directed by the FY 16 National Defense Authorization Act, which will likely indicate excess of around 20 percent. This level of excess is not surprising given the fact that in 2004 we found that the Department had 24% excess and BRAC 2005 reduced infrastructure by 3.4% (as measured by plant replacement value).

As we have said, a new BRAC round will be different than BRAC 2005. The new round will be efficiency focused. It will save about \$2 billion a year after implementation; with costs and savings during the six year implementation being a wash at approximately \$7 billion. Our projection is based on the efficiency rounds of the 1990s.

In addition to being a proven process that yields savings, BRAC has several advantages that we have outlined before in our testimony. I want to highlight a few of these:

- BRAC is comprehensive and thorough - all installations are analyzed using certified data aligned against the strategic imperatives detailed in the 20-year force structure plan;
- The BRAC process is auditable and logical which enables the Commission to conduct an independent review informed by its own analysis and testimony from affected communities and elected officials;
- The Commission has the last say on the Department's recommendations - being fully empowered to alter, reject, or add recommendation;

- The BRAC process has an “All or None” construct which prevents the President and Congress from picking and choosing among the Commission’s recommendations; thereby insulating BRAC from politics;
- The BRAC process imposes a legal obligation on the Department to close and realign installations as recommended by the Commission by a date certain that facilitates economic reuse planning by impacted communities and grants the Department the authorities needed to satisfy that legal obligation.

If Congress is willing, we would certainly be open to dialog on how the BRAC legislation could be modified to ensure the round remains focused on recommendations that save money quickly and limit pursuit of costly recommendations. We should be careful, however, about altering the fundamental principles of the process, particularly those that I outlined above. The key is maintaining the essence of the BRAC process: treating all bases equally, all or none review by both the President and Congress, an independent Commission, the priority of military value, and a clear legal obligation to implement all of the recommendations in a time certain together with all the authorities needed to accomplish implementation (specifically MILCON).

European Infrastructure Consolidation

In response to our recent requests for BRAC authority, Congress made it clear that it wanted DoD to look at reducing our overseas infrastructure first – particularly in Europe. We did so by conducting the European Infrastructure Consolidation (EIC) analysis - the first holistic and joint review of our legacy infrastructure in Europe.

To analyze our European infrastructure we used a process very similar to the proven U.S. BRAC process. We looked at capacity, requirements (including surge), military value, cost, and the diplomatic dynamics involved with each action. As we consolidate our footprint, the infrastructure remaining in place will continue to support our operational requirements and strategic commitments, but we will not need as many support personnel (military, civilian, and host nation employees) to do so.

The 26 approved EIC actions will allow us to create long-term savings by eliminating excess infrastructure without reducing our operational capabilities. In other words, operationally we will continue to do everything we currently do but at a lower cost. After a one-time investment of approximately \$800 million in Military Construction to implement two major base closures, eight minor site closures, and 16 realignment actions, the Department will realize approximately \$500 million in annual recurring savings.

These actions will be executed over the next several years, but that does not mean that everything will remain static in Europe while these changes occur. There were consolidations made before EIC and there will undoubtedly be future basing actions – especially given the evolving security environment. However, our holistic review and the resultant actions allow us to redirect resources supporting unneeded infrastructure and apply them to higher priorities, thus strengthening our posture in Europe.

Although we continually seek efficiencies as we manage installations worldwide, the Department does not conduct this degree of comprehensive analyses of its infrastructure on a regular basis.

That's one of the reasons we have requested BRAC authority from Congress to do a review of our U.S. installations. In this fiscal environment it would be irresponsible of us not to look for such savings.

Rebalance to the Asia-Pacific
Rebasing of Marines from Okinawa to Guam

The movement of thousands of Marines from Okinawa (and elsewhere) to Guam is one of the most significant re-basing action in recent years. We appreciate Congress' support allowing us to move forward on this essential component of our rebalance to the Asia-Pacific region, resulting in a more geographically dispersed, operationally resilient, and politically sustainable posture in the area. As a U.S. territory, Guam offers strategic advantages and operational capabilities that are unique in the region. Presence in Guam is a force multiplier that contributes to a force posture that reassures allies and partners and deters aggression.

Now that the very complex National Environmental Policy Act (NEPA) process (nearly five years of study) is complete, there is a clear path for construction to proceed in earnest. Utilities and site improvements (~\$300 million funded by the GoJ) for the main cantonment area at Finegayan, and a live-fire training range (\$125 million) at Andersen's Northwest Field will be the first projects under the new Record of Decision (ROD). Construction for the Marine Aviation Combat Element (ACE) at the North Ramp of Andersen proceeded earlier because it was covered under the original 2010 ROD; it remains on track.

We understand Congress' concerns regarding both the cost and feasibility of the relocation and we are firmly committed to the principles of operational effectiveness and fiscal responsibility. We remain confident in the estimate of \$8.7 billion for the program, which includes \$3.1 billion provided by the Government of Japan (GoJ) (\$1.152 billion transferred to date). The Department is evaluating this program in advance of each year's budget submission to pursue efficiencies that have the potential to reduce overall cost. For example, the Department's decision to relocate housing to Andersen Air Force Base reduced the requirement for a water works project (at the main cantonment area) saving the Department approximately \$50 million. Additionally, we continue to provide the necessary oversight, conducting quarterly Deputy Secretary led Guam Oversight Council meetings to address issues related to the program's implementation.

The Marines, in conjunction with the Naval Facilities Engineering Command (NAVFAC), have an established program management organization for construction execution and oversight. NAVFAC is standing up an Officer in Charge of Construction office and anticipates it will be in place by the first quarter of 2017. The Marines continue with planning to meet operational requirements on the ground. This is the largest infrastructure program (~\$9 billion) that has been executed in many years, so it is prudent to have the necessary management structure in place to ensure success.

The Economic Adjustment Committee Implementation Plan (EIP) (submitted to Congress in October 2015) was the last Congressional requirement restricting project execution on Guam. The Plan outlines the five "outside the fence" projects (listed in the table below) associated with the impacts of the build-up on Guam's civilian infrastructure. Last year's FY 2016 NDAA

provides authorization for moving forward with the water/wastewater projects – but not for the cultural repository and the public health lab projects. Our FY 2017 President’s Budget requests authority for these two projects and the balance of funding (\$87 million).

Table 6: EAC Projects Supporting DoN Record of Decision

Project Title	Project Total (\$Millions)	Previous FY (s) Appropriated (\$Millions)	FY 2017 Request (\$Millions)
Upgrade Wastewater Treatment Plan	139	71	68
Refurbishment sewer line Andersen AF	31	31	0
Repair/expansion Aquifer monitoring system	4	4	0
Public Health Laboratory	32	13	19
Cultural Repository	12	12	0
Total	218	131	87

The cumulative impact of this stationing was carefully evaluated within the environmental analysis process and we determined that water/wastewater, public health, and our obligation to care for artifacts uncovered in our construction need to be addressed. The associated projects total \$218 million, which is a relatively small, but absolutely necessary, portion of this relocation.

Failure to provide authorization for these projects increases the risk of litigation and project delay and will affect DOD’s credibility with the Guam’s populace. Our inability to meet commitments to the Government of Guam will also adversely affect our credibility with the Government and people of the Commonwealth of Northern Mariana Islands (CNMI) since they have similar concerns, as discussed below.

Commonwealth of Northern Mariana Islands (CNMI) Initiatives

The Department continues to pursue two key military initiatives in CNMI- the CNMI Joint Military Training (CJMT) Complex (a U.S. Pacific Command (PACOM) initiative (led by USMC) to reduce joint training deficiencies in the Western Pacific); and an Air Force Divert and Exercise Field on Tinian.

PACOM requires a Joint Military Training Complex in-theater to meet Department of Defense training requirements in the theater. The Complex will make a key contribution to the readiness of Marines relocating to Guam and provide bilateral and multilateral training opportunities with foreign allies and partners. The Department sought to design the CJMT complex on Tinian and Pagan in a manner that minimizes the impacts on the local communities and provides direct

economic and other benefits while meeting PACOM and its Service Components' training requirements.

The training complex includes a series of live-fire Range Training Areas, training courses, maneuver areas, and associated support facilities located in close proximity to each other. The total cost of the complex is ~\$900 million with GoJ contributing \$300 million. In April 2015, the Department of Navy (DoN) released the draft Environmental Impact Statement (DEIS) for the proposed action with an original public comment period of 60 days (extended to 180 days to accommodate requests by the CNMI Governor to give him more time in light of internet problems and damage from Typhoon Soudelor). In response to the over 28,000 comments received in October 2015 the DoN announced its intent to prepare a Revised DEIS to more fully address potential impacts to water, coral, and other natural resources. The DoN now estimates the ROD will be issued in the summer of 2018. This timeline still supports force flow to Guam in 2022.

The Air Force needs to establish a divert capability for up to 12 tankers if access to Andersen Air Force Base is unavailable. The Air Force proposes to construct facilities and infrastructure to support a combination of cargo, tanker, and similar aircraft and associated personnel not only for divert operations, but also to support periodic exercises and disaster relief activities. Efforts to establish this capability are on track for a Record of Decision in mid-April 2016. The Air Force is now pursuing a Tinian-only solution consistent with CNMI's desires.

Building and Maintaining Resilience in the Face of a Changing Climate

Resilience to climate change continues to be a priority for the Department. Both the 2010 and 2014 Quadrennial Defense Reviews (QDRs) discussed the impacts associated with a changing climate that present a threat to DoD's national security mission. We recognize these impacts and their potential threats represent one more risk that we must consider as we make decisions about our installations, infrastructure, weapons systems and, most of all, our people. We have always dealt with the risks associated with extreme weather events and its impacts on our operations and missions. Our challenge today is how to plan for changes in the environment we will be operating from and in.

Even without knowing precisely how or when the climate will change, we know we must build resilience into our policies, programs, and operations in a thoughtful and cost effective way. In January 2016, we issued a DoD Directive on climate change adaptation and resilience that identifies roles and responsibilities across the Department for implementing these strategies over the next ten years.

Specifically, I am focusing on our installations and infrastructure. Sea level is rising and many coastal areas are subsiding or sinking. This impacts the operation and maintenance of our existing installations and infrastructure. As Arctic Sea ice melts and breaks apart, our early warning radar sites are being eroded away at a much greater rate than before. Drought and flooding, which ironically go together, threaten water resources for us and our surrounding communities and exacerbate wildfire issues across the country.

The Military Services have conducted a screening level assessment of all DoD sites world-wide to identify where we are potentially vulnerable to extreme weather events and tidal anomalies

today. The information gleaned from this initial look will help to focus reviews of installation footprints, and shape planning for current and future infrastructure.

Given the projected increases in major storms, DoD continues its progress to ensure energy resilience for its military installations. We completed our power resilience review, and are now updating Department-level instructions to include energy resilience requirements. These requirements will ensure that the Department has the ability to prepare for and recover from energy disruptions that impact mission assurance on its military installations.

Our goal is to increase the Department's resilience to the impacts of climate change. To achieve this goal, we are integrating consideration and reduction of climate risks into our already established mission planning and execution.

Financial Improvement & Audit Readiness

In order to effectively manage its financial resources, the Department remains focused on improving financial record keeping and conducting an independent audit of DoD's financial books beginning in FY 2017. This includes not only an audit of the Department's Statement of Budgetary Resources, but also validating the existence and completeness, rights and obligations, and financial valuation of slightly less than 562,000 facilities located at 513 installations worldwide. The results of a more accurate and reliable real property inventory will better inform our decisions and actions in addressing our real property management challenges.

The Department has made significant progress towards the environmental liabilities associated with our cleanup program and disposal of equipment aspects of the financial audit. Last fall we issued clarifying policies through which we are refining the cost estimates associated with those liabilities; thereby giving the Department a better understanding of our future environmental costs and the ability to plan for any required remediation.

Mission Compatibility Evaluation Process

The Department appreciates the legislative changes made in FY 2016 to section 358 of the Ike Skelton National Defense Authorization Act of Fiscal Year 2011. These changes significantly streamlined the Mission Compatibility Evaluation Process, and ensured that DoD's mission capabilities are protected from incompatible energy developments. As a result of congressional direction and our own efforts we are effectively evaluating the mission impact of utility-scale energy projects, while being mindful of the need for a clean energy future. In 2015 the Department reviewed over 3,400 applications for energy projects that were forwarded by the Federal Aviation Administration. The DoD Siting Clearinghouse worked aggressively with the Military Departments, energy project developers, and relevant states to implement affordable and feasible mitigation solutions where DoD missions might have been adversely impacted. No project reviewed in 2015 rose to the level of an unacceptable risk to the national security of the United States, which is the threshold established in Section 358 of the FY 2011 NDAA to object to a project. The Department is prepared for an increased number of renewable energy project developments as newly approved tax credits become available to developers.

Conclusion

Thank you for the opportunity to present the President's FY 2017 budget request for DoD programs supporting installations, energy, and the environment. Our budget situation requires that we take risk in our facilities. No one is happy about that, but we are effectively managing within this budget constrained environment and we appreciate Congress' continued support for our enterprise and look forward to working with you as you consider the FY 2017 budget request.

MS. HAMMACK OPENING STATEMENT

Ms. HAMMACK. Good morning, Chairman Dent and Ranking Member Bishop and other members of the subcommittee. Thank you for the opportunity to discuss the Army's fiscal year 2017 budget request.

As you mentioned, our budget request is the lowest for the Army since 1993. The focus has been on combatant commanders' top priorities, as well as new directed missions, such as cyber or unmanned aerial vehicle support.

Our MILCON budget does include a request for \$233 million for the National Guard. And that supports recapitalization of readiness centers.

And according to the Readiness Center Transformation Master Plan, which was requested by the Senate Armed Services Committee, the readiness centers are experiencing critical shortfalls. Our 17 request for the National Guard is a step toward addressing those shortfalls, but does not come close to meeting their entire request to recapitalize within the next 15 years.

At the request of Congress, the National Commission on the Future of the Army also issued a report last year, and it includes recommendations on how the Army can free up funding for warfighting needs.

The Commission specifically recommended, and I quote: "the Congress and the administration should look for cost-savings opportunities in areas such as energy savings and a reduced inventory of military facilities."

So with the planned reduction in Army active duty forces to 450,000 by fiscal year 2018, the Army will have an excess capacity averaging 21 percent. If budget caps remain in place, the Army will need to further reduce the number of Soldiers, and our excess capacity will only increase.

The Army's budget request reflects our decision to continue to take risks in installation readiness to focus our financial needs on Soldier readiness. The risk we are taking in sustainment results in an accumulation of deferred maintenance.

The Army needs authorization to optimize installation capacity and free up funds for critical military needs.

Last week, the Acting Secretary and Chief of Staff of the Army testified before the Senate Appropriations Committee that the Army must have a round of Base Realignment and Closure authorized in fiscal year 2017. BRAC is a proven, cost-effective means to reduce excess infrastructure.

Without a BRAC, the Army continues to spend scarce resources to maintain unneeded infrastructure, hurting our highest military-value installations. This is an unacceptable result for the Army and a disservice to American taxpayers.

I look forward to working with you to shape the next round of BRAC.

The Army's request supports efforts to implement energy cost savings and strengthen energy security on our installations. We are leading the federal government by implementing energy savings performance contracts. And since 2003, the Army has reduced our overall energy consumption by over 22 percent.

Working with the private sector, we are increasing renewable energy projects, which we estimate will generate over \$250 million in cost avoidance over the life of the projects.

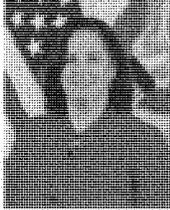
The Army manages 12 million acres of land on which more than 200 endangered species reside. There are many historic preservation requirements and land restoration needs. Our fiscal year 2017 environmental budget request of \$1.05 billion enables the Army to manage these areas while meeting our cleanup requirements. This is critical to maintaining access to testing and training lands.

The Army's top priority continues to be readiness. To meet our mission requirements, your Army requires ready and resilient installations to serve as platforms for readiness for our soldiers.

I look forward to continuing to work with you to ensure they have the critical resources to defend the homeland.

Thank you for the opportunity to appear before you today and for your continued support of Army soldiers, families and civilians. I look forward to the opportunity to answer your questions.

[The information follows:]



Honorable Katherine Hammack
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Ms. Katherine Hammack was appointed as the Assistant Secretary of the Army for Installations, Energy and Environment (ASA IE&E) by President Obama on 28 June 2010. She is the primary advisor to the Secretary of the Army and Chief of Staff of the Army on all Army matters related to Installation policy, oversight and coordination of energy security and management. She is also responsible for policy and oversight of sustainability and environmental initiatives; resource management including design, military construction, operations and maintenance; base realignment and closure (BRAC); privatization of Army family housing, lodging, real estate, utilities; and the Army's installations safety and occupational health programs.

Prior to her appointment, Ms. Hammack was a leader in Ernst & Young LLP's Climate Change and Sustainability Services practice. In that capacity she assisted clients with obtaining Leadership in Energy and Environmental Design (LEED) green building certification for their buildings and identification of sustainability strategies. She was the key LEED advisor to the largest LEED for new construction building in the world (8.3 million sq ft) which received LEED-NC Silver certification. She was also the key LEED advisor on the largest existing green building certification for building operation and maintenance (9.6 million sq ft) which received LEED-EB Gold level certification.

Ms. Hammack has over 30 years of experience in energy and sustainability advisory services. She has experience in the evaluation of energy conservation projects, including ventilation upgrades, air distribution, indoor air quality, lighting efficiency, cogeneration, sustainable design, solar energy and building operation.

Ms. Hammack has a bachelor's degree in mechanical engineering from Oregon State University and an M.B.A. from University of Hartford. She is a Certified Energy Manager, LEED Accredited Professional and a Certified Indoor Air Quality Manager. She has been an active member of ASHRAE, where she has been on the 90.1 Energy Efficiency Standard Committee and on the Standard 189 High Performance Green Buildings Standard Committee. Ms. Hammack is a founding member of U.S. Green Building Council in Washington, D.C.

RECORD VERSION

STATEMENT BY
THE HONORABLE KATHERINE G. HAMMACK
ASSISTANT SECRETARY OF THE ARMY
(INSTALLATIONS, ENERGY & ENVIRONMENT)

BEFORE THE

SUBCOMMITTEE ON MILITARY CONSTRUCTION, VETERANS AFFAIRS AND
RELATED AGENCIES
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES

SECOND SESSION, 114TH CONGRESS

ON BUDGET HEARING - INSTALLATIONS, ENVIRONMENT, ENERGY AND BRAC

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Introduction

Chairman Dent, Ranking Member Bishop, and Members of the Subcommittee: on behalf of the Soldiers, Families, and Civilians of the United States Army, thank you for the opportunity to present the Army's Fiscal Year (FY) 2017 budget request for Installations, Energy, Environment, and Base Realignment and Closure.

The U.S. Army's top priority continues to be readiness: the Army must be ready to shape the global security environment, defend our homeland, and win the nation's wars. To meet these missions, the Army requires ready and resilient installations – our power projection platforms – to enable regional engagement and global responsiveness. Our FY 2017 budget request reflects the Army's decision to take risk in our installation facilities and services to maximize available funding for operational readiness and modernization. The request focuses our limited resources on necessary and prudent investments in military construction, installation energy programs supporting operational activities, and environmental compliance.

The Army recognizes that reduced funding of installations accounts will lead to the continued degradation of our facilities and infrastructure, and risks our long-term ability to adequately support Army forces and meet mission requirements. The Army is stretched thin at a time when we are facing a global security environment that is more uncertain than ever. Without increased funding in the outyears or the authority to close and realign our installations, these problems will only get worse – expending precious funds and putting the readiness and welfare of our Soldiers at risk. It is therefore particularly critical that we maximize the efficient use of our resources at this time to meet mission requirements and ensure Soldier readiness.

The Army's FY 2017 military construction appropriations request strikes a careful balance to meet these growing and changing demands. We look forward to working with Congress to ensure that our national security needs and priorities are met in the upcoming fiscal year and well into the future.

Making Efficient Use of Army Facilities

To meet readiness requirements, the Army must maintain installations that make efficient and effective use of available facilities. Army installations should be sized and

resourced to meet the needs of our current and future missions, both at home and overseas.

Efficient use of our installations includes the closure of low military value installations and the divestment of excess facilities that burden Army budgets. Reducing the portfolio of Army facilities was among the recommendations of the National Commission on the Future of the Army (NCFA), established by Congress as part of the FY 2015 National Defense Authorization Act (NDAA). The NCFA's report, released in January 2016, states that "Congress and the Administration should look for cost-saving opportunities in areas such as...a reduced inventory of military facilities."¹ The report recommends that the Army pursue these and other efficiency initiatives to free up funds that could be used to meet warfighting needs and other high-priority initiatives identified by the Commission.

The Army has made every effort to be fiscally prudent in the maintenance of excess infrastructure. The Army has employed its current authority to minimize costs and maximize the use of existing facilities. We have identified and are working to reduce excess capacity overseas through the European Infrastructure Consolidation (EIC) initiative, in addition to implementing efficiency measures across the board. Nevertheless, the modest savings attained from these efforts cannot substitute for the significant savings that can be achieved through base realignments and closures. Without them, the Army is forced to make deep cuts at our highest military value installations because we continue spending scarce resources maintaining and operating lower military value installations.

As the Army is planning to reduce its Active Component end strength to 450,000 by FY 2018, we will have over 170 million square feet of facilities that are not fully utilized – an excess facility capacity averaging 21 percent. Depending on the facility type, the excess infrastructure ranges from 18 percent to 33 percent. At an annual cost of about \$3 per square foot to maintain these facilities, the Army is incurring over \$500 million a year in unnecessary expenditures. If FY 2018-2021 budget caps remain, the

¹ National Commission on the Future of the Army, "Report to the President and Congress of the United States," 28 January 2016, p. 44: Recommendation 5.

Army will need to further reduce the number of Soldiers, and our excess capacity will continue to increase.

The Army cannot afford this status quo. Although Base Realignment and Closure (BRAC) forces difficult choices affecting the local communities surrounding our installations, they are already seeing fewer and fewer Soldiers and Families as force structure continues to decline. BRAC allows the Army to use a fair and non-partisan process to close a few lower military value locations and realign the remaining missions to help fill the excess capacity at our higher military value installations. Not authorizing BRAC is still a choice with real consequences. The lack of authorization for a BRAC results in our highest military value installations bearing the deepest impacts. This is an unacceptable result for the Army and a disservice to American taxpayers.

The BRAC process is a proven, cost-effective means for reducing costly excess infrastructure, while ensuring a continued focus on efficiency and consolidation. The Army strongly supports DoD's request for a BRAC round, and urges Congress to enact legislation in FY 2017 authorizing the Department to begin the process.

Preserving Ready Installations

Army installations – where Soldiers live, work, and train – are where Army readiness is built to meet future challenges and ensure the security of our nation. Increasing global threats generate installation requirements for force protection, cyber security, and energy security. Installation budgets provide the premier all-volunteer Army with facilities that support readiness and quality of life for our Soldiers, Families, and Civilians.

The Army continues to focus its limited resources on supporting readiness initiatives and replacing failed facilities. As we remain under pressure from current law budget caps, our installation services must continually be adjusted. Increases in deferred maintenance and reduced investments in installations and infrastructure ultimately increase our growing backlog of failing facilities. This degrades the Army's ability to be ready to project full spectrum forces over time. Excess facility capacity burdens the Army sustainment and base operations – consuming limited dollars that need to be better invested elsewhere.

