**Q:** With the situation going on in Ukraine and Russia, do you have any vision on our presence having a greater impact on the actual conflict?

**A:** What we do is we give options; we give the national leadership options. We sent an extra ship into the Black Sea. We have got additional Marines in Bulgaria and Romania as part of the Black Sea rotational force, and we're doing work with our allies in the Baltics and around Europe. Our job, as I said before, is to be not just at the right place at the right time, but the right place all the time so that our national leadership has those options. So that they can make a decision as to what our response is, what we do in this crisis or in any other sort of crisis. But that's what the Navy and Marine Corps give this country and that's why we are never a