Sustainment, Restoration, and Modernization (SRM) accounts fund investments to maintain and improve the condition of our facilities. Periodic restoration and modernization of facility components are necessary to ensure the safety of our Soldiers and civilians. Efforts are focused on preventing the degradation of our facilities and optimizing the use of Army investments, to prevent small maintenance issues from turning into large and expensive problems.

The FY 2017 \$3.1 billion budget request will help support our sustainment and restoration requirements. However, the Army is assuming risk in installation readiness to preserve operational readiness. The \$2.7 billion request for Sustainment meets 71% of our Facility Sustainment Model for long-term sustainment, whereas DoD recommended meeting an 80 percent threshold to stem the tide of further facility degradation.

Reduced funding in the outyears for installation readiness adversely impacts facility condition and ultimately increases future military construction and restoration and modernization requirements. This shifts the Army's investment focus to the worst facilities, diverting resources needed to preserve our newest and best infrastructure. Deferred sustainment over the long term can lead to higher life-cycle repair costs and component failure, significantly reducing facility life expectancy.

Responsibly managing over 12 million acres of real property also means that the Army must maintain extensive base operations. Through funding for Base Operations Support (BOS) accounts, Army installations provide services similar to those associated with a municipality: public works, security protection, logistics, environment, and Family programs. These programs and services enable Soldiers, Civilians, and Families to live and work on 154 Army installations worldwide.

Balancing BOS needs in a changing global environment calls for continued due diligence. The President's FY 2017 budget therefore requests a total of \$9.43 billion for BOS accounts, including \$7.82 billion for the Active Component; \$1.04 billion for Army National Guard; and \$573.8 million for Army Reserve.

Investing in Essential Infrastructure

The Army's request for Military Construction provides secure and sustainable facilities and infrastructure critical to supporting the Combatant Commander's top priorities, enabling Army missions, and maintaining Soldier and unit readiness. For FY 2017, the Army requests just over \$1 billion for Military Construction, a reduction of \$229 million – 18 percent – from FY 2016 appropriations. The budget allocates \$503 million (approximately 50 percent) for the Active Component; \$233 million (23 percent) for the Army National Guard; \$68 million (7 percent) for Army Reserves; and \$201 million (20 percent) for Army Family Housing Construction.

The Army continuously reviews project scope and costs. We must continue to adapt to evolving missions, account for emerging organizational changes, and meet unit readiness needs, while simultaneously seeking efficiencies at every opportunity. However, funding for Army Military Construction has reached historically low levels. This reduces the Army's ability to recapitalize inadequate and failed facilities into infrastructure that supports operations, readiness, and the welfare of the all-volunteer force.

The Army National Guard (ARNG) is the oldest component of the U.S. Armed Forces. The Guard has courageously participated in every war and every conflict this nation has ever fought, including Iraq and Afghanistan, and is our first line of defense in responding to domestic emergencies. These men and women perform an important mission for our country, and our military construction budget endeavors to ensure that the needs of their facilities are met.

The Guard's FY 2017 Military Construction request is \$232.9 million. This includes \$161.3 million to support seven Readiness Centers, \$50.9 million to construct three maintenance facilities, \$12 million to fund minor projects, and \$8.7 million for planning and design. Our ARNG budget request is focused on recapitalizing readiness centers – the heart and soul of the National Guard – as well as maintenance facilities, training areas, ranges, and barracks to allow the Guard to be ready to perform state and federal missions. These projects will address space constraints and focus on replacing failing facilities.

In the 2014 ARNG Readiness Center (RC) Transformation Master Plan, a key finding was that the RC portfolio is experiencing "critical facility shortfalls." This budget request is a small step toward addressing the ARNG's challenges. The FY 2017 budget request for the Army Reserve totals \$68.2 million, with four critical projects totaling \$57.9 million. Three of these will focus on replacing some of our most dilapidated and failing facilities on Army Reserve installations that are in the most dire need. This includes \$21.5 million to replace an Emergency Services Center at Fort Hunter Liggett, CA – currently in failing condition – which will provide life-saving police, fire, crash and rescue, and Emergency Medical Team (EMT) services. An additional \$10.3 million will support planning and design of future year projects, as well as to address unforeseen critical needs through the Unspecified Minor Military Construction account.

The Army Family Housing budget allows us to provide homes and services to the Soldiers and their Families living on our installations around the world. For FY 2017, the Army requests \$200.7 million for family housing construction. This will fund two projects in Korea, at Camp Humphreys and Camp Walker, critical to supporting consolidation and quality of life for our Soldiers and their families. The projects are necessary to eliminate dilapidated family housing units and meet the U.S. Forces Korea (USFK) Commander's requirements for housing. An additional \$326 million is requested to help sustain all family housing operations, cover utility costs, ensure proper maintenance and repair of government family housing units, lease properties where advantageous, and provide privatization oversight and risk mitigation.

Ensuring Energy Security

It is operationally necessary, fiscally prudent, and mission essential that the Army have assured access to the energy required to achieve our primary objectives for the United States. The Army has led the way toward increasing energy efficiency on our installations, harnessing new energy technologies to lessen Soldier battery loads, and improving our operational capabilities to reduce the need for fuel convoys. Our installation energy budget request is focused on enhancing mission effectiveness, and is supported by strong business case analyses. For FY 2017, the Army is requesting

\$1.716 billion to pay utility bills on our installations, leverage private sector investment in renewable energy projects, and invest in discrete energy efficiency improvements.

In response to risks posed to our vulnerable energy grid, the Army is improving the “resiliency” of its installations through the use of on-base renewable sources of energy. A resilient Army installation is one that can withstand threats to its security – be they power interruptions, cyber-attacks, or natural disasters – and endure these hazards to continue its own operations and those of the local community. With this in mind, the Army conducted a test and temporarily disconnected Fort Drum, NY from the energy distribution network this past November, validating the installation’s ability to operate independently from the wider grid.

The Army leads the Federal Government in the use of Energy Savings Performance Contracts (ESPCs) and Utility Energy Service Contracts (UESCs), which allow private companies and servicers to provide the initial capital investment needed to execute projects using repayments from Utilities Services Program savings. The amount of energy saved by Army ESPC and UESC projects awarded between FY 2010 and FY 2015 is equal to the amount of energy consumed by Fort Bragg – one of the Army’s largest and most populous installations – in a year. In total, the Army has reduced its facilities energy consumption by 22.6 percent since FY 2003, while also leading the Federal Government in reductions of its potable water intensity use and non-tactical vehicle (NTV) fossil fuel use.

In addition, our energy program account funds the Office of Energy Initiatives (OEI), which helps to plan and develop third party-financed renewable energy projects. OEI currently has 14 projects completed, under construction, or in the final stages of the procurement process – together providing an incredible 350 megawatts (MW) of generation capacity. These projects represent over \$800 million in private sector investment, saving funds that would otherwise be appropriated for military construction. Further, all of these projects provide electricity that is at or below the cost of conventional power.

The Army’s operational energy initiatives provide extended range and endurance, increased flexibility, improved resilience, and force protection, all while enhancing mobility and freedom of action for our Soldiers. Operational energy

investment in science and technology has been a proven force multiplier, providing our Soldiers with a distinct advantage on the battlefield. Therefore, the bulk of our operational energy budget request, \$1.28 billion, is for investments in energy efficient equipment by the Army acquisition community that will reduce physical and logistical burdens on our Soldiers and, most importantly, help save lives.

The Army's energy program has proven results – reducing our reliance on the grid, improving energy security and efficiency, and contributing to mission readiness – all at a minimal impact to Army budgets. Energy performance on our installations is a testament to the Army's success in leveraging its limited resources to achieve considerable results. We urge Congress to continue to support the Army's energy initiatives both in operational and installation environments.

Safeguarding our Environment

The mission of the Army's environmental program is three-fold: (1) to comply with environmental laws and regulations and ensure proper stewardship of our natural, cultural, and Tribal resources; (2) to meet DoD's goals for installation restoration and munitions response; and (3) to invest in environmental technology research, development, testing, and evaluation.

The Army manages over 12 million acres of land, which requires the Army to protect endangered species and historic sites or structures. Efforts are made to remediate environmental contaminants that pose a danger to human health or the environment, while supporting Army operations and our Soldiers, families, and communities. Our FY 2017 budget request of \$1.05 billion will allow the Army to fulfill these objectives, keeping the Army on track to meet our cleanup goals and maintain full access to important training and testing lands, which are integral components of Army readiness.

Conclusion

Readiness is the U.S. Army's top priority – there is no other “number one.” The Army's FY 2017 Military Construction budget request takes moderate risk to ensure our

readiness needs are met by focusing our financial resources where they are needed most.

Maintaining failing facilities and low-military value installations takes money away from critical investments in the readiness of our Soldiers and the acquisition of advanced weapons and technology. BRAC allows the Army to optimize installation capacity and achieve substantial savings, freeing up scarce resources that could easily be applied elsewhere.

The strength of the U.S. Army is its people, and our installations serve as the platforms for this strength. Without ready and resilient installations, our Soldiers will be ill-equipped to fight the growing threats facing our nation. We owe it to our men and women who wear the Army uniform to be prudent in the use of our installation budgets and prioritize them appropriately to ensure they have the best resources available to defend our homeland.

Thank you for the opportunity to present this testimony and for your continued support of our Soldiers, families, and civilians.

MR. MCGINN OPENING STATEMENT

Mr. DENT. Thank you.

Mr. McGinn.

Mr. MCGINN. Mr. Chairman, Ranking Member Bishop, members of the subcommittee, I am pleased to appear before you today to provide an overview of the Department of the Navy's investment in its infrastructure, energy and environmental programs.

Navy and Marine Corps installations and facilities are the platform to train and prepare our marines and sailors to deploy ships, aircraft and operational forces and to support our military families.

The infrastructure portfolio is vital to our operational forces and has a plant replacement value of nearly \$230 billion. Of that, over \$170 billion is for Navy and \$56 billion is Marine Corps.

I am confident that our very capable team works every day to efficiently manage this portfolio that enables that operational readiness.

We thank Congress for passing the Bipartisan Budget Act of 2015, the National Defense Authorization Act for fiscal year 2016, and the Consolidated Appropriations Act of 2016.

In fiscal year 2017, the President's budget is requesting \$11.9 billion, a 10.4 decrease from amounts appropriated in this fiscal year, to operate, maintain and recapitalize our infrastructures for installation.

The Department's MILCON program request will invest \$1.13 billion worldwide to support warfighting and modernization of our utilities and critical infrastructure. We appreciate congressional support of two additional MILCON projects for our Marine Corps last year.

We continue to rely on the private sector as the primary source of family housing for our sailors, marines and families. Over 62,000 Navy and Marine Corps family housing units have been privatized through the Military Housing Privatization Initiative, and we are pleased with the continued high levels of satisfaction that are reported.

To maximize support for warfighting readiness and capabilities, the President's fiscal year 2017 budget request continues to carefully accept risk in facility sustainment, restoration and modernization. In the fiscal year 2017 budget, the request is \$1.9 billion to sustain infrastructure, which is a 16 percent reduction from last year.

Navy and the Marine Corps have resourced fiscal year 2017 facility sustainment at 70 percent and 74 percent, respectively, of the Department of Defense's facilities sustainment model. I will note, though, over time and if continued, this lack of sustainment will cause our facilities to deteriorate.

The fiscal year 2017 base operations support request of \$7.6 billion is comparable to fiscal year 2016. Due to overall budget constraints, base operations at Navy and Marine Corps installations are funded to the minimum acceptable standards necessary to continue mission-essential services.

We accept low service levels for most installation functions in order to maintain our commitment to warfighting readiness and

operations, security and family support programs and child development.

The Department is committed to environmental compliance, stewardship and responsible fiscal management that support mission readiness and sustainability, investing over \$1 billion to achieve our statutory and stewardship goals.

The Navy energy program has two central goals: enhancing Navy and Marine Corps combat capabilities, and advancing energy security afloat and ashore. Partnering with other government agencies, academia and the private sector, we strive to meet these goals with the same spirit of innovation that has marked our history, new ideas delivering new capabilities in the face of new threats.

Our Naval forces offer us the capability to provide power and presence, to deter potential conflicts, to keep conflicts from escalating when they do happen, and to take the fight to our adversaries when necessary. Presence means being in the right place, not just at the right time, but all the time. And energy is key to achieving that objective.

Using energy more efficiently allows us to go where we are needed, when we are needed, stay there and deliver more firepower when needed.

The Department of the Navy, in conclusion, continues to carefully and deliberately manage our portfolio to optimize mission readiness and to improve quality of life. The Department's fiscal year 2017 request makes needed investments in our infrastructure and people, preserves access to training ranges and promotes environmentally prudent and safe actions while ensuring energy resilience and security.

Thank you, Mr. Chairman and Ranking Member Bishop, for the opportunity to testify before you today.

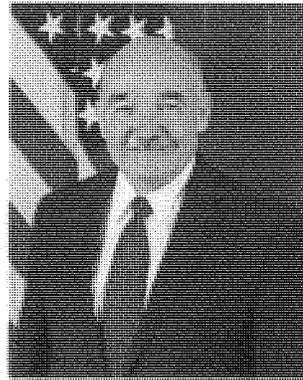
[The information follows:]

**Assistant Secretary of the Navy
(Energy, Installations and Environment)**

9/3/2013 - Present

The Honorable Dennis V. McGinn

Mr. Dennis McGinn was appointed Assistant Secretary of the Navy (Energy, Installations & Environment) on September 3, 2013. In this position, Mr. McGinn develops Department-wide policies, procedures, advocacy and strategic plans. He also oversees all Department of the Navy functions and programs related to installations, safety, energy, and environment. This includes effective management of Navy and Marine Corps real property, housing, and other facilities; natural and cultural resource protection, planning, and compliance; safety and occupational health for military and civilian personnel; and timely completion of closures and realignments of installations under base closure laws.



Mr. McGinn is the former President of the American Council On Renewable Energy (ACORE), an organization dedicated to building a secure and prosperous America with clean, renewable energy. While at ACORE, he led efforts to communicate the significant economic, security and environmental benefits of renewable energy. Mr. McGinn is also a past co-chairman of the CNA Military Advisory Board and an international security senior fellow at the Rocky Mountain Institute.

In 2002, after 35 years of service, Mr. McGinn retired from the Navy after achieving the rank of Vice Admiral. While in the Navy, he served as a naval aviator, test pilot, aircraft carrier commanding officer, and national security strategist. His capstone assignment was as the Deputy Chief of Naval Operations for Warfare Requirements and Programs, where he oversaw the development of future Navy capabilities. In a previous operational leadership role, he commanded the U.S. Third Fleet.

Mr. McGinn is a past member of the Steering Committee of the Energy Future Coalition, the United States Energy Security Council, and the Bipartisan Policy Center Energy Board. He earned a B.S. degree in Naval Engineering from the U.S. Naval Academy; attended the national security program at the Kennedy School of Government, Harvard University; and was a Chief of Naval Operations strategic studies fellow at the U.S. Naval War College.

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
SUBCOMMITTEE ON MILITARY CONSTRUCTION
HOUSE APPROPRIATIONS COMMITTEE

STATEMENT OF

THE HONORABLE DENNIS V. MCGINN
ASSISTANT SECRETARY OF NAVY
(ENERGY, INSTALLATIONS, AND ENVIRONMENT)

BEFORE THE
SUBCOMMITTEE ON MILITARY CONSTRUCTION,
VETERANS AFFAIRS, AND RELATED AGENCIES

of the
HOUSE APPROPRIATIONS COMMITTEE

03 MARCH 2016

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
SUBCOMMITTEE ON MILITARY CONSTRUCTION
HOUSE APPROPRIATIONS COMMITTEE

Chairman Dent, Ranking Member Bishop, and members of the Subcommittee, I am pleased to appear before you today to provide an overview of the Department of the Navy's (DON) investment in its infrastructure, energy, and environment programs.

Our Navy and Marine Corps installations and facilities are the platform to train and prepare our Marines and Sailors, to deploy ships, aircraft and operational forces, as well as to support our military families. We are stewards of a large portfolio of installations - valued at \$229B (\$173B Navy and \$56B USMC, respectively) in plant replacement value – that is vital to our operational forces. Against the backdrop of world events and competing requirements and resources, we must balance our desired level of funding with the principal purposes for our existence: to optimize readiness of the operational forces and preserve their quality of life. Readiness-enablers include runways, piers, operations & maintenance facilities, communications & training facilities, and utilities; those that enable quality of life include barracks, mess halls, and recreation and fitness centers. We have a responsibility to balance the investments for this portfolio according to current year authorizations while being mindful of the impacts to life cycle and ever-evolving mission requirements.

Investing in Our Infrastructure

We thank Congress for passage of the Bipartisan Budget Act (BBA) of 2015, the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2016 and the Consolidated Appropriations Act, 2016. Although the BBA of 2013 provided some budget stability for FY 2014-2015, and limited relief from the Budget Control Act (BCA) of 2011 sequestration levels, the unfortunate consequence of constrained DON funding levels and timing is that many of our installations' piers, runways, and other facilities are degrading. We continue to make progress in replacing and demolishing unsatisfactory infrastructure, yet still have challenges based on BCA caps and on the prospect of a return to sequestration levels in FY18.

In FY17, the President's Budget (PB) is requesting \$11.9B in various appropriations, a 10.4% decrease (\$1.4B) from amounts appropriated in FY16 to operate, maintain and recapitalize our shore infrastructure. Figure 1 compares the FY16 enacted

budget and the FY 2017 PB request by appropriation. Each appropriation is discussed more fully in the following sections.

Appropriation	FY2016 enacted (\$M)	PB17 (\$M)	Delta (\$M)	Delta (%)
Military Construction, Active and Reserve	1,739	1,126	-613	-35.3%
Family Housing, Construction	17	94	77	452.9%
Family Housing, Operations	353	301	-52	-14.7%
BRAC	170	154	-16	-9.4%
Sustainment, Restoration and Modernization	3,110	2,356	-754	-24.2%
Base Operating Support	7,625	7,610	-15	-0.2%
Environmental Restoration, Navy	300	282	-18	-6.0%
Total	13,314	11,923	(1,391)	-10.4%

Notes:

MILCON, SRM and BOS include OCO

BOS includes BSIT

Figure 1: DON Infrastructure Funding by Appropriation

We strive to maintain a shore infrastructure that is mission-ready, resilient, sustainable and aligned with Fleet and operational priorities. Toward that end, and especially important given the risks inherent at these funding levels, Navy and Marine Corps have taken actions to more proactively manage the installations portfolio. For example, Navy has taken the initiative to:

- Standardize the facility inspection and Facility Condition Index (FCI) process that quantifies facility condition and documents the needed maintenance and repair work within our facilities portfolio. This information helps guide spending of available dollars.
- Incorporate principles of condition-based maintenance across all buildings, utilities and structures, in order to prioritize work on only the most critical components (e.g. roofs and exterior walls) at our most critical facilities or on components that relate to life, health and safety. We are able to focus resources on specific building components and systems where failure jeopardizes personnel safety or a warfighting mission.
- Led by Commander, Navy Installations Command, exercise a single integrated forum to receive and adjudicate demand signals from Fleet and Enterprise

Commanders to identify and prioritize projects, optimizing the available resources.

- Maintain focus on reducing footprint by demolishing or divesting unneeded buildings as funds are available, and recapitalizing existing facilities in lieu of new construction when possible.
- Supplement available appropriated dollars by the increased use of authorities that leverage third party financing for improving infrastructure while lowering energy consumption and energy costs.

Military Construction (MILCON)

Navy's MILCON program funds infrastructure at home and abroad, supports our warfighters, and meets the objectives in CNO's Design for Maintaining Maritime Superiority and the Secretary of Defense's Strategic Guidance. Together, Navy and Marine Corps will invest \$1.13B worldwide in military construction funds to support warfighting and modernization of our utilities and critical infrastructure.

For Navy, the FY17 request is for 25 projects, Planning and Design and Unspecified Minor Construction, at a budget of \$700M, which is 29% lower than the FY16 as-enacted budget of \$986M. Navy has invested an average of \$1B annually in MILCON since 2010, and the FY17 request is the lowest since 1999. Navy continues to invest prudently in MILCON, but assumes long-term risk in deferring recapitalization of our existing infrastructure.

The Navy's FY17 MILCON request supports Combatant Commander requirements, enables new platforms/missions, upgrades utilities and energy infrastructure, recapitalizes Naval Shipyard facilities, and supports weapons of mass destruction (WMD) training requirements. They include:

Combatant Commander Support (\$233M, 9 projects)
 Medical/Dental Facility - Camp Lemonnier Djibouti
 Harden POL Infrastructure - NAVBASE Guam
 Coastal Campus Utilities Infrastructure - NAVBASE Coronado
 Coastal Campus Entry Control Point - NAVBASE Coronado
 Communication Station - NAVSTA Rota
 Grace Hopper Data Center Power Upgrades - NAVBASE Coronado
 Missile Magazine - NAVWPNSTA Seal Beach

P-8A Hanger Upgrade - NSA Naples (Keflavik, Iceland)
P-8A Aircraft Rinse Rack - NSA Naples (Keflavik, Iceland)

New Platform/Mission (\$198M, 6 projects)

UCLASS RDT&E Hangar - Naval Air Station PAX River
Triton Mission Control Facility - NAS Whidbey Island
Triton Forward Operating Base Hangar - VARLOCS
EA-18G Maintenance Hangar - NAS Whidbey Island
F-35C Engine Repair Facility - NAS Lemoore
Air Wing Simulator Facility - NAS Fallon

Utilities and Energy Infrastructure (\$85M, 4 projects)

Upgrade Power Plant & Electrical Distribution System - PMRF Barking Sands
Energy Security Microgrid - Naval Base San Diego
Service Pier Electrical Upgrades - Naval Base Kitsap
Shore Power (Juliet Pier) - COMFLEACT Sasebo

Naval Shipyards (\$76M, 4 projects)

Sub Refit Maintenance Support Facility - Naval Base Kitsap
Nuclear Repair Facility - Naval Base Kitsap
Utilities for Nuclear Facilities - Portsmouth Navy Shipyard (NH)
Unaccompanied Housing Consolidation - Naval Shipyard Portsmouth (NH)

WMD Training (\$21M, 1 project)

Applied Instruction Facility - NAS Whiting Field, Milton, FL

MILCON Reserves (\$11M, 1 project)

Joint Reserve Intelligence Center - NAS JRB New Orleans

For the Marine Corps, the FY17 request is for 11 projects, Planning and Design and Unspecified Minor Construction, at a budget of \$426M, which is 44% lower than the FY16 as enacted budget of \$754M. Investments in MILCON will primarily support new warfighting platforms, weapons support, force relocation facilities (Rebalance to the Pacific, Aviation Plan), improve security and safety posture, and recapitalize and replace inadequate facilities. The 11 projects in the Marine Corps FY17 MILCON budget include:

New Platform and Weapons Support Facilities (\$110M, 2 projects):

F-35 aircraft maintenance hangar at MCAS Beaufort, SC; and
F-35 aircraft maintenance shops at Kadena Air Base, Japan.

Facilities to Support Force Relocations/Increased Force Requirements (\$119M, 3 projects):

- Aircraft maintenance hangar for VMX-22-MCAS Yuma;
- Expansion of Reserve Center Annex-Galveston; and
- Utility upgrades for Finegayan cantonment area- Guam.

Safety, Security, and Environmental Compliance (\$31M, 2 projects):

- EPA-required central heating plant conversion-MCAS Cherry Point; and
- Range safety improvements at MCB Camp Lejeune.

Recapitalize and Replace Inadequate Facilities (\$117M, 4 projects):

- Replace and consolidate communications, electrical, and maintenance shops- MCB Hawaii;
- Replace unreliable electrical power supply at reserve center- Brooklyn, NY;
- Replace reserve training facilities- Syracuse, NY; and
- Modernize recruit barracks and construct a recruit reconditioning center for injured recruits at MCRD Parris Island.

Reduced funding availability in MILCON will result in reduced investments in projects that support the consolidation of functions or replacement of existing facilities, which will cause degradation of the long-term health of existing facilities.

Relocation of Marines to Guam remains an essential part of the United States' larger Asia-Pacific strategy of achieving a more geographically distributed, operationally resilient and politically sustainable force posture in the region. Guam provides a critically important forward base for our expeditionary Marine ground and air forces and also provides key sustainment capabilities for our forward-deployed ships and submarines. The permanent basing of Marines in Guam significantly contributes to maintaining regional stability and provides reassurance for key allies and partners across the Pacific region.

Family Housing

The Department continues to rely on the private sector as the primary source of housing for Sailors, Marines, and their families. When suitable, affordable, private housing is not available in the local community, the Department relies on government-owned, privatized, or leased housing. The FY17 request of \$395M supports Navy and Marine Corps family housing operation, maintenance, renovation, and construction requirements. Of this amount, \$79M is for the first phase of replacement of inadequate

family housing at Naval Support Activity Andersen, Guam and \$11M is for the renovation of family housing at Marine Corps Air Station Iwakuni, Japan. The budget request also includes \$301M for the daily operation, maintenance, and utilities expenses of the military family housing inventory.

To date, over 62,000 Navy and Marine Corps family housing units have been privatized through the Military Housing Privatization Initiative (MHPI). MHPI has enabled the Department to leveraged private sector resources to improve living conditions for Sailors, Marines, and their families.

Facilities Sustainment, Restoration and Modernization (FSRM)

To maximize support for warfighting readiness and capabilities, the President's FY17 budget request continues to carefully accept risk in FSRM.

The FY17 budget requests \$1.9B to sustain infrastructure, a 16% reduction from the FY16 enacted value of \$2.3B. Navy and the Marine Corps have resourced FY17 facilities sustainment at 70 percent and 74 percent, respectively, of the Department of Defense (DoD) Facilities Sustainment Model. Over time, this lack of sustainment will cause our facilities to deteriorate.

To restore and modernize our existing infrastructure, the the FY17 budget request is \$463M, a 38% reduction from the FY16 enacted value of \$749M. Budget constraints have compelled the Department to focus its limited resources to address life/safety issues and the most urgent deficiencies at our mission-critical facilities, piers, hangars, runways and utility systems. We are committed to fully funding infrastructure at strategic weapons facilities, accelerating Naval shipyard infrastructure improvements, supporting the Marine Corps Aviation Plan, and force relocations. However, as the Department defers less critical repairs, especially for facilities not directly tied to DON's warfighting mission, certain facilities degrade and the overall facilities maintenance backlog increases. At current funding levels, the overall condition of DON infrastructure will slowly, but steadily, erode over the Future Years Defense Plan (FYDP). Although we are proactively managing the risk we are taking in our shore infrastructure, we acknowledge that this risk must eventually be addressed.

Base Operating Support (BOS)

The FY17 BOS request of \$7.6B is essentially the same as FY16 levels. Similar to the risk taken in our facility investments, the Department is accepting lower standards in base operating support at our installations. Base operations at Navy and Marine Corps installations are funded to the minimum acceptable standards necessary to continue mission-essential services. We have enforced low service levels for most installation functions (administrative support, base vehicles, grounds maintenance, janitorial and facility planning) in order to maintain our commitment to warfighting operations, security, family support programs, and child development. These measures, while not ideal, are absolutely necessary in the current fiscal environment.

Safety Program

Our initiatives are improving the skills of our Safety Professionals directly benefiting over 800,000 personnel (uniformed personnel (Active and Reserve) and civilian) executing diverse, complex missions across the globe. DON's safety program has expanded its global online training resources to ensure the Naval Safety workforce is educated and trained through more effective and modernized cost efficient methods. We are acquiring commercial off-the-shelf information technology tools to enhance our tireless fight to reach our objective of zero mishaps. The Risk Management Information initiative will comprise a streamlined mishap reporting system, data base consolidation, state-of-the-art analytical innovations, and data capabilities to improve our predictive abilities for safer Sailors and Marines.

Managing Our Footprint**Base Realignment and Closure (BRAC)**

We appreciate the Congressional support for additional FY16 funds for environmental cleanup at BRAC properties. For FY17, the Department has planned to expend \$154M to continue cleanup efforts, caretaker operations, and property disposal. By the end of FY15, we disposed of 94 percent (178,180 acres) of our excess property identified in previous BRAC rounds through a variety of conveyance mechanisms. Of the remaining 6 percent (11,674 acres), the majority is impacted by complex

environmental issues. Of the original 131 installations with excess property, Navy only has 17 installations remaining with property to dispose.

Although many tough cleanup and disposal challenges remain from prior BRAC rounds, we have fostered good working relationships with regulatory agencies and local communities to tackle these complex issues and provide creative solutions to support redevelopment priorities.

Compatible Land Use

DON has an aggressive program to promote compatible land use adjacent to our installations and ranges. This program helps Navy and Marine Corps to operate and train in cooperation with surrounding communities, while protecting important natural habitats and species. We conduct Air Installation Compatible Use Zone Studies and Range Area Compatible Use Zone Studies, and provide them to nearby communities for their consideration in the exercise of their land management responsibilities.

A key element of the program is Encroachment Partnering, which involves cost-sharing partnerships with states, local governments, and conservation organizations to acquire interests in real property proximate to our installations and ranges.

The Department is grateful to Congress for providing funds for the DoD Readiness and Environmental Protection Integration (REPI) Program. Since 2005, DON has acquired restrictive easements on approximately 91,000 acres.

Protecting Our Environment

The Department is committed to environmental compliance, stewardship and responsible fiscal management that support mission readiness and sustainability, investing over \$1B across all appropriations to achieve our statutory and stewardship goals. The funding request for FY17 is about 2.3 percent less than enacted in FY16, as shown in Figure 2:

Category	FY 2016 enacted (\$M)	PB 2017 (\$M)	Delta (\$M)	Delta (%)
Conservation	86	93	7	8.1%
Pollution Prevention	22	19	-3	-13.6%
Compliance	480	485	5	1.0%
Technology	36	37	1	2.8%
Active Base Cleanup (ER,N)	300	282	-18	-6.0%
BRAC Environmental	158	141	-17	-10.8%
TOTAL	1,082	1,057	-25	-2.3%

Figure 2: DON Environmental Funding by Program

The Department continues to be a Federal leader in environmental management by focusing resources on achieving specific environmental goals, implementing efficiencies in our cleanup programs and regulatory processes, proactively managing emerging environmental issues, and integrating sound policies and lifecycle cost considerations into weapon systems acquisition to achieve cleaner, safer, more energy-efficient and affordable warfighting capabilities without sacrificing operational capability.

In FY17 we will complete environmental planning for Navy's Records of Decision (RODs) for EA-18G Growler training at Whidbey Island, Washington. As an example of our land stewardship responsibilities, we will complete natural and cultural surveys to support Marine Corps air and ground training at Twentynine Palms, California. To maintain our environmentally responsible operations at sea, we will continue to be leaders in ocean research by studying marine mammal behavioral response to sound in water. We will also build on our accomplishments this past fiscal year, which included finalizing the environmental planning processes for the new Marine Corps Base on Guam; completing a five year authorization for testing and training in the Marianas Island Testing and Training area with National Marine Fisheries Service; and successfully rearing five hundred hatchlings and releasing thirty five mature tortoises with the University of California, Los Angeles (UCLA) at the Marine Corps Twentynine Palms Desert Tortoise Head Start Facility.

Enhancing Combat Capabilities

The Department of the Navy's Energy Program has two central goals: (1) enhancing Navy and Marine Corps combat capabilities, and (2) advancing energy security afloat and ashore. Partnering with other government agencies, academia and the private sector, we strive to meet these goals with the same spirit of innovation that has marked our history—new ideas delivering new capabilities in the face of new threats.

Our naval forces offer us the capability to provide power and presence—to deter potential conflicts, to keep conflicts from escalating when they do happen, and to take the fight to our adversaries when necessary. Presence means being in the right place, not just at the right time, but all the time; and energy is key to achieving that objective. Using energy more efficiently allows us to go where we're needed, when we're needed, stay there longer, and deliver more firepower when necessary.

Improving our efficiency and diversifying our energy sources also saves lives. During the height of operations in Afghanistan, we were losing one Marine, killed or wounded, for every 50 convoys transporting fuel into theater. That is far too high a price to pay. Reducing demand at the tip of the spear through energy efficiency, behavior change and new technologies takes fuel trucks off the road.

I'll mention just a couple of examples. The work that the Marine Corps is doing to integrate solar power and software into autonomous UAVs will allow them to take advantage of environmental conditions and provide persistent surveillance for periods far in excess of our current capabilities without refueling. They are also working on technologies that harvest kinetic and other forms of energy into an integrated power system capable of running a Marine's radios and electronic gear. These are real combat capabilities that will result in increased lethality.

Navy is pursuing similar combat capabilities. In 2016 we will begin installing hybrid electric drives in our destroyers, enabling our ships to remain on station longer during low speed missions and extend time between refueling. This is the same technology that is now onboard USS MAKIN ISLAND and USS AMERICA, allowing those ships to stay on station between refueling far longer than their predecessors.

Improving Energy Security and Resilience

Reliable and affordable electricity at our installations is critical to mission effectiveness. Measures to reduce vulnerability and to increase resiliency of the electrical system improve and protect national security. The 2013 attack on key grid infrastructure in California is a reminder of how fragile the commercial system can be. The Department of the Navy recognizes this vulnerability and is working to enhance our energy security.

Navy's Renewable Energy Program Office (REPO) has brought one gigawatt (GW) of renewable energy into procurement. We expect those renewable energy projects to yield hundreds of millions in projected utility cost savings and even more important energy security benefits. For example, last August we celebrated the procurement of 210 megawatts (MW) of solar generation for 14 installations in California, with a projected cost savings of \$90 million over a 25-year term. At Naval Submarine Base Kings Bay, Georgia Power Company is constructing a 42 MW solar generation facility, which the base will have access to during external grid outages. Marine Corps Logistics Base Albany will receive access to a 44 MW on-base solar generation facility for use during grid outages and a second feeder line from Georgia Power Company's grid.

DON's successful industry partnerships form a foundation for future third party-financed energy resiliency projects in the form of microgrids, battery storage, fuel cells, and distributed generation, where these capabilities make sense. Industry has shown interest in battery storage by proposing facilities located at two Navy installations in California. The Arizona Power Service recently signed an agreement to develop a microgrid at Marine Corps Air Station Yuma and will provide the base unlimited access to onsite backup power, eliminating the need for up to 41 diesel generators. These and future energy security efforts using existing Title 10 authorities will help make DON's installations more energy secure and resilient mission platforms.

Strategic Investments in the Future

We endeavor to make investments that enhance our operational flexibility. Our program to test and certify emerging alternative fuels is critical for us to keep pace with developments in the private sector and maintain interoperability with commercial supply chains. In addition, the Defense Logistics Agency (DLA) Energy (through which Navy

buys operational fuels) recently awarded a contract to provide us with an alternative fuel blend of F-76 – the fuel we use to power our ships. The contract was awarded at a cost competitive rate with traditional fossil fuels and represents an important step toward diversifying our fuel supply chains.

Conclusion

Navy-Marine Corps Energy, Installations and Environment team will continue to carefully and deliberately manage our portfolio to optimize mission readiness, and improve quality of life. The Department's FY17 request makes needed investments in our infrastructure and people, preserves access to training ranges, and promotes environmentally prudent and safe actions, while ensuring energy resiliency and security.

Thank you for the opportunity to testify before you today. I look forward to working with Congress to deliver an innovative, resilient, sustainable and secure shore infrastructure that enables mission success for the United States Navy and Marine Corps, the most formidable expeditionary fighting force in the world.

Mr. DENT. Thank you, Mr. McGinn.
Ms. Ballentine.

MS. BALLENTINE OPENING STATEMENT

Ms. BALLENTINE. Good morning. Chairman Dent, Ranking Member Bishop and esteemed members of the subcommittee, it is a true honor to be able to represent America's Airmen, before you today.

You will have to excuse my voice. I have a little bit of a cold.

The bottom line is that the Air Force's installations are too big, too old and too expensive to operate. Twenty-four years of continuous combat and a, constrained fiscal environment really have taken their toll.

In order to afford other Air Force priorities, our total fiscal year 2017 PB facilities request this year at \$8.3 billion is 4 percent lower than last year's request. That includes MILCON, Facility Sustainment, Restoration and Modernization, housing, BRAC and environmental programs.

We have prioritized MILCON over FSRM in fiscal year 2017, requesting \$1.8 billion in MILCON, that's actually a 14 percent increase over last year, and \$2.9 billion in FSRM, that is down about 10 percent compared to last year.

I expect our backlog of degraded facility requirements to grow.

Our MILCON program is three-tiered, as you noted in your opening statements. First, we are ensuring that we are supporting all of the combatant commanders' military construction requests. That is about 16 percent of our budget. Second, about 34 percent of our budget ensures that we have the infrastructure for beddown of new weapons systems as they come online. Third, about 40 percent of our MILCON budget allows us to begin to chip away at the very significant backlog of existing mission infrastructure recapitalization needs.

Of the more than 500 top-priority projects submitted by our major command commanders this year, we were only able to fund about 30.

Finally, the Air Force needs another round of Base Realignment and Closure. We simply must align our infrastructure to our operational needs. The Air Force has about 30 percent excess infrastructure capacity. Since BRAC 2005, the Air Force has thousands fewer personnel and hundreds fewer aircraft, yet we have not closed a single installation in the United States.

Since the Gulf War, we have reduced combat-coded fighter squadrons from 134 to 55. That is a nearly 60 percent reduction. Yet all BRACs in that time period have only reduced U.S. bases by about 15 percent.

BRAC is not easy, and Congress has expressed three very specific concerns that really come down to community impact, cost and future mission needs. I would like to address each very briefly from the Air Force perspective.

First, communities. Air Force communities are some of our greatest partners and supporters. These communities are full of our neighbors and our friends. The Association of Defense Communities recently asked community leaders what they thought about BRAC, and 92 percent of those community leaders said that the status quo

of hollowed-out bases, reduced manning and minimal investment is worse for their communities than BRAC.

Without BRAC, the Air Force will be forced to continue to spread out our Airmen and our aircraft. And many communities will continue to suffer from the economic detriment of hollowed-out bases without the economic support that only BRAC legislation allows.

Second, cost. Congress rightly wants to ensure that the savings of BRAC justify the costs. And we agree. And simply put, the results of previous BRAC efforts for the Air Force are really staggering.

Previous rounds of BRAC combined saved the Air Force \$2.9 billion each and every year. In other words, the President's Budget request for this year would be almost \$3 billion higher without the divestitures from prior BRAC rounds. And for the Air Force, they have had good returns on investment.

Third, future mission needs. Some have questioned the wisdom of right-sizing infrastructure to our current force structure. And we have no intent to close infrastructure that may support future needs, and the analysis will be based on our military leaders' best judgment.

Through five previous rounds of BRAC and numerous force structure changes, we have never dipped below 20 percent excess infrastructure capacity. We have always left and we always will leave room for future maneuvering.

While only BRAC brings substantial savings, the Air Force also leverages innovation wherever possible. Our community partnership programs, which many of your communities participate in, build win-win partnerships. Enhanced-use leases and power purchase agreements save us money and give new life to underutilized real estate. We look holistically wherever we can.

In closing, the Air Force had to make hard, strategic choices during the formulation of this budget request, attempting to strike a balance between the ready force for today, the modern force for tomorrow, recovering from sequestration and adjusting to budget restrictions. And we believe it is the right way ahead.

Chairman Dent, Ranking Member Bishop and esteemed members of the committee, I ask for your full support of the Air Force's 2017 request. And I look forward to taking your questions.

[The information follows:]



BIOGRAPHY



UNITED STATES AIR FORCE

MIRANDA A. A. BALLENTINE

Miranda A.A. Ballentine is the Assistant Secretary of the Air Force for Installations, Environment, and Energy, Headquarters U.S. Air Force, the Pentagon, Washington, D.C. Ms. Ballentine is responsible for the oversight, formulation, review and execution of plans, policies, programs and budgets for installations, energy, environment, safety and occupational health.

Prior to assuming her current position, Ms. Ballentine served as the Director of Sustainability for Global Renewable Energy and Sustainable Facilities at Walmart Stores, Inc. In this role, she developed and executed global strategies to reduce operating expenses in over 10,000 facilities in over 25 countries. Through acceleration of renewable energy, energy efficiency, and sustainability, Ms. Ballentine identified over \$1 billion in potential annual expense reductions and 9 million metric ton of potential avoided greenhouse gas emissions.



Prior to joining Walmart, Ms. Ballentine was Vice President for Investor Analysis and Chief Operating Officer at David Gardiner & Associates, where she informed multi-million dollar investment decisions by analyzing companies' off-balance sheet risks and opportunities, including climate and energy programs, environmental management, labor relations, diversity, and corporate governance.

Ms. Ballentine previously served as the chair of the World Economic Forum's Global Growth Action Alliance's Renewable Energy Working Group, as well as a number of non-profit boards, including the Sustainability Consortium's External Relations Committee; the NetImpact Corporate Advisory Council; and the George Washington University's Institute for Sustainability Research, Education, and Policy Advisory Board.

In 2013, Ms. Ballentine was selected by the World Economic Forum for membership in its Forum of Young Global Leaders. Ms. Ballentine also serves as a guest lecturer at a number of national business schools, including Duke University, University of North Carolina, and George Washington University.

EDUCATION

1996 Bachelor of Science Degree in Psychology, Colorado State University, Magna cum Laude

2004 Master of Business Administration in Environmental Management and Policy and International Business,
George Washington University

CAREER CHRONOLOGY

1. 2001 – 2004, Operations Director, Solar Electric Light Fund, Washington, D.C.

2. 2003 – 2008, Vice President of Investor Analysis and Chief Operation Officer, David Gardiner & Associates, LLC,
Washington, DC.

3. 2008 – 2014, Director of Sustainability for Renewable Energy and Sustainable Buildings, Walmart, Washington,
D.C.

4. 2014 – present, Assistant Secretary of the Air Force for Installations, Environment, and Energy

(Current as of October 2015)

United States Air Force



Presentation

Before the House Appropriations
Subcommittee on Military Construction-
Veterans Affairs

Installations, Environment and BRAC

Witness Statement of
The Honorable Ms. Miranda A.A. Ballentine,
Assistant Secretary of the Air Force for
Installations, Environment, and Energy

March 3, 2016

Not for publication until released by the House Appropriations
Subcommittee on Military Construction-Veterans Affairs

Introduction

Ready and resilient installations are a critical component of Air Force operations. Unfortunately, twenty-four years of continuous combat, a fiscal environment constrained by the Budget Control Act (BCA), and a complex security environment have taken their toll on Air Force infrastructure and base operations support investments. Furthermore, the Air Force is currently maintaining installations that are too big, too old and too expensive for current and future needs. This forces us to spend scarce resources on excess infrastructure instead of operational and readiness priorities.

Air Force installations are foundational platforms comprised of both built and natural infrastructure. Our installations serve as the backbone for Air Force enduring core missions delivering air, space and cyberspace capabilities; sending a strategic message to both allies and adversaries signaling commitment to our friends and intent to our foes; foster partnership-building by stationing our Airmen side-by-side with our Coalition partners; and enable worldwide accessibility when our international partners need our assistance and, when necessary, to repel aggression. Taken together, these strategic imperatives require us to provide efficiently operated, sustainable installations to enable Air Force core missions.

The total Air Force Fiscal Year (FY) 2017 facilities budget request is down 4 percent from FY16 at \$8.5B including Military Construction (MILCON), Facility Sustainment, Restoration and Modernization (FSRM), Housing, BRAC implementation and Environmental programs. As in FY 2016, the FY 2017 President's Budget (PB) request for the Air Force attempts to strike the delicate balance between a ready force today and a modern force for tomorrow while also continuing its recovery from the impacts of sequestration and adjusting to sustained budget reductions. The result is the Air Force facilities budget accepts near term risk in the entire infrastructure Maintenance and Repair portfolio of MILCON and Sustainment, Restoration and Modernization accounts in order to protect readiness and maintain credible capabilities in other core missions. In doing so, it acknowledges this choice will have long term effects on the overall health of infrastructure.

The Air Force's FY17 President's Budget includes \$1.8 billion in Military Construction (MILCON) requirements, a 14 percent increase over the FY16 President's Budget. This allows the Air Force to replace degraded facilities that can no longer wait, while still meeting Combatant Commander (COCOM) needs and new weapon systems beddown requirements that must be accomplished now. This also allows us to provide an equitable distribution of \$333 million to the Guard and Reserve components. This increase was funded by reductions in our Sustainment, and Restoration and Modernization

accounts for which we request \$2.9 billion, about 10 percent less than last year. We recognize this reduction will expand a backlog of facility investment requirements that already totals nearly \$20 billion. To assure continued focus on taking care of our Airmen and their families, the FY17 President's Budget also requests \$274 million for Military Family Housing operations and maintenance, and \$61.4 million for Military Family Housing Construction, \$56.4 million for Base Realignment and Closure and \$842 million for Environmental programs.

Military Construction

The FY17 MILCON program consists of three primary tiers. The first is support to the COCOMs; the second is providing facilities for the beddown of new weapons systems by their need dates; and the third is replacing our most critical existing mission degraded infrastructure on a worst-first basis.

COCOM Support

This year's President's Budget request includes \$293 million for COCOM requirements; \$35 million for Central Command (CENTCOM), \$97 million for European Command (EUCOM), \$29 million for Northern Command (NORTHCOM), and \$293 million for Pacific Command (PACOM). The Air Force continues with phase three of the U.S. European Command Joint Intelligence Analysis Center consolidation at Royal Air Force (RAF) Croughton, United Kingdom, which also supports four other COCOMs. Additionally, the Asia-Pacific Theater remains a focus area for the Air Force where we will make a \$109 million investment in FY17 to ensure our ability to project power into areas which may challenge our access and freedom to operate, and continue efforts to improve resiliency. Guam remains one of the most vital and accessible locations in the western Pacific. For the past ten years, Joint Region Marianas (JRM)-Andersen AFB, Guam has housed a continuous presence of our Nation's premier air assets, and will continue to serve as the strategic and operational center for military operations in support of a potential spectrum of crises in the Pacific. Additionally, FY17 investments in the Pacific Theater include Kadena Air Base, Japan; Royal Australian Air Force Base (RAAF) Darwin, Australia; and the Commonwealth of Northern Marianas Islands (CNMI).

To further support PACOM's strategy, the Air Force is committed to hardening critical structures, mitigating asset vulnerabilities, increasing redundancy, fielding improved airfield damage repair kits and upgrading degraded infrastructure as part of the Asia-Pacific Resiliency program. In 2017, the Air Force plans to construct a Satellite Communications Command, Control, Communications, Computers and Intelligence facility at JRM-Andersen AFB, Guam to sustain Guam's continued functionality. The Air Force also intends to recapitalize the munitions structures in support of the largest

munitions storage area in the Air Force. Furthermore, the FY17 budget invests in the aircraft parking apron expansion and aircraft maintenance support facility projects at RAAF Darwin supporting the Air Force's participation in bilateral training exercises. The FY17 PB investment also includes a land acquisition in CNMI, to support the Air Force's operational capability to execute weather divers, accomplish training exercises and respond to natural disasters. Our total FY17 COCOM support makes up 16 percent of the Air Force's MILCON request.

New Mission Infrastructure

The FY17 President's Budget request includes \$623 million of infrastructure investments to support the Air Force's modernization programs, including the beddown of the F-35A, KC-46A, Combat Rescue Helicopter (CRH) and the Presidential Aircraft Recapitalization. The Air Force's ability to fully operationalize these new aircraft depends not only on acquisition of the aircraft themselves, but also on the construction of the aircraft's accompanying hangars, maintenance facilities, training facilities, airfields and fuel infrastructure.

The FY17 PB includes \$132.6 million for the beddown of the KC-46A at five locations. This consists of \$11.6 million at Altus AFB, Oklahoma, the Formal Training Unit (FTU); \$8.6 million at McConnell AFB, Kansas, the first Main Operating Base (MOB 1); \$1.5 million at Pease International Tradeport Air National Guard Base (ANGB), New Hampshire, the second Main Operating Base (MOB 2); \$17 million at Tinker AFB, Oklahoma, for KC-46A depot maintenance; and \$93.9 million at Seymour Johnson AFB, NC, the preferred alternative for the third Main Operating Base (MOB 3).

This request also includes \$340.8 million for the beddown of the F-35A at five locations consisting of \$10.6 million at Nellis AFB, Nevada; \$20 million at Luke AFB, Arizona; \$10.1 million at Hill AFB, Utah; \$315.6 million at Eielson AFB, Alaska; and \$4.5 million at Burlington International Airport, Vermont. Additionally, the FY17 investment includes \$7.3 million in support of the CRH beddown at Kirtland AFB, New Mexico. As the Air Force continues its efforts to modernize its fleet, we have moved forward to select installations to beddown our newest airframes. In January of this year, we announced the enterprise and criteria for the fourth KC-46A Main Operation Base (MOB 4).

In preparation for the Presidential Aircraft Recapitalization acquisition, the Air Force's 2017 budget request accounts for the planning and design requirements essential to this future beddown and a project to relocate the Joint Air Defense Operations Center Satellite Site at Joint Base Andrews, Maryland.

Existing Mission Infrastructure Recapitalization

This year's President Budget request also includes \$723 million in MILCON recapitalization projects addressing existing mission infrastructure. Existing mission projects include requirements that revitalize the existing facility plant and projects that address new initiatives for capabilities already contained in the Air Force inventory. The Air Force's FY17 PB supports Nuclear Enterprise priorities and includes three MILCON projects, totaling \$41 million. With this budget submission, the Air Force intends to provide a Missile Transfer Facility at F.E. Warren AFB, Wyoming, which recapitalizes the current facility and continues to ensure proper processing of missiles in support of the Missile and Alert Launch Facilities at three sites. The FY17 budget also includes a Consolidated Communications Facility recapitalization project at Barksdale AFB, Louisiana. Additionally, a new Missile Maintenance Dispatch Facility at Malmstrom AFB, Montana will be built in support of the UH-1 Helicopter and Tactical Response Force facilities beddown. Together, these projects will consolidate scattered installation functions and provide adequately sized and configured operating platforms for the UH-1 recapitalization. Additionally, the FY17 PB request includes three munitions storage projects to accommodate the realignment and relocation of primary Standard Air Munitions Package assets from McConnell Air Force Base, Kansas to Hill Air Force Base, Utah.

The Air Force's FY17 PB supports airfield recapitalization requirements to include a project to construct an updated, properly sized Air Traffic Control Tower at McConnell Air Force Base, Kansas and a new aircraft maintenance hangar in support of the Global Hawks at JRM-Andersen AFB, Guam. Additionally, the Air Force's FY17 PB supports force protection recapitalization requirements to include a project that constructs a compliant main gate complex at RAF Croughton, United Kingdom and new Combat Arms Training Maintenance facilities at Buckley Air Force Base, Colorado, Yokota Air Base, Japan, and Joint Base-Andrews, Maryland.

In total, our FY17 request represents a balanced approach ensuring critical infrastructure requirements to meet mission needs and operational timelines.

Facility Sustainment, Restoration and Modernization

In FY17, the Air Force requests \$2.9 billion for Facilities Sustainment, Restoration and Modernization (FSRM), which is approximately 10 percent less than our FY16 PB request and funds sustainment to 77 percent of the OSD modeled requirement. The Restoration and Modernization account is reduced by 34 percent in FY17 as compared to FY16. The Air Force cut this account in order to increase the MILCON program and therefore reduce the greatest risk within the facility infrastructure

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portfolio this year. Nonetheless, the Air Force's FY17 FSRM request attempts to keep "good facilities good" as the AF continues to focus limited resources on "mission critical, worst-first" facilities through application of asset management principles.

Housing

During periods of fiscal turmoil, we must never lose sight of our Airmen and their families. Airmen are the source of Air Force airpower. Regardless of the location, the mission, or the weapon system, our Airmen provide the innovation, knowledge, skill, and determination to fly, fight and win. There is no better way for us to demonstrate our commitment to service members and their families than by providing quality housing on our installations. The Air Force has privatized its military family housing (MFH) at each of its stateside installations, including Alaska and Hawaii. The Air Force has 32 projects at 63 bases, with an end-state of 53,240 homes and we are now focused on long-term oversight and accountability of the sustainment, operation and management of this portfolio.

Concurrently, the Air Force continues to manage approximately 18,000 government-owned family housing units at overseas installations. Our \$274 million FY17 Family Housing Operations and Maintenance (O&M) sustainment funds request allows us to sustain adequate units and improve inadequate units, and our \$61.4 million request for Family Housing Construction funds improves 204 tower units at Camp Foster, Okinawa and 12 units on Kadena Air Base. This request will ensure we support the housing requirements of our Airmen and their families as well as the Joint Service members the Air Force supports overseas.

Similarly, our focused investment strategy for dormitories enables the Air Force to achieve the DoD goal of 90 percent adequate dormitory rooms for permanent party unaccompanied Airmen, while continuing to support Airmen in formal training facilities. The FY17 PB MILCON request includes two training dormitories at Fairchild AFB, Washington and Joint Base San Antonio, Texas. With Congressional support, we will continue to ensure wise and strategic investment in these quality of life areas to provide modern housing and dormitory communities. More importantly, your continued support will take care of our most valued asset--our Airmen and their families.

Air Force Community Partnership Program

In support of the Air Force priority to "make every dollar count", the Air Force has put a concentrated effort to cultivate partnerships between our installations and the local communities. The Air Force Community Partnership program has been heralded by our Wing Commanders and community leaders as an ideal forum for exploring win-win partnerships. To date, there are 53 installations and

communities participating in the Air Force Community Partnership program. Since the program's inception in 2013, we have completed more than 140 partnership agreements that have generated over \$23 million in Air Force benefits and \$24 million in community benefits. Beyond the tangible savings, the program creates an invaluable forum for fostering relationships and promoting innovation. Installations and communities now have the framework and tools needed to finalize many of the over 1,000 potential initiatives identified to date, such as shared medical/EMT training, joint small arms ranges, and shared refuse management services.

Without losing focus on fostering a partnership mentality across the Air Force, we are now turning our attention to cultivate initiatives that show significant promise of large returns-on-investment (ROI) or have Air Force-wide application. In the future, the Air Force Community Partnership program will continue to strengthen its foundation by building upon concepts under development while reallocating resources towards initiatives with large returns on investment.

Of course, we need your help to pursue the initiative, which has, by far, the largest return-on-investment -- Base Realignment and Closure.

Base Realignment and Closure (BRAC)

The Air Force has more infrastructure capacity than our missions of today and tomorrow require. Our numbers of aircraft and personnel have drawn down significantly since the Cold War. Since the last round of BRAC in 2005, we have continued to drawdown our forces, but we have not paired these drawdowns with comparable reductions in our infrastructure. Since BRAC 2005, the Air Force has thousands fewer personnel and hundreds fewer aircraft in our planned force structure, yet we have not closed a single installation in the United States. Ultimately, we are paying to retain more installations than we require, and that money could be used to recapitalize and sustain our weapons systems, on readiness training, and on investing in Airmen quality of life programs.

Congress has expressed concerns that BRAC may cost too much, is often hard on communities, and may not adequately consider potential future growth of our forces.

Regarding cost, Air Force experience shows that BRAC provides significant savings. BRAC pays for itself. In each prior round of BRAC, including BRAC 2005, the Air Force achieved net savings during the implementation period. Couple that with the plain truth that the Air Force simply cannot afford to maintain our current infrastructure footprint, and our request for BRAC makes fundamental economic sense. The Air Force has a \$20 billion facility investment backlog. We estimate (parametrically) that we

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currently have about 30 percent excess infrastructure capacity when measured against our FY19 force structure. Sustaining and maintaining this extra infrastructure further strains our limited funds by forcing us to spread them even thinner to support infrastructure that we simply do not need. Without previous rounds of BRAC, the Air Force infrastructure bill would be about \$3 billion higher each year than it is now. BRAC has been effective in reducing our infrastructure cost and we need another round to truly align our infrastructure to our force structure. We acknowledge there will be upfront costs, but those costs are the down payment to significant savings in the future.

Regarding BRAC's impact on communities, we understand that Air Force installations are key components of their communities. These communities house not only our missions but also our families; our kids go to the local schools; our Airmen attend the local sporting events; our families volunteer across the spectrum of activities – these communities are our neighbors. With that in mind, the Association of Defense Communities asked our neighbors what they thought about BRAC, and 92 percent of community leaders¹ believe BRAC is better for their community than the status quo of hollowed bases, reduced manning and minimal investment. As BRAC is, by nature, a consolidation effort, some installations will be the recipients of new missions and these communities will benefit from the economic boost that increased installation activity will provide. Other installations will close; however, it is only under BRAC that communities whose bases are closing will receive direct economic support through redevelopment guidance and financial assistance. Based on prior rounds of BRAC, communities in which bases closed had lower unemployment rates and higher per capita income growth than national averages². Additionally, the Air Force is committed to partnering with DoD, Congress, and communities to consider alternative approaches to the prolonged BRAC analysis and selection process that puts an economic drag on all communities surrounding military installations. In sum, without a BRAC, the Air Force will continue to spread out our people and force structure, and as this occurs many communities will continue to suffer the economic detriment of hollowed out bases without the economic support that BRAC legislation provides. This lose-lose scenario can only be reversed through BRAC.

Finally, Congress has expressed concerns that a BRAC will enable reductions in infrastructure that do not account for potential future force structure growth. In asking for the authority to

¹ From the June 2015 Association of Defense Communities National Summit at which General Session audience members were asked: "What would be worse for defense communities?" and chose from "Status Quo" or "BRAC".

² From Government Accountability Office (GAO) studies GAO-05-138 and GAO-13-436

permanently reduce our infrastructure footprint, the Air Force has considered both its needs for today and its needs for the future. The Air Force has no intent to close infrastructure that may support any realistically achievable surge or contingency needs of the future. While we estimate 30 percent excess infrastructure capacity, the Air Force would build specific reduction targets on future needs, and seek to reduce only infrastructure that exceeds future scenarios. BRAC would be driven first by a military value assessment grounded in operational needs, and would not compromise future growth in force structure. In comparing infrastructure capacity with force structure requirements going back to the 1990s, the Air Force has never dipped below 20 percent excess infrastructure capacity³ despite numerous force structure changes and five previous rounds of BRAC. Thus, we believe we have the opportunity to significantly reduce excess capacity while ensuring more than adequate infrastructure to support any envisioned force structure. Further, we are certain that BRAC provides the most effective means for our infrastructure to achieve the right balance of effectiveness, efficiency, and support to AF missions.

Climate Change

The 2010 and 2014 Quadrennial Defense Reviews (QDRs) recognized that climate change will shape DoD's operating environment, roles, and missions, and that we will need to adjust to the impacts of climate change to our facilities, infrastructure and military capabilities. As part of a larger DOD effort, the Air Force recently collected data from over 1,500 sites regarding impacts from past severe weather events. Surveyed sites not only included major installations, but also radar/communications sites, housing annexes, training ranges, missile sites, etc. Sixty percent of all sites reported some impact due to past flooding, extreme temperatures, drought, wildfire, and wind. The single most prevalent factor was drought which accounted for 42 percent of all reported impacts, followed by non-storm surge flooding and wind with 19 percent each. Further, roughly a third of the 78 sites within 2 kilometers of the coast reported having experienced storm surge flooding.

There are several pertinent examples of how climate change is affecting our plans for current and future infrastructure operations. The Air Force recently completed a study on the risks of coastal erosion to remote Alaskan radar sites. Our radar stations are at risk due to rapid, significant coastal erosion because the shore ice that used to protect the coast from waves has melted. We continue to

³ From DoD reports to Congress on BRAC and capacity in April 1998 and March 2004 in accordance with section 2912 of the Defense Base Closure and Realignment Act of 1990

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study the rate of erosion, mitigate impacts and incorporate considerations in future planning for these sites.

The DOD climate survey provided qualitative data that helped to frame a more holistic understanding of the impacts of climate on installations and operations. For the majority of reported severe weather events, bases reported emergency preparedness actions and procedures were successful in mitigating impacts on mission and personnel. That being said, mitigation becomes more difficult and cumulative impact to missions more crippling with increasing frequency and/or magnitude of severe weather events. The Air Force continues to integrate climate considerations into individual mission and installation planning efforts to produce informed and resiliency-focused decisions.

Environmental Stewardship

While the Air Force strives to prevent or minimize environmental degradation from our training activities and operations, we recognize that sustaining the world's most capable Air, Space, and Cyber Force inevitably results in environmental impact. As a result, we view our responsibility to protect human health and the environment as an extraordinary duty. The Air Force is subject to the same environmental statutes and regulations as any other organization in the country and recognizes both its legal and inherent environmental responsibility. The Air Force FY17 PB request assures our programs comply with applicable regulatory requirements but, more significantly, in a manner that ensures the ready installations and resilient natural infrastructure necessary to support the Air Force mission now and in the future.

Environmental Program Funding Details

Within our environmental programs, the Air Force continues to prioritize resources to ensure our defense activities fully comply with legal obligations and our natural infrastructure remains resilient to support our mission and our communities; restore sites impacted by Air Force operations; and continuously improve. The FY17 PB seeks a total of \$842 million for environmental programs. This is \$20 million less than last year due to sustained progress in cleaning up contaminated sites and efficiencies gained through centralized program management. By centrally managing our environmental programs we can continue to fund full compliance with all applicable laws, while applying every precious dollar to our highest priorities first. Further, our environmental programs are designed to provide environmental stewardship to ensure the continued availability of the natural infrastructure; the air, land and water necessary to provide ready installations and ensure military readiness.

Environmental Quality

The Air Force's FY17 PB request seeks \$422.6 million in Environmental Quality funding for environmental compliance, environmental conservation, and pollution prevention. With this request, the Air Force ensures a resilient natural infrastructure and funds compliance with environmental laws in order to remain a good steward of the environment. We have instituted a standardized and centralized requirements development process that prioritizes our environmental quality program in a manner that minimizes risk to Airmen and surrounding communities, the mission and the natural infrastructure. This balanced approach ensures the Air Force has ready installations with the continued availability of the natural infrastructure it needs at its installations and ranges to train and operate today and into the future.

The environmental compliance program focuses on regulatory compliance for our air, water and land assets. Examples of compliance efforts include more detailed air quality assessments when analyzing environmental impacts from Air Force activities; protecting our groundwater by improving management of our underground and aboveground storage tanks; and properly disposing of wastes to avert contaminating our natural infrastructure.

Efforts in pollution prevention include recycling used oil, fluorescent lights and spent solvents, as well as sustaining our hazardous materials pharmacies to manage our hazardous materials so they don't turn into waste. We continue to make investments in minimizing waste and risk to Airmen through demonstrating and validating new technology such as the robotic laser de-painting process on aircraft.

The Air Force remains committed to a robust environmental conservation program. Prior appropriations allowed the Air Force to invest in conservation activities on our training ranges, providing direct support to mission readiness. The conservation program in FY17 builds on past efforts to continue habitat and species management for 96 threatened and endangered species on 45 Air Force installations. This year's budget request also provides for continued cooperation and collaboration with other agencies, like the U.S. Fish and Wildlife Service, to provide effective natural resources management and safeguard military lands from wildfire hazards through coordinated planning and incident response, and the application of prescribed burn techniques. The FY17 budget will further the

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Air Force's implementation of tribal relations policy to ensure that the unique trust relationship the U.S. government shares with tribes continues, and to provide opportunities to communicate aspects of the Air Force's mission that may affect tribes.

As trustee for more than 9 million acres of land including forests, prairies, deserts, wetlands, and coastal habitats, the Air Force is very aware of the important role natural resources plays in maintaining our mission capability. Sustained military readiness requires continued access to this natural infrastructure for the purposes of realistic training activities. The Air Force utilizes proactive ecosystem management principles and conservation partnerships with other federal and state agencies to minimize or eliminate impacts on the training mission. We are challenged by the fact that in many instances, our installations have become the last bastion of habitat for certain species due to the increased development outside the installation boundary. The FY17 PB request includes \$53.4 million to implement the Air Force's conservation strategy, which will ensure that all aspects of natural resources management are successfully integrated into the Air Force's mission.

The Air Force remains committed to good environmental stewardship, ensuring compliance with legal requirements, mitigating mission impacts, reducing risk to our natural infrastructure, and honing our environmental management practices to ensure the sustainable management of the resources we need to fly, fight, and win now and into the future.

Environmental Restoration

The Air Force FY17 PB request seeks \$419 million in Environmental Restoration funding for cleanup of current installations and those closed during previous BRAC rounds. Our focus has been on completing investigations and getting remedial actions in place, to reduce risk to human health and the environment in a prioritized manner. Ultimately, the Air Force seeks to make real property available for mission use at our active installations, and to facilitate community property transfers and reuse at our closed installations.

The Air Force has made progress over time in managing this complex program area, with more than 13,500 restoration sites at our active and closed installations (over 8,200 active and almost 5,300 BRAC). The Air Force BRAC restoration program is on-track to achieve, at least, a "response complete status" at 90 percent of its Installation Restoration Program (IRP) sites at closed installations by the end of FY18. Our active installation restoration sites are currently projected to achieve the same 90 percent response complete level by FY20.

A new topic of focus is Emerging Contaminants (EC). ECs pose significant risk management challenges to the Air Force environmental program. Regulatory requests for environmental sampling and implementation of EC response actions are on the rise. Characterizing the extent of Air Force environmental releases of an emerging contaminant, assessing the potential risk and impact to human health and the environment, and initiating response actions and implementing appropriate mitigation measures, drive unforeseen, chemical- and site-specific environmental liabilities and program costs.

The Air Force response to releases of ECs from its facilities is a deliberate, science-based and data-driven process that is focused on protection of human health and the environment, conducted in accordance with the Defense Environmental Restoration Program, and consistent with the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

The Air Force continues to work with regulators, city and state officials and other stakeholders to develop the best solution to an emerging problem. For example, for confirmed perfluorinated compounds (PFC) releases, the Air Force is determining the extent of contamination and taking steps to mitigate any validated human exposures with interim actions until cleanup standards and effective remedial technologies are available. When groundwater sampling results indicate PFC levels exceed the EPA's provisional health advisory for drinking water, the Air Force reduces PFC levels with filtration technologies or provides an alternate drinking water source. When PFCs are detectable, but below the provisional health advisory level, the Air Force may conduct well monitoring to track PFC level changes and determine if further action is needed.

While we cannot compromise on the protection of the public, our Airmen and civilian workforce and their families, neither can we endlessly absorb the operational and financial risks of attempting to work with a myriad of unregulated contaminants without some level of certainty that the cost of controlling exposure will have a commensurate public health and operational benefit.

Conclusion

The Air Force made hard strategic choices during formulation of this budget request. The Air Force attempted to strike the delicate balance between a ready force for today with a modern force for tomorrow while also recovering from the impacts of sequestration and adjusting to budget reductions. Our FY17 PB request increases funding in MILCON to support COCOM and new weapon system requirements, reduces Restoration and Modernization (R&M) and continues to address the current mission backlog of deferred infrastructure recapitalization from the FY13 PB strategic pause.

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Sequestration will halt this recovery. We also must continue the dialogue on right-sizing our installations footprint for a smaller, more capable force that sets the proper course for enabling the Defense Strategy while addressing our most pressing national security issue - our fiscal environment.

In spite of fiscal challenges, we remain committed to our Service members and their families. Privatized housing at our stateside installations and continued investment in Government housing at overseas locations provide our families with modern homes that improve their quality of life now and into the future. We also maintain our responsibility to provide dormitory campuses that support the needs of our unaccompanied Service members.

Finally, we continue to carefully scrutinize every dollar we spend. Our commitment to continued efficiencies, a properly sized force structure, and right-sized installations will enable us to ensure maximum returns on the Nation's investment in her Airmen, who provide our trademark, highly valued airpower capabilities for the Joint team.

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Mr. DENT. Thank you.
I guess we will start with Mr. Potochney.

MILITARY CONSTRUCTION BUDGET

The Department of Defense 2017 budget propose \$7.4 billion for military construction and family housing. The request is \$1.1 billion or 12 percent below the 2016 enacted level. The majority of the decrease is in military construction accounts, specifically \$160 million decrease in Army construction, \$642 million decrease in Navy and Marine Corps construction, \$187 million decrease in Defense-Wide construction.

Can you explain to the committee how the department determined what projects or accounts were to be reduced and at what risk to other mission-critical requirements?

Mr. POTOCHNEY. When our budgets go down, we have to make the tough choices. This budget focused, as most of them do, as they all do frankly, on mission beddowns, operations, health and safety, quality of life.

And then within that framework at the trade-offs that people at this table and our uniformed leaders have to make in balancing how to allocate resources within that kind of a framework.

I don't know how else to do it and that is how we have been doing it. And I think the process we use, the best way to characterize it is, at least I would like to think of it this way, is it is informed decision-making. But it provides the services flexibility to deal with those individual dynamics.

I don't know if that answers your question, but I have to answer it in a general way because they can tell you the specifics.

FSRM FUNDING

Mr. DENT. Yes. I guess anybody can chime in on this. But what areas do you—maybe any one of you can chime in—but what areas do you see the most risk with decreases in military construction budgets and the reductions to facilities, sustainment, restoration and modernization? Can anybody—

Ms. HAMMACK. I would say that the biggest risk that the Army is taking is in replacing our current infrastructure. We have over 52,000 buildings in poor or failing condition right now. The majority of our budget is focused on combatant commander requirements and new missions, which for us is cyber or unmanned aerial aircraft.

What that does not get after is a significant number of existing buildings out there that are failing. That is the biggest challenge that we are facing in the Army.

Mr. MCGINN. I would concur with Secretary Hammack. Our program MILCON F-35, P-8, new-ship deployment and home porting, is in pretty decent shape. However, for other existing installation structures, that is where we are taking risks in MILCON.

Ms. BALLENTINE. Likewise for the Air Force. We have prioritized MILCON in our budget this year, allowing us to get after some of those mission critical, worst-case, existing-mission infrastructure.

But as I said, the backlog is very significant and we are only able to fund about 30 of the 500 top-priority projects that our MAJCOM commanders have submitted.

We really are in a position of it is not a question of whether infrastructure is going to fail, it is what is going to fail and when. And we have a very robust, sophisticated process to try to optimize the mission-critical, worst-case first, but it is hard without a crystal ball to know exactly what is going to happen.

Mr. DENT. Thank you. And is there an ability for the department to catch up or restore reductions in military construction due to sequestration or reduced budget levels in the out years? Anybody want to take a stab at that one?

Ms. HAMMACK. Chairman Dent, I welcome that question because the ability to catch up is called BRAC. The ability to catch up is the ability for us to close those facilities that have least military value so that we can focus our funds, focus our military construction, focus our sustainment on our most critical facilities.

Mr. DENT. Well, I got the message, it is all about BRAC. [Laughter.]

On European Infrastructure Consolidation, in your statement, Mr. Potochney, I think you mention, after a one-time investment of approximately \$800 million of military construction to implement two major base closures, eight minor site closures and 16 realignment actions, does the \$800 million include the military construction projects requested for Germany in fiscal year 2017?

Mr. POTOCHNEY. That is right.

Mr. DENT. OK. And is there a corresponding operation and maintenance figure as well?

Mr. POTOCHNEY. Yes. Well, the total investment is 1.4 billion and almost \$800 million of that was MILCON. But that is over the whole implementation of EIC, European Infrastructure Consolidation.

Mr. DENT. Thank you. And one other question, Mr. Potochney. In light of Russia's resurgent aggressiveness in Eastern Europe, there has been a growing concern amongst our allies about the risk of Russia utilizing its energy supplies as a strategic and political weapon. And we have all seen that with respect to the Baltics, especially in Poland. And I certainly share these concerns, as do a number of my colleagues.

Is this risk being taken into consideration as DoD continues to develop and assess the energy plans for our U.S. installations and new military construction projects that are based within the European continent?

EUROPEAN INFRASTRUCTURE CONSOLIDATION

Mr. POTOCHNEY. I believe so. Relating to the question of what we have done to reduce our European infrastructure in general is, is we were really careful to make sure that our excess capacity is that capacity above what we need for current operations plus surge. And fuel considerations are included in that.

We also looked pretty carefully at OPLAN requirements and that is part of our contingency requirements to make sure that something that maybe isn't being used now is considered within that surge category. And again, that includes fuel issues.

ENERGY SECURITY OPTIONS

Mr. DENT. And this is my final, quick comment, and then I am going to go to Mr. Bishop.

And are more energy security options, including U.S. sources, being considered in any of this analysis that you have done?

Mr. POTOCHNEY. Yes, I believe so. Yes. I can get you something more for the record if you would like.

[The information follows:]

Related to the threat of Russian manipulation of natural gas on our installations in Europe, my office has issued a policy to require installation energy plans (IEP) for every base. These plans provide a structured approach to selecting, prioritizing, sequencing and implementing energy projects and programs that ultimately results in improved long-term energy performance and energy resilience.

Separate from energy used to heat and power installations, the Department is working to ensure the joint air and land forces have the appropriate petroleum and refined product infrastructure needed to meet NATO mission requirements in Eastern Europe. For instance, the Department is partnering with NATO to improve deployable bulk fuel storage and distribution, aerial refueling, and pipeline capabilities. Similarly, the Department is reviewing plans and concepts of operation for supporting operations in a rapidly evolving theater. Together, these initiatives will ensure that U.S. military forces have the fuel needed to meet ongoing and future requirements in support of our NATO allies.

Mr. DENT. Thank you.

At this time I would like to recognize the ranking member, Mr. Bishop.

Mr. BISHOP. Mr. Chairman, Mr. Farr is ranking on the subcommittee that will be meeting in just a few minutes. I would like to, with your permission, defer and allow him to pursue his questions first and then I will come back on the next round.

Mr. DENT. Without objection, I recognize Mr. Farr.

Mr. FARR. Thank you very much, Mr. Bishop, for doing that. I am sorry I am going to have to cut out.

I am just going to give you my 2 cents' worth. And all I need as a response to all these questions is yes. [Laughter.]

First is just a suggestion. I am probably more BRAC knowledgeable than almost any member of Congress because I have been so BRAC'd and the largest military base ever closed, threats of closing the Naval Post Grad School, Defense Language, BRAC'ing Fort Hunter Liggett. And I have been through that process. I have been 22 years in Congress and there isn't a day that goes by that I don't deal with BRAC issues.

And I have converted myself from being totally against BRAC to, even though I have been, you know, the victim of BRAC, I think it is absolutely—I agree with you.

But just a suggestion. Why don't you combine an ad hoc committee of staff members and your folks to look at the language in which you bring it up? You always give the same language in your request for BRAC. And you know, Congress just rejects it.

And I think if you presented it in a different way, in a very smarter ask, you might have a different reaction. And I just suggest you use your—we have got a lot of technical people here that could help you with that. That might take some of the politics out of it.

Ms. HAMMACK. You are going to get a yes to that one, sir. [Laughter.]

MONTEREY MODEL AND AGREEMENT

Mr. FARR. OK. And I want to ask you, Ms. Hammack, about this Monterey model. I think a lot of things, you know, you can really take what has happened here in Congress, we have created a Defense Community Caucus, we have got defense communities aware of what military bases are about and what they can do with the municipal agreement models. And we are created an Unexploded Ordnance Caucus. I am co-chair of both of those.

And I think we—now we have got to go vote. We have got to do everything at once around here.

With the Monterey model, could you commit to the new extension of the Army agreement with Monterey so that we can get that done and then get the year after that? It is just lingering and I would like you to do that as fast as possible.

Ms. HAMMACK. To that you get another yes.

Mr. FARR. Pardon me?

Ms. HAMMACK. Yes, we will.

Mr. FARR. Yes. Well, and also I just ask that you send Mark—your lawyer and Army Budget Director Paul Cramer out to Monterey to meet with Colonel Fellingner. I mean, he is facing a lot of these things and I just don't think, from watching the perspective, you see all the nuances of it. And I think you would write a much better contract if they were on the ground and could see that.

The other is we have a provision in the law, I guess, that doesn't allow housing to be built on National Guard bases. We have created in Camp Roberts, which is right next to Fort Hunter Liggett, a SATCOM operation there. And the commander of SATCOM says, of the 14 installations around the world, this is the most vital one, geophysical one.

It is a long way from any community around. It is in the boonies. And what we thought is that perhaps you could possibly be looking into the possibility of the geo-bachelor quarters that could be built there. And I just wondered if you could investigate that and let me know what the options might be available to provide some housing for that operational facility there so that they don't have to commute so far.

And I know there are families and all those issues. But are there other options?

And lastly before I go, because you have invested the money to create the state-of-the-art, probably the best in the United States, the shoot house, a whole village of where you can go in and practice attacks. It has got churches and it has got everything, you can turn that village into any kind of scene you want. All electronically wired and everything so you just put in the kind of background noises and languages that you want.

FUTURE YEAR PROJECTS PRIORITIES

And now in the FYDP, to add near there, is a new automated, multipurpose machine gun range. And it is in the FYDP. And if I ask in a letter, I am violating the earmark thing. But if you ask when there is money left over at the end of the year that you would like that money to be spent on that range and move it up on the FYDP from 2020, it might be very cost-effective.

Ms. HAMMACK. Sir, when we look at Army priorities, we address the failing first, we address COCOM Commanders' requirements, and we address new missions. We do our best to prioritize according to that model.

So unfortunately, we quite often do not have funding to do more advanced—

Mr. FARR. No, I am only suggesting at the end of the year there may be some leftover funds because contracts didn't get obligated and that ends up being a surplus. And they usually come to the committee and ask us what our priorities are.

We now turn it back to you. And I am just suggesting, if there is an opportunity take a look at it.

All right, my time is up. And I am 13 seconds over.

Mr. DENT. That is pretty good for you, Mr. Farr. [Laughter.]

That is pretty good.

We have how much time on the clock? About 11 minutes. I think what we will do is we will recognize Mr. Jolly and then we will come back to the ranking member.

We have three votes. It is not one vote.

So Mr. Jolly, you are recognized for 5 minutes.

Mr. JOLLY. Thank you, Mr. Chairman. And I will try to keep it brief.

UNAFFORDABLE TO MAINTAIN CURRENT INFRASTRUCTURE

I have had the opportunity to talk with many of you. And I share your concerns. I don't understand why we are paying for cement we don't need when we have got warfighters who need to be better equipped. That is the bottom line. So I hope we can find a constructive way forward. Clearly, everybody is on the same page.

But to the panel, I would say, though, Secretary Ballentine, you said something probably more blunt than anybody else in your written testimony. The Air Force simply cannot afford to maintain our current infrastructure footprint. Simply cannot afford it.

Ms. BALLENTINE. Yes, sir.

Mr. JOLLY. What is the reality of that? What does that mean?

Ms. BALLENTINE. Well, what it means is exactly what it says.

Mr. JOLLY. So what is the result of that, I suppose?

Ms. BALLENTINE. We are doing our best to prioritize the mission-critical, worst-first, as Ms. Hammack said, so we are really going through each and every one of the projects that we know needs to happen, and there are thousands of them, 500 top priorities in this year alone, and really trying to prioritize which facilities are in the worst condition that really have to be recapitalized and are mission critical. And we try to prioritize those projects.

We also try to prioritize the sustainment fund. That is kind of like changing the oil on your car.

Mr. JOLLY. Sure.

Ms. BALLENTINE. If you don't prioritize the sustainment, you are going to create problems down the road. So we try to keep that as full as possible. Even this year, we are funding that only to 77 percent, which is lower than we have been.

Mr. JOLLY. And your written testimony states that Air Force excess capacity is 30 percent or will be 30 percent by fiscal year 2019. Is that right?

Ms. BALLENTINE. It is about 30 percent excess infrastructure capacity. We have run the numbers a number of different ways, looking at various force structures. And it ranges anywhere from 28 to 32 depending on which force structure you use.

Mr. JOLLY. All right.

Ms. BALLENTINE. So we round it out to about 30 percent.

Mr. JOLLY. Thank you.

And Ms. Hammack, you used the term “installation readiness.” Is that referring to—what is the lay interpretation of installation readiness?

INSTALLATION READINESS

Ms. HAMMACK. Installation readiness means that we support Soldiers so that they are ready to deploy. Installation readiness affects training land. Installation readiness affects the buildings that we use to do pre-deployment training. Installation readiness affects the energy that is available to ensure that we can deploy under a wide range of circumstances.

Mr. JOLLY. And that is where you have insufficient resources to address installation readiness needs?

Ms. HAMMACK. We say there is a risk. As Secretary Ballentine said, we do our best to maintain those critical infrastructure first, but there is simply not enough money across the budget to maintain all the facilities that we have.

Mr. JOLLY. OK. And you and I had the opportunity to talk about some of the results of the European infrastructure consolidation. I know that was mentioned earlier. You have a little more flexibility in addressing overseas installations. Can you share some real-life examples of the success of that and why that might provide some encouragement for CONUS BRAC, if you will?

Ms. HAMMACK. Yes, sir, and thank you for that question, Representative Jolly.

You know, when we look at the European Infrastructure Consolidation for the Army, between our restoration and modernization funding and our MILCON funding through 2022, we are going to spend about \$300 million.

What we are going to return is \$170 million in annual reoccurring savings, and that is less than a two-year return on investment. That means that we are returning to Germany those facilities that we no longer have a mission need for.

What we are going to end up with is not zero excess infrastructure, but around 7 percent. Around 7 percent is where we think we can balance surge requirements, we can balance modification to mission requirements. That is what we would like to do in the United States.

The Army right now is anywhere between 18 and 21 percent excess capacity. We will never get to zero, but there is plenty of room for us to reduce excess infrastructure, reduce those costs so that we can focus on more fighter requirements.

EUROPEAN INFRASTRUCTURE CONSOLIDATION

Mr. JOLLY. And the European infrastructure consolidation you would consider a successful construct, if you will?

Ms. HAMMACK. Absolutely.

Mr. JOLLY. Do you have a comment as well, sir?

Ms. BALLENTINE. Yes, I will chime in from the Air Force perspective where actually the bulk of the actions are. We have nine actions. It is going to cost us about \$1.1 billion and we will save probably close to \$300 million each and every year.

But what is really key is the process worked. It worked very effectively. And we are not reducing our warfighting capabilities at all. We are just viewing it more effectively.

Mr. JOLLY. It is a good model.

Ms. BALLENTINE. It is a good model.

Mr. JOLLY. All right, thank you.

Mr. POTOCHNEY. I wonder if I could add to that, though. We are closing Mildenhall, that is huge in Europe. We would not be able to close a base here because we lack the authority to close bases.

Mr. JOLLY. Sure. We have about—how much time left?

Thank you, Mr. Chairman. Thank you.

Mr. DENT. Thank you, Mr. Jolly.

We have 6½ minutes left in the vote.

I am going to recognize Mr. Sanford. I recommend that all you go up to vote. I will stay as long as we can.

So I would recognize Mr. Bishop for as long as he wants to speak. Thank you.

Mr. BISHOP. Thank you very much.

EXCESS CAPACITY

Secretary Hammack, the Army's estimate of excess capacity across the enterprise is 160 million square feet, at the incidence of 490,000 active component and 170 million square feet at an [incidence] of 450,000.

To deal with this problem, the Army Management Action Group approved a strategy of right-sizing within installations to reduce costs. First, can you tell me how much it costs to maintain this infrastructure? And next, can you explain what the Army Management Action Group has done to control costs? How bad would your capacity problem get if the Army is forced to go below 450,000?

And for Secretary Ballentine, the Air Force's estimate of excess capacity is roughly 30 percent while [inaudible] manpower has steadily decreased. So the Air Force has drawn down aircraft and personnel without reducing infrastructure. How much does it cost the Air Force to maintain excess capacity? Has the Air Force taken steps, like the Army, to address it?

Ms. HAMMACK. Thank you, Representative Bishop.

Mr. BISHOP. And if you would abbreviate your answers. I know we would like to make the vote.

Ms. HAMMACK. OK. Well, the strategy for right-sizing within the installation means that we consolidate personnel into the best-quality buildings and we are able to shut down those buildings, which means you modify the temperature controls, you don't have lights that you have to manage, and you put them pretty much in cold storage.

We have identified that there is approximately 40 million square feet that we could put into cold storage through those efforts.

Since it costs us about \$3 a square foot to maintain buildings that are underutilized, we think that 40 million square feet could be about \$140 million annual savings.

Now, it is going to take us a while to consolidate into the best buildings. We have issued an executive order for every garrison commander and senior mission commander to develop an installation reduction plan addressing excess within their installations.

Mr. BISHOP. Thank you.

Ms. Ballentine.

Ms. BALLENTINE. Thank you. So it is slightly different for the Air Force. Since the early 1990s at the beginning of the Gulf War, we have reduced our aircraft force structure by about 60 percent in terms of combat-coded fighter squadrons and our personnel by about 30 percent. Our infrastructure base closures have only been about 15 percent.

So when we look at consolidating, it is not just a matter of consolidating people into buildings, a lot of our excess infrastructure has to do with iron, with actual aircraft, so we have extra parking spaces, excess hangar space, excess maintenance space.

And really, the only way that we can get at that excess is to consolidate by closing bases entirely. And that is really where the big dollar savings comes.

Now, that said, we have very robust programs in energy savings, in enhanced-use leases to get after some of the underutilized real estate on our bases, through our community partnerships programs, and those programs are paying very good dividends for us, but just nowhere to the tune of what we can do if we can actually close the base.

Mr. BISHOP. Thank you very much.

Mr. Chairman, thank you.

Mr. DENT. What we will do is this subcommittee meeting with be in recess to the call of the Chair, which should probably be about half-an-hour. We are in recess. We have got 2:40 to go.

[Recess.]

Mr. DENT. Thank you all for returning. I would like to bring to order this meeting on the Subcommittee on Military Construction and Veterans Affairs.

For a variety of reasons, this is a crazy morning, Mr. Bishop will not be able to return, Ms. Lee will be here until five of and then that is when the hearing will have to end.

So with that, I would like to recognize the gentlelady from California, Ms. Lee, for 5 minutes.

Ms. LEE. Thank you very much.

Thank you all again for being here and for your service.

Wanted to mention a couple of things. First of all, I would just like to note that during my tenure with my former boss, former chair of the Armed Services Committee, Ron Dellums, we went through a BRAC process. Then I actually went to the legislature and I, along with Congressman Farr, we were the point people on BRAC from the state of California.

And we went through in my district, I think it was five bases that were closed. And so as part of the transition process, we worked to ensure that the local community affected by BRAC had the support that it needed to adjust to the closing of the bases.

But we still have a lot of work to do. And this goes back years. So let me just ask you a couple of questions.

First of all, where Alameda Point is, the Naval Air Station, we took title to about 1,400 acres of land and water from the Navy. This was in June of 2013, even though the base was closed 10 to 15 years before. The V.A. took about 624 acres of land from the Navy in November 2014 for the construction of the new V.A. outpatient clinic and cemetery. A good example of how properly repurposed, former military installations can really set a standard for the rest of the country.

ENVIRONMENTAL REMEDIATION

I know the Navy has been conducting environmental remediation efforts in Alameda at Alameda Point, including the removal of toxic substances from below the ground and creating grassland and wetlands.

So while the department is investing more than \$1 billion, I guess it is in, well, in fiscal 2017 across the agencies with regard to environmental compliance, this number represents a 2.3 percent decrease in funding from 2016 levels.

So I wanted to hear about the Navy's next steps as it relates to environmental remediation throughout the country and specifically at Alameda Point, and your long-term environmental sustainability and stewardship efforts.

Because with this kind of a decrease, of course, I know all of us are a bit concerned about more delays.

Mr. MCGINN. Thank you, Representative Lee. We are taking great steps, continuing to take great steps. You mentioned the closure of those five major bases in the Bay Area.

Since 1991, we have had five major BRAC actions that the Navy has participated in. Ninety-four percent of the total acreage has been returned or turned over for economic development activities, including those that you mentioned at Alameda.

We anticipate that in another six years, the remaining 11,600 acres will be turned over across the country.

Specifically for our environmental remediation program, we have a prioritization matrix that decides where the greatest issues are and where can we put the money for remediation that will accelerate, to the maximum extent possible, the turnover of that land to economic development activities.

So I can provide you more of a detailed response specifically on Alameda or across our whole environmental remediation related to the BRAC program.

[The information follows:]

The Navy continues to make great strides in its environmental remediation efforts at Alameda Point. Our next step in this process will be the Phase II transfer under the Economic Development Conveyance of approximately 183 acres to the City of Alameda targeted to occur this year, which will put the former base at 89% transferred. The remaining 11% (304 acres) requires additional remediation and will be transferred over the next 3 years. We have kept the pace of our environmental remediation at Alameda Point throughout austere budget years.

For NAS Alameda, the FY16 budget is \$15.1M, the FY17 budget request is for \$15.3M. The estimated environmental cost to complete for FY18 and beyond is \$28.7M, which includes long term operations and monitoring of remedies in place. It is currently anticipated that this funding profile will allow us to transfer 100% of the former base by 2020.

The total BRAC Program environmental cost to complete is approx. \$1.1 billion for FY 17 and beyond.

Ms. LEE. OK, thank you. I would like to get both because naturally with a 2.3 percent decrease all of us are quite concerned.

Mr. MCGINN. Right.

Ms. LEE. Could I ask one more question for our ranking member?

Let me ask with regard to the budget driving the request for a new round of BRAC. Is this the drawdown of forces? Is that the reason for that? And how complicated is this new BRAC process going to be?

This budget calls for an entire new round. So what is really driving that?

REQUIREMENT FOR BRAC ROUND

Mr. POTOCHNEY. OK. So the drawdown in forces makes the requirement for BRAC even more important. Less forces means less bases are required to house them and for them to operate from.

But the requirement for us, and I call it a requirement for us to devote the maximum resources to readiness and sustainability, and that includes our built infrastructure, is critical. And so to spend money on facilities that we don't need really doesn't make any sense to any of us, and I believe to Congress as well.

The BRAC process is the only way to get at it in a holistic, fair, transparent way.

Ms. LEE. And so how about the European infrastructure consolidation? Did that function as the training effort BRAC and the U.S. service standard?

Mr. POTOCHNEY. Yes, ma'am, that is a good way to put it. We did model it after the BRAC process. You know, the BRAC process, we have a statute, but we used criteria and used basically the same kind of analysis, the same kind of decision process, and we did that on purpose, both as BRAC practices, as you mentioned, training, but also because it is a good way to look at your infrastructure.

Ms. LEE. OK, thank you very much.

Thank you, Mr. Chairman.

Mr. DENT. Thank you.

I would like to at this time recognize the gentleman from Ohio, Mr. Joyce, for 5 minutes.

BRAC PROCESS—GUARD AND RESERVE

Mr. JOYCE. Thank you very much, Mr. Chairman.

And I would like to start off with Ms. Hammack.

There has been a lot of discussion about the BRAC process. There are many of us who don't have active bases or facilities in our district, but we do have National Guard and Reserve facilities. How would they be impacted by BRAC?

Ms. HAMMACK. Thank you for the question, Representative Joyce.

Mr. JOYCE. And I am sorry if somebody asked that before.

Ms. HAMMACK. No, that question has not been asked. In BRAC 2005, the Reserve component, both Guard and Army Reserve, participated in BRAC for consolidation benefits. In some of our best ones, you might have two Guard units, one Reserve unit, and perhaps Fish and Wildlife Service that merged together into one fed-

eral facility with Guard and Reserve units utilizing the facility on weekends, and Fish and Wildlife using it on weekdays.

What it meant is the total federal cost of operations went down. It also meant that each of the divisions had more capabilities, they had better training, classrooms, they had better break rooms, they had better meeting rooms and gathering rooms, they had better parking facilities. So it was a net benefit to all.

Based upon the experience in BRAC 2005, the Guard and Reserve are very eager for the next round of BRAC to help them benefit by adjusting to today's demographics from the demographics of the 1940s and 1950s where many of them were stood up and their facilities were built.

The Guard and Reserve would benefit from consolidation. The Guard and Reserve would benefit from facilities built to today's standards, to today's mission requirements, to accommodate the current missions that they have, which are very different from some of the past.

Mr. JOYCE. Thank you. Ms. Hammack, in your written testimony, you state that in response to risks posed to our Nation's vulnerable energy grid, the Army is improving the resiliency of installations through the use of on-base renewable sources of energy.

You indicate that resilient Army installations are those that can withstand security threats, such as power interruptions, cyberattacks, or natural disasters.

The style of warfare obviously is changing. On top of needing to maintain a strong physical military presence, there are new challenges brought on by this threat of cyber or energy attacks.

Can you tell us more about how these on-base renewable energy sources will enhance the resiliency of Army installations?

RENEWABLE ENERGY SYSTEMS

Ms. HAMMACK. Absolutely. We are partnering with the private sector and leveraging private sector capital to install renewable energy systems on Army bases so that should there be a disruption with the national grid the base is still able to operate.

In the last calendar year, we demonstrated that at Fort Drum in upstate New York. Fort Drum was a base that was impacted by ice storms and weather events that took down the national grid. The base was out of power for over a week.

During that time, they tried to run on backup generators, but then fuel was running low.

The private sector came in and built a biomass facility that is utilizing clippings from the timber industry and from forest thinning to power the facility. They have 3 months' worth of fuel on or very close to the base. This winter, we demonstrated that they are able to disconnect from the grid and still power all services on base.

That is a resilient base that is there to meet mission and deployment requirements of the active duty. It is there also to serve the community that is looking for a light in the darkness when the grid might go down.

So that is what we mean by resilient bases with renewable energy.

Mr. JOYCE. That sounds like a great thing. How about the cyberthreat problems, what have you done to address those?

Ms. HAMMACK. We are working hard to address the cyberthreat. Certainly, when you are able to disconnect and isolate, that makes your grid less vulnerable.

Certainly, the cyberthreat is constantly changing. That is something that we are working on very closely with the cyber community to try and enhance our resiliency by hardening our systems.

Mr. JOYCE. Great, thank you.

I have no further questions at this time, Mr. Chairman.

Mr. DENT. Thank you, Mr. Joyce.

At this time I would like recognize the gentlelady from Alabama, Mrs. Roby, for 5 minutes.

BLACK MOLD AT AL UDEID AIR BASE

Mrs. ROBY. Thank you, Chairman.

And thank you all for being here today. I have just a few issues that I want to address.

Secretary Ballentine, I want to talk about mold for a minute. I have seen multiple reports recently regarding the presence of the black mold at Al Udeid.

Recently I received a text message from a friend of mine who is actually there right now. He said these reports—they are not made up—they are real and it is really bad. And it is not just in the bathroom facilities. There is mold in the curtains. It is really just gross.

And I know that our National Guard members have been exposed to this unhealthy environment.

I have read the internal document that talks about the stages of how this is going to be addressed. But clearly, it is not being addressed quickly enough.

So I wanted to hear from you directly about your thoughts on this. And what can I tell my friend who is there? He is only there for a short time. As he stated in his text message, he is more concerned about those that are there for the duration. And so it is very concerning.

Ms. BALLENTINE. Thank you, I appreciate it.

I just came back actually from the AOR myself this fall and we did talk some about the mold issue as well as a range of challenges that we face with expeditionary facilities that really have outlived their life.

Our Chief of Staff and Secretary have asked United States Air Force Central Command (AFCENT) to continue and step up the pace of the program to maintain. We have changed the custodial contract there and that has already started to show some benefits, increased government oversight of the contract, so to maintain is step one.

Then replace, repair and actually start to move people into more permanent facilities. So this summer, 20 permanent facilities will be completed which will be able to house 2,500 people. Making that transition is a very important piece because these expeditionary style of latrines and lodging in this type of environment with the heat and the humidity, you don't tend to think of Al Udeid as a

humid type of place. But being so close to the water, it tends to be very humid.

Heat, humidity and expeditionary facilities tends to make mold a pernicious problem.

AIR TRAFFIC CONTROL TOWER AT MAXWELL AFB

Mrs. ROBY. Sure. Well, I wanted to bring attention to it today, and I thought it was appropriate. And my hope is that you will continue to provide us any updates as it relates to those efforts. And I would appreciate that.

I want to move real quickly to the air tower at Maxwell Gunter Air Force Base. It is the home of Air University and other very important missions.

And we not only have the 908th there, but also a lot of VIPs fly into Maxwell on a routine basis.

Now, I have had the opportunity twice to climb up in this tower. And since we are offering invitations, I am sure that the leadership there would love to have you come climb up in the tower. It is a frightening experience, to say the least. And when you get up there, you can't even see one of the runways. It is obstructed by a building.

What is also fascinating about this tower is the escape mechanism in case of a fire. It is a cable that runs to the roof of a nearby building and basically a tarp of sorts that you would put your body in and glide to the roof of the adjacent building.

So obviously the tower is very antiquated, and these are serious problems with not being able to see the runway.

So we had language in the last MILCON VA appropriations bill that addresses this specifically and encourages the Air Force. These towers are very important national security assets and the Air Force should maintain them in a manner that will ensure their role of protecting the U.S. national security interests.

So I would love to hear an update about where we are with this tower and others that need to be replaced.

Ms. BALLENTINE. Yes, ma'am. And I think you just gave a perfect example as an answer to Representative Jolly's question earlier about can we describe some of the risk that comes with these reduced budgets, and that is a perfect example.

The good news on that particular tower is it is in the Future Years Defense Program (FYDP) right now, it is in the fiscal year 2019 program. And we do have a range of existing air traffic control towers in our list of projects that really need to happen.

Mrs. ROBY. OK. Well, please, again, keep me posted about where we stand on this tower. And if you are ever down our way, let me know and I will make sure you get to climb up the tower. [Laughter.]

Ms. HAMMACK. Thank you, I will.

Mrs. ROBY. OK.

Thank you, Chairman. I yield back.

Mr. DENT. Thank you, Mrs. Roby.

I would like to recognize Ms. Lee. She has a few questions.

Ms. LEE. Thank you, Mr. Chairman.

Let me ask you, Ms. Hammack, with regard to the Oakland Army Base Remediation Project. Our office has been receiving peri-

odic updates. The remediation contract, it was awarded to Engineering Remediation Resources Group.

And the tasks related to the cleanup, I want to know if they are ahead of schedule, on schedule, any updates on this project because again, it has taken a long time. And just, what efforts are you taking with regard to ensuring environmental sustainability at the Oakland Army Base.

MINORITY AND WOMEN-OWNED BUSINESSES

And then for all of our witnesses here, and you don't have to respond today, but if we can get the information with regard to the participation of minority and women-owned contractors, how many of these businesses do your branches work with?

[The information follows:]

FY13-FY15 DoD Actions and Obligations by Socio-economic Category (as of March 29, 2016)

Category*	FY2015	
	DoD Actions	DoD Obligations
Small Business	1,207,914	\$54,053,594,152.09
Minority Owned Business	212,476	\$22,113,139,966.83
Black American Owned	41,252	\$4,216,439,283.29
Hispanic American Owned	46,855	\$4,941,651,742.12
Native American Owned	33,081	\$6,843,416,773.07
Asian-Pacific American Owned	53,774	\$3,351,932,636.29
Subcontinent Asian (Asian-Indian) American Owned	30,838	\$2,880,344,212.02
Other Minority Owned	19,714	\$1,276,844,647.38
SBA Certified Small Disadvantaged Business	37,838	\$5,976,079,871.09
Self-Certified Small Disadvantaged Business	192,850	\$17,754,886,448.63
SBA Certified 8(a) Program Participant	77,224	\$13,080,805,531.71
SBA Certified 8(a) Joint Venture	9,766	\$1,348,591,755.89
SBA Certified Hub Zone firm	48,783	\$4,105,378,413.02
Veteran Owned Business	183,423	\$12,415,906,508.01
Service Disabled Veteran Owned Business	72,184	\$7,741,315,529.70
Woman Owned Business	247,506	\$11,258,596,166.60
Women Owned Small Business	128,664	\$5,326,317,313.49
Joint Venture Women Owned Small Business	1,936	\$261,599,469.73
Economically Disadvantaged Women Owned Small Business	37,845	\$2,842,940,038.82
Joint Venture Economically Disadvantaged Women Owned Small Business	1,471	\$178,896,288.55
Educational Institution	9,120	\$1,328,248,193.13
Historically Black College or University (HBCU)	89	\$5,391,738.37
Minority Institutions	340	\$27,436,512.99
Tribal College	8	\$116,331.52
Indian Tribe	4,211	\$767,664,464.64
American Indian Owned	13,187	\$1,860,185,188.53
U.S. Tribal Government	61	\$1,682,495.35
Tribally Owned	7,334	\$1,614,751,165.16
Native Hawaiian Organization Owned Firm	2,721	\$444,578,202.16
Alaskan Native Corporation Owned Firm	15,017	\$4,119,597,642.17
Total DoD Actions / Obligations (Including Actions To Contractors Without These Socioeconomic Designations)	13,084,611	\$273,704,670,728.13

* Contract actions can occur in multiple categories (e.g., a Women Owned Business can also be a Veteran Owned Business) and be to the same business. As such, it would inappropriate to sum the columns to determine a total impact of small businesses.

Women and Minority Small Business Contracting

Over the past three years, the Army has consistently increased small business participation and established effective marketing of opportunities. As a result, the Army has met all statutory assigned goals for the third consecutive year and all DoD assigned goals for the second consecutive year.

The Statutory goal for overall Small Business prime contracts is 23%. The Army exceeded the goal, averaging 31.7% (\$18 billion) to Small Businesses during FY14 and FY15. The Army is also exceeding its statutory goal of 5% for Woman-Owned Small Businesses, averaging 5.79% (\$3.4 billion) during FY14 and FY15. While there are no statutory goals for Black Woman-Owned Small Businesses, the Army awarded 2,057 contract actions (\$408.1 million) portfolio in FY15.

Total Army FY15 Construction Services Spend:

- Construction-\$6.4 billion/17,458 contract actions
- Environmental-\$1.2 billion/3,052 contract actions
- Renewable Energy-\$44 million/1,570 contract actions

IE&E portfolio FY15 Woman-Owned Small Business Contracts:

- Construction-\$288 million/1,440 contract actions
- Environmental-\$34 million/208 contract actions
- Renewable Energy-\$0/0 contract actions

IE&E portfolio FY15 Black American Woman-Owned Small Business Contracts:

- Construction-\$14 million/102 contract actions
- Environmental-\$0/0 contract actions
- Renewable Energy-\$0/0 contract actions

Within the Energy, Installations, and Environment portfolio, the Naval Facilities Engineering Command (NAVFAC) has an exceptional record of making contract awards to minority and women-owned small businesses. In fiscal year 2015, NAVFAC obligated over \$2B to approximately 350 different small disadvantaged businesses and over \$612M to approximately 300 different women-owned small businesses. NAVFAC's obligations in both of these socioeconomic categories far exceed the government-wide statutory goal of 5%.

The Fiscal Year 2015 Air Force construction services obligations had a good representation among minority owned construction firms. Over the last five years, more than 71% of all obligations in this portfolio went to small businesses. The number of construction actions awarded to distinct companies did decrease by 13% (171 to 149) from the previous year. The reason for this decrease is unclear, although there are plausible causes for the fluctuation. Approximately 149 distinct minority construction companies were awarded more than \$200 million in obligations for Fiscal Year 2015. 171 distinct minority companies were awarded approximately \$182 million in contracts during Fiscal Year 2014.

And I would like to see if we can get that information disaggregated for this committee, because you have pretty significant budgets with contracting opportunities, and I want to make sure that those opportunities are going to small businesses, minority and women-owned businesses as required. Thank you.

OAKLAND ARMY BASE BRAC CLEANUP

Ms. HAMMACK. Thank you, Representative Lee. Certainly, the Oakland Army Base, the work there is progressing. We anticipate that the majority of the cleanup will be done in June of this year. After that, the transfer really depends upon the state of California and their review of the work that was done and their processing.

The work is on target, it is on schedule. We hope that it will be able to be transferred within the calendar year; if not, early next.

Ms. LEE. OK, thank you very much.

Thank you, Mr. Chairman.

And again, these bases closed, gosh, way early 1990s, early to mid 1990s, and we still are on the process of remediation, cleanup. And to this point, we still haven't been able to move forward to fully recover and redevelop the bases.

Ms. HAMMACK. If I could comment on that. In the prior BRAC rounds, there had not been an effort by the services to clean up bases while those bases were operational, very little effort.

What is very reassuring is that the bases closed in BRAC 2005 had very little environmental cleanup because we started getting after it while the base was operational.

So really, it is some of the older BRAC rounds that have the biggest challenges for cleanup.

Ms. LEE. Thank you. Lessons learned.

Thank you, Mr. Chairman.

Thank you, ranking member.

Mr. DENT. Thank you, Ms. Lee.

At this time I would like to recognize the gentleman from Nebraska, Mr. Fortenberry, the vice chair of the subcommittee, for 5 minutes.

BASE REALIGNMENT AND CLOSURE

Mr. FORTENBERRY. Thank you, Mr. Chairman.

Good morning, everyone. Pleasure to see you all.

You may remember last year when you were here I held up a little sign.

And Secretary Ballentine, I was reading a little bit of your bio here. You have a degree in psychology. So what would you rather hear, base realignment and closure or military installation savings commission? What is more inviting, what is more attractive?

I am trying to get everyone to shift the rhetorical construct of this whole endeavor, which most of us anyway agree with.

When you testify that we have got 30 percent excess inventory in the Air Force, we are asking you to do more with less, and yet carry forward older, antiquated things that are no longer viable, that is not fair to you. It is not fair to the taxpayer either.

However, because communities have so integrated and also been so supportive of the various military installations around the country, we look for off ramps when it is necessary because of our na-

tional defense needs, but also to assist the community in that transition. Starting with language that is less ominous and is more partnering and inviting would be just a suggestion.

I plead with you to do this, because this is, I think, a better way to endure the psychological trauma. Now, I am not a trained psychologist.

Mr. DENT. Call Frank Luntz. [Laughter.]

Mr. FORTENBERRY. That is true.

In that regard, it is a serious comment in the sense that I want us to try to continue to partner constructively in this regard so that we are assisting you with this process, that it is, yes, at certain times a painful and difficult process, but nonetheless can be creatively achieved through community input as our good friend Congressman Farr has spearheaded and continues to talk about the Monterrey model whereby certain communities who are situated can take on certain services that are not integral to your mission, expanding on that.

And then when there is simply excess inventory, carving it off or out when possible, versus you get to close and you get to stay open, again, is a better framework, I think, in pursuing this and it would maybe get us there faster.

RUNWAY REPAIR AT OFFUTT AFB

One quick question for you, Madam Secretary, is the issue of the Offutt Air Force runway. So we have a critical piece of national security infrastructure with Strategic Command and Offutt located in a symbiotic relationship. We have a runway that air crews have to literally walk down to make sure there is no loose piece of concrete that could damage one of your planes.

DoD is committed to doing this project. It is not a matter of if, it is a matter of when. At the same time, I and others have the obligation to continue to have reasoned oversight of this and, again, to partner with you.

So in that regard, we have put together a working task force of our delegation. We meet regularly with the governor as well to look at the issues of seamless transition for you.

For instance, the Guard base in Lincoln, 50 miles down the road, has enough capacity to support housing of your operations in the meanwhile. There is some consideration that the Omaha airport, it is called Eppley, which is in very close proximity, could be some kind of staging in case of an emergency.

All of this is to say that the broader project of a full replacement would be the ideal, but I recognize there are a lot of variables that go into that consideration. It is not just money, but also the downtime.

So can you comment on both of these dynamics, of changing the way in which we are rhetorically constructing this need to reduce your excess inventory, assisting communities in the transition and the specifics of Offutt?

Ms. BALLENTINE. Sure. And I think you said it all very well.

So let us take the first one first. From my perspective, absolutely, we ought to be talking about partnering with communities, we ought to be looking at opportunities for community benefit. Our community partnership program has been very successful, our en-

hanced-use lease program has been very successful in looking for ways to leverage underutilized real estate.

Now, that said, we still absolutely are going to need some closures. It has really got to be both/and, from my perspective, not either/or. So there is a lot we can do to partner with communities, leverage the Monterrey model, leverage what we have learned through our community partnerships programs, leverage enhanced-use leases. And at the end of the day, we simply are going to have to close some bases to really get those dollar savings.

So it is a both/and, from my perspective, speaking of language, not an either/or.

On the runway, you are absolutely right, and you said it exactly right, that it is not if, it is a matter of when. We are looking at options now and really balancing cost with downtime, how long can the mission withstand the runway being closed.

But I really appreciate your offer of partnership and the pulling together of your commission to help us work through those issues. So I will ensure that our folks are well-connected with that.

Mr. FORTENBERRY. Thank you very much.

Thank you, Mr. Chairman.

Mr. DENT. Thank you, Mr. Fortenberry.

I guess we will move into the second round of questioning. And I will yield to Mr. Bishop and then I will come back to myself, because I know he had an abbreviated first round.

MARINE CORPS RELOCATION TO GUAM

So, Mr. Bishop, you are recognized.

Mr. BISHOP. Thank you very much, Mr. Chairman.

I would like to touch on the Asia Pacific strategy and the Guam realignment of the marines, Mr. McGinn.

Secretary, can you give me an update on the Department's efforts to pivot to the Asia Pacific region in terms of facilities, specifically in Guam and Japan? I know there have been numerous issues with the local politicians and the general public in that area.

In fact, they have brought that conversation to Washington to my office several times. I would like to know, as we are seeing some concrete movement on the project, what have been some of the issues that have surfaced, and have they been adequately dealt with?

Mr. MCGINN. Thank you, Mr. Bishop. Two parts, basically the relocation of marines from Okinawa to Guam is proceeding as planned. We have started construction activities and these are going well.

As you may know, the initial operational capability for those marines relocated to Guam from Okinawa is 2022. And they are going to be finished and achieve final operational capability in 2026.

Separate from that, but related, is the replacement of Futenma Marine Corps Air Station on Okinawa. And the plan that has been strongly supported by the government of Japan has been to relocate that function, that operation up to Camp Schwab at the northern part of Okinawa.

There has been a lot of concern expressed by the governor of Okinawa and some of the citizens. However, the project being managed by the government of Japan is continuing.

I would describe it as being in phase one, mostly planning and measurement and some early construction in the area where the intent is to have that smaller runway located.

But it is an issue that we are keenly aware of. We are working very closely with folks in Japan. Our III MEF commander and his staff are engaged. We are trying to transfer property from control by the Marine Corps on our bases that are located throughout Okinawa to the government of Okinawa as quickly as we can, consistent with the mission in that very active area.

Mr. BISHOP. Thank you. Another thing I am concerned about is the lack of quality-of-life projects that we are seeing under the constrained budgets. What efforts are you taking to ensure that when the marines move from Japan to Guam that these types of facilities will be in place as they move to the island?

Mr. MCGINN. There is a lot of close coordination by Fleet Marine Forces Pacific, General Toolan and his staff, as well as with the Pacific commander and his staff, Admiral Harris, to make sure that those projects are in fact lined up and ready to support the full Marine training mission when they do get to Guam.

This involves everything from construction of a cantonment area, adding housing to Andersen Air Force Base where those marine families will be housed, the provision for firing ranges in the northern part of Guam, and a continuing effort to make sure that the construction timelines match the plan to actually move those marine units.

SHORE HOUSING FOR SAILORS

Mr. BISHOP. Changing gears a bit, Master Chief Stevens told us last week that he was extremely concerned regarding the state of shore housing for sailors. Can you explain the current state of shore housing for sailors?

Mr. MCGINN. We have, as you know, a public/private venture that is managing our housing. And the level of satisfaction overall, there are always exceptions, but overall is extremely high.

I have talked personally with Master Chief Stevens and I think the primary concern that he is hearing from sailors in his travels is a potential for reduction of the BAH. If that is carried through, and it is proposed that it be a 5 percent reduction, that would result in an overall \$3.5 billion reduction in funding from BAH sources to the private contractors over the full life of the contracts that are currently in place.

So we are looking at this very, very closely about how best to manage it. There are ongoing discussions with the contractors.

One thing we want to make sure we avoid is taking the money out of the pockets of sailors and marines and their families and at the same time to make sure that there isn't a decrease in the quality of the housing that they are housed in, from the contractor perspective.

Mr. DENT. I would like to recognize myself for 5 minutes.

OKINAWA FACILITIES STATUS

I guess I will start with Mr. McGinn. I am going to talk a little bit about Okinawa.

What is the current status in negotiations with the government of Japan and other countries, such as Australia, Singapore and the Philippines? And can you give the committee an update on the progress that has been made to date there?

And then I also want to hear what you think, too, about, you know, what, in your view, constitutes an acceptable conclusion to the Futenma replacement facility issue.

Mr. MCGINN. Given the complexity of those ongoing negotiations and all of the aspects, I respectfully request to take that question for the record and provide you a more comprehensive answer.

Our long-standing agreement with the Government of Japan (GOJ) remains unchanged. The Futenma Replacement Facility (FRF) at Camp Schwab/Henoko is the only option for moving the Marine Corps air wing out of Marine Corps Air Station (MCAS) Futenma. We will relocate from and return MCAS Futenma once the FRF is complete and the facility is fully operational. The Department of Defense refrains from commenting on the legal process of another country to include the recent court-mediated settlement between the Okinawa Prefectural Government and the GOJ regarding FRF construction.

On-going Department of Defense negotiations with Australia and the Philippines will help to modernize these alliances and develop a more geographically distributed, operationally resilient, and politically sustainable regional defense posture. This ongoing process does not preclude continuing to train alongside these countries' militaries. The marines have successfully completed a total of four rotations to Australia and the fifth rotation is on track for April 2016. This year's Balikatan exercise in the Philippines will see more complex scenarios than ever. In Singapore, the government continues to make progress on constructing the required facilities to support the implementation of our agreement to forward deploy up to four Littoral Combat Ships in Singapore by 2017.

It lies primarily in the responsibility of the folks in policy at the Office of the Secretary of Defense as well as in our own Navy and Marine Corps policy shops. But I will consult with them and make sure we get you a good answer on that.

Specifically to the Futenma replacement, the construction activities are ongoing, despite concerns by the governor of Okinawa who I know has spoken with you. And we continue to make sure that whenever there is a possible interaction that can have a positive outcome related to the transfer of land from other bases back to Okinawa, we are doing that, as well as close coordination with the central government in Tokyo to make sure that the project is proceeding apace, considering the difference of opinion by the governor.

FORCE STRUCTURE REDUCTIONS AND BRAC

Mr. DENT. Let me move to Ms. Hammack.

By the end of fiscal year 2017, the Army is reducing the active component force structure to 450,000, I believe. Can you describe the impact of these force structure reductions and what the impact will be across the Army on infrastructure requirements?

Ms. HAMMACK. Thank you, Chairman Dent, for that question. One of the challenges is that as we have reduced force structure, it creates holes on bases. On many of the bases where they might have four brigade combat teams, they go down to three, or if they have three, they go down to two. That means there are empty barracks. That means there are empty company ops facilities.

Mr. DENT. More need for BRAC.

Ms. HAMMACK. That means there is more need for a BRAC or a realignment and consolidation.

When there is that kind of capability on one of our major installations, that means we can move some smaller missions into that place and shut down an entire facility.

As Secretary Ballentine said so well, that is where the real cost savings are.

Mr. DENT. Yes. Also, can you give some examples of installations or states that have the greatest challenges as the Army draws down the force? And you know, beginning in what fiscal year will the committee see military construction requirements for this decision, if any that are needed?

Ms. HAMMACK. As the company draws down the force, it certainly reduces the need for military construction. That is why you see our budget right now; less of it is focused on replacing existing buildings, and more of it is focused on COCOM requirements and new missions.

The challenge is, though, that the existing buildings become of poorer quality. In the Army, we are seeing an increase in the number of poor and failing buildings every year, as we do not have the funding to sustain the facilities and as we are questioning more what the size of the Army is going to be in the future.

EUROPEAN INFRASTRUCTURE CONSOLIDATION IN THE UNITED KINGDOM

Mr. DENT. I will quickly move to Ms. Ballentine.

The European infrastructure consolidation study produced eight consolidation opportunities for the Air Force. Can you walk the committee through the consolidation in the United Kingdom and give us an estimate of the costs associated with the consolidation and potential savings that will be achieved?

So I just visited the U.K. and Croughton, Molesworth, and got a sense of some of the issues that you are working on. I would like the committee to learn a little more about it.

Ms. BALLENTINE. I would be happy to. And I will give you a little bit of an overview here. And if you would like more detail, I am happy to provide that for the record as well.

So total costs across the entire continent are about \$1.1 billion. We anticipate around \$275 to \$300 million savings per year.

In the U.K. specifically, we have got a number of actions that we are taking. So divesting from Royal Air Force (RAF) Alconbury and (RAF) Molesworth, those should save us about \$75 million a year, divesting from (RAF) Mildenhall, which is the big muscle movement, I would say, as Mr. Potochney identified. And that is really that we are moving CV-22s and C-130Js to Spangdahlem Air Base, Germany and moving KC-135 tankers to Ramstein Air Base, Germany.

So all of those activities have begun. We do have some of the fiscal year 2017 budget going towards executing those activities.

I will actually be visiting myself later on this spring and will be able to get my eyes on those activities. But if you would like further details on that, I am happy to provide it for the record.

[The information follows:]

The European Infrastructure Consolidation (EIC) will enable the Air Force to fully divest RAF Mildenhall at an estimated cost of \$572 million and estimated annual recurring savings of \$128 million. Divestitures of RAF Alconbury and RAF

Molesworth, United Kingdom will cost an estimated \$370 million and save an estimated \$74 million per year. Streamlining the level of support at Lajes Air Field, Azores cost approximately \$68 million and will save an estimated \$35 million each year. Streamlining the support contract at Morón Air Base, Spain cost an estimated \$3 million and will save the Air Force approximately \$4 million per year. Consolidation of European Data Centers will cost an estimated \$60 million and generate an estimated \$40 million per year. Through EIC, the Air Force also returned four minor Air Force sites to their host nations (Karup munitions storage, Denmark; RAF Mildenhall ammunition storage and RAF Feltwell housing, United Kingdom; and Siegenburg Range, Germany) at a total cost of less than \$1 million and resulting in an estimated savings of less than \$1 million per year.

Mr. DENT. Thank you.

So let me quickly ask one more question, and then I will go right back to the ranking member.

I would like to also shift to Guam and the Mariana Islands. The 2017 budget includes about \$81 million for Guam Joint Region Marianas Andersen. Are the mission requirements for Joint Region Marianas finalized and budgeted for in the out years? And if not, has the Air Force included a wedge of funding in the future years' defense program to account for future military construction projects?

Ms. BALLENTINE. So we do spend a good portion of our MILCON on combatant commander requirements. And the shift to the Pacific is an important piece of that. The total in our 2017 budget for PACOM is about \$132 million. A good portion of that is going to Guam. We are hardening some facilities, building some C4I, which is command, control, communications, computers and a number of other projects.

And we do, of course, look across the FYDP in responding to our combatant commanders' requests.

Mr. DENT. Mr. Bishop, we recognize you for 5 minutes.

Mr. BISHOP. Thank you very much.

OPTIMIZING INFRASTRUCTURE

This will relate to instruments and equipment drawdown.

Secretary Hammack, with the ongoing drawdown, can you describe for the committee what your biggest challenges are and how they will affect the Army's construction program?

Ms. HAMMACK. Well, the biggest challenges in drawdown is that they create empty spaces. So we are still maintaining money to operate a base that should be a hundred percent full and it might be 75 percent full or 50 percent full. Our base operating costs are the same, yet we have reduced the military manpower.

When we consolidate and we can optimize our infrastructure, we can reduce our costs and then focus the funding on warfighter needs. The biggest concern as we are reducing end strength is that we would like to manage our real estate in response to that.

The Army has real estate left over from World War II, when we were a force of 8.3 million, and now we are down to 450,000. We never got rid of all of that excess infrastructure. We are whittling away at it a little bit every year.

As Mr. Potochney said, we have never reduced our infrastructure down to the 7 percent or even the 10 percent at which we probably should operate.

For the Army, in each round, we are taking out anywhere from 4 to 7 percent with an average of 5 percent each BRAC round. That helps us, but that doesn't get us where we need to be.

Technology has given us capabilities in the industrial base and in warfighting where we have simulators that help our soldiers train better. We have consolidated with technologies, but we have not consolidated our footprint.

Mr. BISHOP. I see. Thank you.

Secretary Ballentine, what has been your biggest challenge with facilities as it pertains to the reduction of aircraft?

Ms. BALLENTINE. Well, likewise, reduction of aircraft and squadrons creates holes on our parking pads and in our hangars and the like. So what you see across the Air Force is our squadron sizes are coming down. So rather than a squadron being 24 aircraft, you may see a squadron of 18 aircraft spread across more bases.

So for each of those bases, you have got Security Forces that are protecting the bases, you have got gates that you have got to keep open, you have got to finance people and human resources people.

So if we can consolidate those squadrons into fewer bases, you can draw down all of that excess cost that we are spreading across, we are sort of peanut butter-spreading, if you will, across our bases, not for optimal operational reasons, but simply to ensure that every base has a mission.

Mr. BISHOP. Where I come from, peanut butter-spreading is a good thing. [Laughter.]

Ms. BALLENTINE. Likewise in my household.

Mr. BISHOP. Thank you.

FACILITY CONDITIONS AND INSPECTION STANDARDIZED

Mr. DENT. I just have one more question, and I will start with Mr. McGinn. But this will end up being for all of you.

Mr. McGinn, in your statement you mention that the Navy has taken on an initiative to standardize the facility inspection and facility condition in the [next] process. Please try to explain to the committee how you are achieving your goal and whether or not other Services are following your lead. And I can let the other Services respond to that, but do you want to just talk about how you are doing in the Navy?

Mr. MCGINN. Yes, sir. Starting about a year-and-a-half ago, we took a look at how best to determine our facilities condition and to prioritize particular parts of those facilities.

A simple example would be it is really important that the roof doesn't leak. So roofs are more important than appliances inside the building, walls, structure and decking. And we wanted to make sure that as we looked across our whole installation infrastructure that these priorities were being applied so that we categorized our allocation of sustainability funds into fixing the most critical aspects.

This has been something that has been briefed to our service chiefs and their staffs and down through the chains of command. Everybody is very pleased with the fact that we are putting the money against the most critical projects.

Mr. DENT. Anybody else want to bite on this one?

Ms. Hammack.

Ms. HAMMACK. Certainly. The Army Corps of Engineers did a great job developing a program called BUILDER which is the standardized inspection protocol. It is a means to categorize what the requirements, what the needs are in the building and, as Secretary McGinn said, what kind of quality there is in the facilities.

The biggest challenge the Army is facing is finding the funds to have the people to inspect to that building standard. Although we are addressing a small percentage of buildings every year, it will take us quite some time to fully inspect and categorize all of our properties to that standard.

Mr. DENT. Ms. Ballentine.

Ms. BALLENTINE. So I would like to get with my experts and come back to you with the details. But I will say that, as you know, the Air Force has just recently stood up the Air Force Installation Mission Support Center. My two counterparts here have had centralized management of installation mission support for quite some time and the Air Force has launched this program in the last couple of years.

And the real beauty and opportunity of this type of construct is that it allows us to take an enterprise-wide look at things like facilities so that we won't be just taking a look base by base by base, command by command by command, and not necessarily getting after, from an enterprise perspective, the most important mission-critical worst-first.

So that is really the beauty of our new Installation Mission Support Center.

[The information follows:]

Our Air Force Civil Engineer Center is actively managing the Air Force-wide implementation of the Sustainment Management System (SMS), a suite of web-based software applications developed by the U.S. Army Corps of Engineers to help leadership, facility engineers, and technicians decide when, where, and how to best maintain civil engineer's built infrastructure. The facilities SMS module, BUILDER, has currently baselined 44% of the facility condition assessments for Air Force vertical structures. PAVER, the airfield and other pavements SMS module, has baselined the pavement criteria indexes (PCI) for 100% of our airfields and 48% of other pavements such as roads and parking lots. RAILER, the SMS module that captures the condition of our rail systems, has baselined the condition of 17% of USAF-owned railways. Finally, UTILITIES, the water, wastewater, electrical power, and natural gas SMS module, and FUELER, the fuel distribution system SMS module, are currently under development. The Air Force has the lead on the development of UTILITIES SMS and the initial release of this module is scheduled for the summer of 2017. We are currently using assessment tools within our geographic information systems to perform utility system condition assessments and have completed 51% to date. All of these efforts are focused on improving our asset management processes, complying with Executive Order 13327, and achieving the audit readiness requirements set forth in the Fiscal Year 2010 National Defense Authorization Act by September 2017.

Mr. POTOCHNEY. Sir, I could just add?

Mr. DENT. Mr. Potochney.

Mr. POTOCHNEY. If I could just add to that? What I think you just heard is we have some pretty good standards and we are working pretty hard at even making them better so that we can spend the money that you are providing to us against the facilities essentially that are worst-first. But we still have too many of them to be spending money on, and that is the current thing.

So we are being good stewards of what we are getting here with a systematic approach. But the inventory of buildings that we are taking care of just is simply too much.

Mr. DENT. Well, thank you, all. We appreciate all of you being here today and providing, you know, comprehensive testimony. And we may have some additional questions for the record. And I know there are some that you want to get back to us on, which is fine.

And we have a vote, as we speak, and so timing is good.

So again, I want to thank you all for joining us today. I hope that we will be moving to the markup on this MILCON V.A. bill the week of March 22nd, we hope. That is aspirational, I think, at this point, but that is the hope.

So that said, the hearing is adjourned.

[Questions for the Record submitted by Congressman Dent for the Honorable Miranda A.A. Ballentine follows:]

Air Force Privatization Efforts

Ms. Ballentine. The 2005 Base Realignment and Closure (BRAC) process consolidated 26 service-specific stand-alone installations into 12 joint bases in order to take advantage of efficiencies. With some exceptions, most joint bases have consolidated their operations, particularly their lodging operations. However, Joint Base San Antonio (JBSA) is one of two joint bases where lodging has not been consolidated, resulting in two operations - one at Fort Sam Houston that was privatized through the Privatized Army Lodging program and another that is operated by the Air Force and continues to be challenged by underfunding and undercapitalization. According to GAO, JBSA has yet to fulfill the mission of joint basing generally and has not consolidated its lodging specifically. The committee understands that the Air Force has the authority through the Army's PAL program and Military Housing Privatization Initiative (MHPI) to privatize undercapitalized lodging operations at JBSA. Fully integrating JBSA lodging operations under a single privatized program would allow the Air Force to recapitalize the balance of the JBSA rooms while not diverting appropriated funds away from the lodging program.

Question: Would you please report back to the committee with a timeline for when we can expect the Air Force to consolidate lodging operations at JBSA?

Answer: The Air Force and Army continue to work joint basing initiatives in pursuit of maximizing efficiencies, and persist in reviewing the way each Service manages lodging operations as a standard practice. While the Army views privatized lodging as the appropriate way to recapitalize their lodging program, the Air Force views on recapitalization are substantially different. The Air Force's lodging facilities are in overall good condition. We continue to examine opportunities and models (to include privatized lodging) to improve effectiveness and find even greater efficiencies in managing the Air Force lodging.

[Questions for the Record submitted by Congressman Rooney for Mr. Peter J. Potochney follows:]

Question: How does the Department of Defense prioritize and incorporate military construction funding as it relates to our readiness and ability to comprehensively address threats from China, Russia and North Korea? How does our military construction spending compare to and effectively counter these countries' investments in their own military facilities, particularly those close to U.S. territories and bases like China's military construction in the South China Sea and Russia's expansion into the arctic? Is the current trajectory of spending in military construction keeping pace with the growing global threats in these areas of geographic and strategic significance?

Answer: The Department of Defense employs a systematic process for the global prioritization across combatant commands of its force posture-related military construction projects. Each combatant commander produces a posture plan as an annex to their respective Theater Campaign Plans that links posture strategy, requirements, challenges, gaps, and initiatives to meet prioritized campaign objectives in accordance with the Department's directed national and theater objectives. These posture plans are the primary source documents to advocate for change to a Combatant Command's (CCMD) posture through resource decisions, the posture management process, and Departmental oversight responsibilities. Posture plans describe the forces, footprints, and agreements required to execute assigned missions, tasks, and objectives in support of a CCMD's enduring mission requirements. They identify capability gaps, operational risks, and identify posture initiatives that address current and anticipated challenges.

The military construction initiatives proposed in these posture plans are reviewed and prioritized across CCMDs by the Department's Global Posture Executive Council (GPEC), using a structured process that is designed to link strategy, operational requirements, and resource efficiencies. The GPEC's prioritization of military construction projects, in turn, is used to inform Service Program Objective Memorandum builds and the Department's Program and Budget Review process. The goal of this systematic approach is to maximize the use of military construction resources in meeting U.S. defense strategy.

Keeping pace with growing global threats does not necessarily equate to a growing trajectory for overseas military construction, although it is an important factor. Military construction is one component of our posture for responding to potential threats. The number and type of military capabilities that we procure, our ability to surge forces from the continental U.S., and our concepts of operations are all part of U.S. strategy. The Department continually assesses our posture, including military construction, to keep pace with evolving security requirements.

[Questions for the Record submitted by Congressman Rooney for Mr. Peter J. Potochney follows:]

Question: Can you tell me more about the transfer of military installations, specifically in regards to the Land Redevelopment Authority? What happens when the LRA develops a reutilization plan and then a state or local government change occurs and the LRA's leadership changes - what protocols are in place to ensure continuity of an approved reutilization plan? If there isn't continuity - are there measures tracking what this costs in terms of delays, losses in investment?

Answer: Nothing obligates a Local Redevelopment Authority (LRA) to retain its leadership throughout the preparation of a redevelopment or reutilization plan, or as it seeks to carry out the plan. There are often changes in that leadership over time for any number of reasons, including local/state elections, moves, retirements, etc., and such changes do not necessarily result in changes to the plan. These plans must balance homeless needs with community and economic needs, and be included in a submission to HUD with proposed legally binding agreements for implementation of the homeless components of the plan.

In instances where changes must be made to the plan, or there are reasons for an original plan to be updated due to changed economic, environmental, or other circumstances with/without any change in local leadership, the Military Department works with the cognizant LRA and looks to the local zoning jurisdictions to confer zoning consistent with the approved plan prior to its disposal. The Military Department will then seek to dispose of the property for uses consistent with those in the plan, to the extent practicable, and any zoning, consulting with the LRA throughout the disposal actions.

[Questions for the Record submitted by Congressman Valadao for Mr. Peter J. Potochney follows:]

Opportunities for Local and Small Businesses

Military installations provide a beneficial impact in local economies. I know that NAS Lemoore provides an almost \$1 billion impact in my district. Military construction projects are a great way to utilize local businesses and provide employment for locals. However, I often hear that businesses in my district are not made aware of contract bids or they simply are overlooked by bigger contractors in other parts of the state. Last year's omnibus language directed the Department of Defense (DoD) to increase their outreach to local businesses on MilCon projects.

Question: Mr. Potochney, can you provide an update on this initiative and how the DoD is working to better include local business in their projects?

Answer: In the FY 2016 omnibus language, Congress asked the Secretaries of the Army and the Navy, as the organizations providing oversight of the DoD construction agents, to provide a comprehensive outreach plan for regional and district offices that includes targeted outreach, web-based technologies, social media and other proactive strategies to reach a broader group of local contractors. The Army and Navy are still working on their respective reports. I will ensure they provide your committee a copy of the report when they are complete.

[Questions for the Record submitted by Congressman Valadao for the Honorable Katherine G. Hammack follows:]

Housing

In the Quality of Life hearing last week, the Navy mentioned that their single-sailor housing is only 50% adequate. Making sure our service members are provided with housing they want to live in should be a priority. Additionally, with the reduction of Basic Allowance for Housing (BAH) by 5%, more service members will be looking to live on-post in order to save money. With inadequate housing and an influx in those want to live on-post, we need to make sure that quality living conditions are available.

Question: How will the BAH reduction impact service members and how will each branch incentivize living on-post?

Answer: None of the Army RCI Projects are currently charging Out-Of-Pocket (OOP) to residents and will not receive Army approval to do so without first providing a business case to the Army which lays out a valid fiscal requirement. RCI projects reduced operating expenses to absorb the BAH reductions in 2015 but may be forced to stop or reduce services and/or amenities that are not part of the BAH stipend (e.g., lawn mowing, trash and recycling collection, quarters cleaning, swimming pools / splash parks, usage of community centers, etc.) to meet the 2% OOP in 2016. The combination of Active force personnel reductions and future cuts to services may have an adverse impact on RCI project occupancy.

[Questions for the Record submitted by Congressman Valadao for Mr. Peter J. Potochney follows:]

Housing

In the Quality of Life hearing last week, the Navy mentioned that their single-sailor housing is only 50% adequate. Making sure our service members are provided with housing they want to live in should be a priority. Additionally, with the reduction of Basic Allowance for Housing (BAH) by 5%, more service members will be looking to live on-post in order to save money. With inadequate housing and an influx in those want to live on-post, we need to make sure that quality living conditions are available.

Question: How will the BAH reduction impact service members and how will each branch incentivize living on-post?

Answer: On-base privatized housing and the circumstances by which members come to live in those houses are drastically different from government-owned military housing. Members who live in privatized housing most always do so as a matter of choice - with the exception of a small number of "key and essential" personnel who are required to reside on-base. The members living in on-base privatized housing receive BAH to pay rent to the privatized housing owner (just as they would if living in the local economy). This dynamic incentivizes privatized housing owners to keep on-base units in good condition and provide quality amenities in order to compete against off-base private property owners for tenants. Further, compared to the private sector, on-base privatized housing offers a number of conveniences, such as closer proximity to work, and our junior enlisted families, particularly, may be able to afford a larger on-base privatized house compared to off-base.

The Department is reviewing options to address the impact of BAH reductions while preserving the quality of privatized housing.

The housing privatization agreements are reflected in a variety of legal documents that constrain both parties. The Services' ability to address the effect of BAH reductions on a privatization deal is dependent on the structure of, and specific legal documents governing that individual deal. The Services do not have the legal authority to unilaterally change the terms of the deal. The deals, including private sector debt for housing construction and major renovations, were structured on a rental income stream based on BAH that did not include an out-of-pocket component. Maintaining the operating income of our privatization partners is important to ensure financial stability of the projects, to include debt coverage and adequate funding to maintain quality housing and attract military tenants. While the Services retain the authority and flexibility to renegotiate with the developers to restructure their housing privatization agreements, renegotiating lower profit margins to absorb the income loss could jeopardize the willingness of the private sector to remain in the program.

[Questions for the Record submitted by Congressman Valadao for the Honorable Katherine G. Hammack follows:]

Water

Water is a very important topic in my district and we are constantly working to combat the effects of the ongoing drought in California. Securing a reliable and clean supply of water continues to be one of the greatest challenges facing my district. I know that we are not alone in this challenge as the military operates in similar circumstances around the country and around the world. I also know that energy sources can be hard to come by overseas.

Question: Ms. Hammack, what is the Army doing to conserve water and energy across installations and how does conserving energy at overseas bases better protect service members?

Answer: The Army has a strong record of conserving energy and water, both on our permanent installations and in operational environments.

The Army has been implementing water efficiency and conservation efforts for almost a decade. We have engaged multiple approaches on our installations, including leak detection and repair, installation of high efficient plumbing fixtures, and community awareness programs to provide residents with actions they can take to save water. These collective efforts resulted in a 26.5% reduction in the Army's potable water use intensity between FY2007 and FY2015. The result is that the Army leads the Department of Defense in water conservation on installations.

Water efficiency in operational environments is also increasing. As one example, the Army is fielding the Shower Water Reuse System (SWRS). The SWRS works by taking graywater and recycling it for future use, by running the shower water through a series of filters, membranes, and chemicals. In the end, the cleaned and filtered water falls within potable quality standards. The SWRS can treat up to 12,000 gallons of water per day and returns 75 percent of water for reuse.

In 2015, the Army conducted the Network Integration Evaluation (NIE), part of the Army Warfighting Assessment, to determine how best to equip the force of 2020 in a way that will reduce water use by 90%, energy use by 50%, and waste generated by 80%. The Army has incorporated technology based on lessons learned from previous conflicts to source and produce potable water near the point of consumption. This simple process minimizes the distribution footprint, saves money, and reduces risk. For example, force provider expeditionary base camps incorporate newer more efficient technologies to reduce overall demand for energy and water.

With respect to energy conservation, the Army has targeted installation energy efforts to increase both efficiency and development of renewable energy projects. In FY2015 alone, the Army reduced its total facility energy consumption by 6.9%, for a total reduction of 22.6% since FY2003. The Army has installed a total of 158.9 megawatts (MW) of renewable energy capacity to date, and produces renewable energy equal to 12% of total energy consumption.

The Army conserves energy at overseas bases through its Operational Energy (OE) program. The OE program improves combat capability and reduces tactical and operational risks by extending range, endurance, flexibility and resilience to improve freedom of action. Most importantly, we are focused on giving every Soldier and leader the information they need to use energy and water for the greatest operational good.

Working with the Marines, we have reduced the battery weight carried by infantry squads 23%, and deployed these solutions in combat with 13 Army BCTs. We are further working to reduce Soldier load with the Joint Infantry Company Prototype (JIC-P) effort. JIC-P limits the number/type/weight of batteries carried by dismounted troops, which minimizes resupply requirements and extends operational reach.

The Army supports multiple Combatant Commands with Force Provider, a modular expeditionary base camp support package that includes energy and water efficient components, such as insulated shelters, tactical micro-grids, and water re-use systems. Current Force Provider base camps give the Warfighter a base camp infrastructure that can be operational more quickly than other options and use 50% less fuel and 75% less water than the legacy systems they replace.

The Army is also fielding a new generation of tactical generators, the Advanced Medium Mobile Power Source (AMMPS). Overall, the fleet of AMMPS generators are 21% more fuel efficient than the generators they replace. The Army also leads the Tactical Microgrid Standards Consortium, a combined effort of all Services, industry, academia, and Department of Energy to develop an open architecture and standards for future microgrids that can simplify tactical power generation and distribution while saving up to 40% of the fuel typically required.

Increasing both energy and water in operations reduces the number of convoys that are needed, decreasing risks for Soldiers that provide security. The improvements in contingency base capabilities reduce the logistical footprint required to support Soldiers in austere conditions at the end of often contested supply lines, improves their quality of life, and frees Soldiers from maintenance activities so they can concentrate on their primary mission.

[Questions for the Record submitted by Congressman Valadao for the Honorable Dennis V. McGinn follows:]

Lemoore

Question: Can you also talk about how the base is preparing for the influx of a new squadron and their families?

Answer: Through the Navy's Strategic Laydown and Dispersal program, we integrate new platform deliveries, infrastructure requirements, and transitions across programs and echelons to strategically homeport/base the operating forces of the Navy. In preparation for the F35 program's influx of new squadron personnel and their families, the Navy has been investing in the required operational infrastructure and capabilities required, as well as making improvements to existing quality of life capabilities to support growth/projected growth at NAS Lemoore.

[Questions for the Record submitted by Congressman Valadao for the Honorable Dennis V. McGinn follows:]

Lemoore

My district is the proud home of Naval Air Station Lemoore. It has been a privilege to work with the sailors and airmen at Lemoore to prepare for the new F-35C aircraft and to make sure that the quality of life on base is the best it can be. I was happy to learn that the base would be receiving an additional squadron from NAS Oceana. There are a lot of MilCon projects ongoing at Lemoore to prepare for all of these changes and I am happy to help in any way that I can to make sure this goes smoothly.

Question: Mr. McGinn, can you update us on Lemoore's preparation for the F35C and how the projects we funded last year are coming along?

Answer: There are three military construction projects associated with support of the F-35C: P-218 Range Training Officer and Mission Debrief Facility, P-378 F-35C Hangar Modernization and Addition, and P-379 F-35C Training Facilities. All projects are on track for award in Fiscal Year 2016.

[Questions for the Record submitted by Congressman Valadao for the Honorable Dennis V. McGinn follows:]

Housing

In the Quality of Life hearing last week, the Navy mentioned that their single-sailor housing is only 50% adequate. Making sure our service members are provided with housing they want to live in should be a priority. Additionally, with the reduction of Basic Allowance for Housing (BAH) by 5%, more service members will be looking to live on-post in order to save money. With inadequate housing and an influx in those want to live on-post, we need to make sure that quality living conditions are available.

Question: How will the BAH reduction impact service members and how will each branch incentivize living on-post?

Answer: While the BAH reduction impact on individual members may vary, we believe most will be impacted given the fact that approximately 70% of Navy/Marine Corps families rent or own their own homes in the private sector.

Off base service members will have the choice to buy or rent housing with payments that remain within the BAH allowance; in those cases, on average, they will incur some decrease in housing quality. Alternately, they may choose to pay an additional amount above BAH to obtain a higher standard of housing quality.

The majority of the Department of the Navy on-base family housing is privatized. We have relied upon our Third Party Partners to well-manage their housing portfolios, and to establish rents for housing based upon what each local market will bear. In some markets, the Partners offer rents below the BAH levels to incentivize service members to live in those neighborhoods. For other service members, the benefits those neighborhoods offer (proximity, amenities, quality, and others) are enough to incentivize them to live on base.

[Questions for the Record submitted by Congressman Valadao for the Honorable Miranda A.A. Ballentine follows:]

Housing

In the Quality of Life hearing last week, the Navy mentioned that their single-sailor housing is only 50% adequate. Making sure our service members are provided with housing they want to live in should be a priority. Additionally, with the reduction of Basic Allowance for Housing (BAH) by 5%, more service members will be looking to live on-post in order to save money. With inadequate housing and an influx in those want to live on-post, we need to make sure that quality living conditions are available.

Question: How will the BAH reduction impact service members and how will each branch incentivize living on-post?

Answer: The Air Force does not incentivize service members to live “on base.” The policy of the Department of Defense is to rely on the private sector as the primary source of housing. The privatized owner attempts to draw military members into their housing with quality houses and amenities.

Since the Air Force privatized its family housing inventory in the United States, project owners are almost exclusively dependent on BAH as a revenue stream to maintain, repair, and recapitalize the more than 50,000 privatized Air Force homes. A five percent reduction in BAH will translate into an average \$2 billion reduction in funding to privatized housing projects over the life of their deals with the Air Force. Our analysis shows that a five percent reduction in BAH, if not paid for by the service members as an out-of-pocket cost, will have significant impacts to privatized housing through:

- Reduced services (grass cutting, pools, community activities, etc.)
- Fewer repairs and delayed recapitalization of homes as they age
- Potential defaults on government loans used to fund the development

The Air Force is currently examining a variety of options to address the impact of BAH reductions. We plan to work diligently to balance Airman quality of life and the financial solvency of our privatized housing projects, both goals requiring sufficient resources to maintain, repair and renovate homes for future Airmen and their families.

[Questions for the Record submitted by Congressman Bishop for Mr. Peter J. Potochney follows:]

DoD Base Realignment and Closure (BRAC)

Question: Did the European Infrastructure Consolidation function as a training effort for a BRAC in the US?

Answer: Yes. The European Infrastructure Consolidation (EIC) effort functioned as training for BRAC. We conducted the EIC using the same principals and procedures as BRAC such as making military value criteria the priority consideration in the decision process and using a standard cost and savings tool to assess various scenarios.

Questions for the Record submitted by Congressman Bishop for Mr. Peter J. Potochney follows:]

DoD Base Realignment and Closure (BRAC)

Question: Right now we have too much capacity because we were fighting two wars, then we started the budget wars and now we are faced with arbitrary caps that have hampered proper investment in our National Defense. My concern is that we will close facilities and then a few years later will need more. What would you do get cost savings and maintain mission readiness simultaneously?

Answer: Through execution of prior BRAC rounds, and as verified in a 1999 study, the Department has demonstrated that it will retain within the U.S. installation infrastructure sufficient difficult-to-reconstitute assets to respond to surge, accommodate a significant reconstitution of the force, and support all forces, including those currently based outside the United States. Furthermore, the selection criteria specified in the language, specifically criteria one and three, capture the concept of surge capacity as they are currently drafted. Criterion one requires the Department to consider "current and future" mission capabilities and criterion three assesses the "ability to accommodate contingency, mobilization and future total force requirements."

Additionally, in making our \$2 billion savings projections for a future BRAC round, the Department conservatively assumed a small reduction of five percent in plant replacement value. This is based on 70% of the 1993/1995 efficiency focused rounds. Because BRAC 2005 only eliminated 3.4% of the 24% aggregate excess capacity identified in the 2004 BRAC Capacity Analysis, significant excess at the aggregate level should remain after a future round.

Questions for the Record submitted by Congressman Bishop for Mr. Peter J. Potochney follows:]

DoD Base Realignment and Closure (BRAC)

Question: Is the budget driving the request for a new round of BRAC in the DoD or is the drawdown of forces the cause? It seems like a new round of BRAC would be complicated. Is the Department prepared to take on such a difficult endeavor?

Answer: Both the budget and the drawdown of forces are driving the need for a new BRAC round. Reduced force structure creates excess capacity. Declining budgets underscore the need to extract maximum value from our infrastructure by minimizing excess and maximizing the efficiency of what must remain. We need to find a way to strike the right balance, so infrastructure does not drain resources from the warfighter.

While the conduct of a BRAC round is complicated and can be a difficult endeavor, that does not make it any the less necessary. As it has done in the past, once Congress authorizes a new BRAC round the Department will devote the resources necessary to undertake that round in accordance with the statute.

The Department envisions a new BRAC round as an "Efficiency" BRAC (similar to the rounds conducted in 1993/1995) – a round that pays for itself speedily and will rack up savings for the Department in perpetuity. Our projection is that we can achieve annual recurring savings on the order of \$2B/year with another round. We expect to save enough during the 6-year implementation period that it would be a wash during that timeframe. Programmatically, what is at stake is approximately \$2B/year starting in 2026.

[Questions for the Record submitted by Congressman Bishop for the Honorable Katherine G. Hammack follows:]

Army Capacity Issues/BRAC

Question: The Army's estimate of excess capacity across the enterprise is 160 million square feet at an end-strength of 490,000 Active Component (AC) and 170 million square feet at an end-strength of 450,000. To deal with this problem, the Army Management Action Group approved a strategy for right-sizing within installations to reduce cost. First, can you tell me how much it cost to maintain this infrastructure and next, can you explain what the Army Management Action Group has done to control cost? How bad would your capacity problem get if the Army is forced to go below 450,000?

Answer: The costs of maintaining and operating excess capacity at Army installations are mostly borne by two appropriations accounts: Facility Sustainment, Restoration, and Modernization (FSRM), and Base Operations Support (BOS).

Within the FSRM account, the Army estimates sustainment costs of its buildings at about \$3 per square foot per year. The vast majority of the 170 million square feet of excess capacity is underutilized, but still requires maintenance, at an estimated cost of \$510 million per year.

Excess infrastructure also requires BOS funding. BOS accounts bear the majority of the burden of excess capacity, but the costs are more difficult to estimate than those of sustainment. Three illustrative examples include: (1) fencing and security patrols to prevent break-ins; (2) pest management to prevent vermin from becoming a threat to nearby workers, residents, and facilities; and (3) basic utilities are needed in buildings with potential for other uses, to prevent pipes from bursting and/or mold infestation. Developing useful estimates for BOS expenditures on a per-square foot basis is complex, as running an installation requires a certain amount of personnel, support contracts, and utilities regardless of how many buildings and people are supported. As long as there is an active installation, the BOS expenses will be incurred. BOS expenses do not decrease in a linear 1:1 ratio when the population of an installation is reduced by force structure cuts. This is why reducing BOS expenses on excess infrastructure generally cannot be handled effectively outside of a BRAC round. In prior BRAC rounds, the single largest category of reoccurring annual BRAC savings was reduced BOS funding after base closures.

Since Congress has not yet authorized BRAC, the Army (informed by Army Management Action Group discussions) has issued an Execution Order (EXORD) designed to reduce the installation footprint. The EXORD directs Installation Senior Commanders to consolidate units and organizations within installations in an effort to reduce the required facility footprint.

If the Army were required by budgetary pressures to go below 450,000 Active Component Soldiers, excess infrastructure costs would increase, likely by tens of millions of dollars per year. A more accurate estimate requires knowing the type and location of units to be inactivated, which is unknown because decisions to reduce Army force structure below 450,000 have not been made.

[Questions for the Record submitted by Congressman Bishop for the Honorable Katherine G. Hammack follows:]

Army End strength and Equipment Drawdown

Question: With the ongoing drawdown, can you please describe what your biggest challenges are with respect to end strength and equipment drawdown and how it will affect the Army's construction program?

Answer: The Army's biggest challenge from a military construction program standpoint is to scrutinize all facility investment requests against known and potential future force structure changes, to ensure that the Army does not inadvertently build additional excess capacity. To do this, the Army is enforcing its policy of requiring each square foot of new construction to be offset across the Army by the demolition of an equivalent square foot of facility. The cost of maintaining over 170 million square feet of excess capacity is already more than \$500 million, and the Army cannot afford to create additional excess with new construction projects.

Another challenge for the Army is to find the funds necessary to pay the up-front costs of consolidating our infrastructure within existing installations. In March 2015, the Vice Chief of Staff Army (VCSA) issued HQDA Execution Order (EXORD) 164-15, "Reduce the Installation Facility Footprint." The EXORD directs Installation Senior Commanders to consolidate units and organizations in an effort to reduce the required facility footprint on their installations. Senior Installation Commanders are required under the EXORD to develop an installation reduction plan and identify the facility categories of buildings to be divested and/or converted into other uses.

Questions for the Record submitted by Congressman Bishop for the Honorable Dennis V. McGinn follows:]

Navy Asia-Pacific Strategy/Guam Realignment of Marines

Question: Master Chief Stephens recently expressed concern regarding the state of shore housing for sailors. Can you explain the current state of shore housing for sailors?

Answer: The Navy's Fiscal Year 2017 budget request includes \$17.8M to replace deteriorated quarters at Portsmouth Naval Shipyard, Kittery, Maine. It also includes \$96.9M in renovation projects to improve approximately 1,000 unaccompanied housing bedrooms at various locations.

The DoD goal is for 90% of each Service's unaccompanied housing inventory to achieve a rating of 80 out of 100 on the facility condition index. Currently, 56% of Navy's unaccompanied housing inventory achieves a rating of 80 or higher. Notwithstanding fiscal constraints, priority will be given to funding critical repairs to ensure units continue to meet health/safety standards.

Questions for the Record submitted by Congressman Bishop for the Honorable Dennis V. McGinn follows:]

Navy Capacity Issues/BRAC

Question: Does the Department of the Navy have excess capacity issues like that described by the Army and Air Force? Please explain.

Answer: The Department of the Navy does not have excess capacity issues like that described by the Army and Air Force. We are still completing the required capacity analysis, but expect excess capacity, if any, to be small.

Questions for the Record submitted by Congressman Bishop for the Honorable Dennis V. McGinn follows:]

Navy Asia-Pacific Strategy/Guam Realignment of Marines

Question: One thing I am concerned about is the lack of quality of life projects we are seeing under these constrained budgets. What efforts are you taking to ensure that when Marines move from Japan to Guam that these types of facilities will be in place as they move to the Island?

Answer: Taking care of our Marines, Sailors and their families is a top priority for the Marine Corps.

The USMC has completed a Quality of Life (QOL) Needs Assessment for Marine Corps Base Guam. This included the assessment of impacts moving 535 homes and ~1,300 dependents to Andersen Air Force Base (AAFB). Additionally, completed separate analysis in 2015 regarding the impacts to medical and Department of Defense schools.

The Guam build up is comprised of ~3,000 Unit Deployment Program personnel, which are unaccompanied and ~2,000 permanent personnel. Of the ~2,000 permanent personnel, only 535 are accompanied.

In PB17 the USMC took risk to the Guam profile, yet retained essential mission support project investment and critical paths to support the planned movement of forces. Today, Joint Region Marianas (JRM) QOL programs have existing capacity to absorb the first wave of dependents and unaccompanied deployed personnel. These programs have been phased appropriately to support future QOL requirements.

PB17 unveils the first quality of life project, P-417 Child Development Center, to start construction in FY-21 and operational in FY-23. This is one year after force flow, but existing capacities within JRM are able to accommodate the growth from the summer of FY-22 to FY-23.

Questions for the Record submitted by Congressman Bishop for the Honorable Dennis V. McGinn follows:]

Navy Asia-Pacific Strategy/Guam Realignment of Marines

Question: Please provide an update on the Department of the Navy efforts to pivot to the Asia-Pacific region in terms of facilities, specifically in Guam and Japan? I know there have been numerous issues with the local politicians and the general public. What I want to know is as we are seeing concrete movement on this project and what have been some of the issues that have surfaced?

Answer:

Guam:

Work is moving forward on Guam. The USMC remains committed to our international agreements and the relocation to Guam, to maintaining the force flow targeted to begin in 2022 and to maintaining costs within the Congressionally approved \$8.7B (FY12) cap. To date, as part of the 2010 Environmental Impact Statement (EIS) Record of Decision (ROD), the USMC has completed six projects on Guam. They are J-001 Apra Harbor Infrastructure, P-100 AAFB NR Utilities I, P-1003 Working Dog Relocation, P-101 AAFB NR Parking I, P-204 Apra Wharf I, and P-204A Apra Wharf II.

In August 2015, the program achieved a major milestone with the signing of the ROD for the Guam Supplemental Environmental Impact Statement (SEIS). Since then, with support from NAVFAC, the USMC has developed and released the solicitation for J-001B Cantonment Utility and Site Improvements (U&SI). This is a GOJ funded project estimated at approximately \$320M, with an estimated award date in the summer of 2016. The U&SI project sets the groundwork for all future vertical construction projects in the Finegayan cantonment area for FY18 and beyond.

The USMC anticipates the P-715 Live Fire Training Range Complex, estimated at \$125M, will award in the summer of 2016. This project will support current and future training requirements on Guam. All projects are aligned to target Initial Operating Capability (IOC) and commencement of force flow from Okinawa in 2022.

The Department of the Navy (DON) has also been implementing the 2011 Programmatic Agreement (PA) and holds annual review meetings with all the PA Parties, including the following signatories: Guam Historic Preservation Officer (SHPO), the CNMI SHPO and the Advisory Council on Historic Preservation (ACHP). The PA was developed in accordance with requirements set forth in the National Historic Preservation Act (NHPA) and identifies measures to mitigate the impact the Relocation will have on Guam's and CNMI's historic and cultural resources.

Under the PA, DON committed to seeking authorization and appropriation for construction of a Guam Cultural Repository (GCR). Not only is the GCR a key mitigation measure for cumulative effects of the relocation on Guam for compliance with section 106 of NHPA the National Environmental Protection Act, but it also satisfies requirements under the Archeological

Resources Protection Act and meets DON's legal responsibilities for proper curation of materials under 36 CFR Part 79, Curation of Federally-Owned and Administered Archeological Collections.

In the FY 2012 Consolidated Appropriations Act, \$12M was appropriated for the GCR but expenditure of these funds has not yet been authorized by Congress. Construction of the GCR is seen as a key milestone for the successful execution of the PA by the general public, the Government of Guam and the other signatories to the PA. The Governor of Guam has highlighted on several occasions his concerns about gaining authorization to expend the funds already appropriated for the GCR and indicated that this lack of action risks undermining support for the military build-up within Guam and within the Commonwealth of the Northern Mariana Islands.

Failure to authorize the GCR will trigger a requirement to renegotiate mitigation measures for cumulative effects to historic and cultural resources and sites on Guam. The new mitigations would likely incur greater costs and may delay construction. The DON is seeking and strongly recommends authorization in FY17 for this project which is important to successful, timely execution of the Relocation program.

A project to construct a Guam Public Health lab was identified as a requirement under NEPA to mitigate the Relocation's impact on the island's socioeconomic system and existing public health services. This impact results from the induced population growth triggered by the build-up, i.e. the increased military and H2B worker population leads to an attendant increase in the off base service industry and attracts more job seekers from Compact States in the Pacific, resulting in an increase in the population served by Guam's public health system. In addition, the transitory nature of the H2B construction workforce and movement of U.S. Marines throughout the area of responsibility increases the risk of disease outbreaks and further stresses the public health system. The DOD funded health lab compensates for the Relocation's induced pressure on Guam's existing public health infrastructure, and in addition enhances ability to effect timely containment or other intervention strategies to reduce health threats to the military population and consequent readiness implications. The military and civilian populations are closely linked on Guam; outbreaks of disease off-base means disease on-base and an impact to readiness. Although a portion of the funding for the health lab was previously appropriated, expenditure of these funds has not yet been authorized. Lack of authorization and appropriation of the full funding amount for the Public Health Lab puts the DON out of compliance with the NEPA SEIS ROD for the USMC Relocation, and it undermines our credibility. Reopening the SEIS and ROD could lead to construction delays and incur additional costs. The DON strongly recommends authorization of the Public Health Lab in FY17 along with appropriation of the full project amount per the Economic Adjustment Committee's report previously submitted to Congress.

Japan:

Our two governments continue to coordinate efforts in accordance with the Consolidation Plan for Facilities and Areas in Okinawa.

The United States and Japan remain committed to the plan to construct the Futenma Replacement Facility (FRF) at the Camp Schwab/Henoko area and adjacent waters. It is the only solution that addresses operational, political, financial, and strategic concerns, permits the operational readiness

of our forward-positioned Marine Forces, and avoids the continued use of Marine Corps Air Station (MCAS) Futenma.

Per our longstanding agreement with the Government of Japan, we will relocate from and return MCAS Futenma when FRF construction is complete and the facility is fully operational.

Most recently, in December 2015, the USG and GOJ announced the early return of land: Approximately 3 hectares of the Makiminato Service Area (Camp Kinser) adjacent to Route 58 for the purpose of widening the Route and reducing traffic congestion, in JFY2017. Joint Use Agreement that will enable Ginowan City to begin construction in JFY2017 of an elevated road above portions of Camp Zukeran (Camp Foster) to connect Route 58 to the former West Futenma Housing Area.

[Questions for the Record submitted by Congressman Bishop for the Honorable Miranda A.A. Ballentine follows:]

Air Force Capacity Issues/BRAC

Question: The Air Force's estimate of excess capacity is roughly 30 percent while aircraft and manpower has steadily decreased. So basically, the Air Force has drawn down aircraft and personnel without reducing infrastructure. First how much does it cost the Air Force to maintain excess capacity? Second, how much has the Air Force reduced aircraft and personnel in order to operate within the budget constraints set by Congress?

Answer: The Air Force has only performed parametric analysis to determine its excess capacity. We do not have the level or specificity of analysis necessary to make more than a rough estimate of the cost of maintaining this excess capacity. Based on past BRAC experience, the Air Force projects annual savings from a single BRAC round at roughly \$600 million (the previous five rounds of BRAC totaled \$2.9 billion in annual savings).

The United States Air Force is the smallest and oldest in its history, yet the demand signal for air, space and cyber power continues to grow. The Fiscal Year 2017 President's Budget request funds an Air Force end strength of 491,700 Airmen (317,000 active duty, 105,700 Air National Guard and 69,000 Air Force Reserve), a decrease from a pre-sequestration (Fiscal Year 2012) level of 509,800 Airmen (333,000 active duty, 105,400 Air National Guard and 71,400 Air Force Reserve), and a 2005 (the last BRAC round) level of 542,500 Airmen (359,700 active duty, 106,700 Air National Guard and 76,100 Air Force Reserve).

The Fiscal Year 2017 President's Budget request funds an Air Force of 5,517 total aircraft inventory (TAI), down from 5,863 TAI since the last round of BRAC (2005). Additionally, budget constraints continue to limit the Air Force's ability to procure F-35As. In Fiscal Year 2012, the Air Force planned to procure 203 F-35s over five years, yet only 128 were actually procured during that time period and in the Fiscal Year 2017 President's Budget request the Air Force had to delay procurement of 48 F-35As across the Future Years Defense Program.

[Questions for the Record submitted by Congressman Bishop for the Honorable Miranda A.A. Ballentine follows:]

Air Force End Strength and Equipment Drawdown

Question: What have been the biggest challenges within the Air Force with facilities as it pertains to the reduction of aircraft?

Answer: The Air Force estimates that we have 30 percent excess infrastructure capacity; we have more infrastructure than missions of today and tomorrow require. The Air Force has a widening gap between shrinking force structure and retained infrastructure capacity. Since the last round of BRAC, the Air Force has thousands fewer personnel and hundreds fewer aircraft in our planned force structure, yet we have not closed a single installation in the United States. Since the 1991 Gulf War, we have 60% fewer fighter squadrons (135 to 44) and 39% fewer military personnel. Continuing to pay for more installations than we need comes at the expense of recapitalizing and sustaining our weapons systems, readiness training, investing in Airmen quality of life programs, and maintaining the installations that we do require.

[Questions for the Record submitted by Congressman Farr for Mr. Peter J. Potochney follows:]

BRAC

As a BRAC expert you know the immense clean up challenge the department faces at closed bases. For years this subcommittee has been hearing that the BRAC account doesn't need higher funding levels because technological advances were making it cheaper to clean up hazardous waste and UXO. I am aware that there have been numerous Advance Geophysical Classification (AGC) demonstrations that have proven the technology but have not proven cost impact on munitions cleanup. To my knowledge there has been no empirical cost analysis completed that shows that all this fancy technology actually reduces the cost of cleanup. Yes, technology makes site characterization more reliable, but that doesn't necessarily result in cheap cleanup. But the BRAC account, which is shrinking every year, seems - wrongly in my estimation - to assume costs savings from technology.

Question: Can you provide a report that fully quantifies the overall budgetary impacts associated with advanced classification methodologies, and how that fits into the relative funding level for BRAC?

Answer: Our cleanup program at BRAC sites is mature and we are on track to meet our cleanup goals. As a result, we do not anticipate having many opportunities to use AGC at BRAC munitions response sites (MRS), and for that reason the funding levels do not reflect future cost savings from use of the technology. DoD expects to realize the bulk of the cost savings from use of the AGC technology at MRSs on Formerly Used Defense Site (FUDS) properties. We have completed cleanup at 42 percent of FUDS MRSs, and the estimated cost to complete the remaining cleanup at FUDS MRSs is \$10.1 billion. By contrast, we have completed cleanup at 74 percent of Base Realignment and Closure (BRAC) MRSs, and the estimated cost to complete the remaining cleanup at BRAC MRSs is \$391.7 million.

Although we have reduced our budget requests for BRAC in recent years, our spending at BRAC bases has not significantly been reduced because we use remaining unobligated balances, as well as land sale revenue. For example, while our FY2015 BRAC request was \$264.3 million, we obligated \$609.6 million, supplementing the request with \$296.1 million in unobligated balances and \$49.2 million in land sale revenue.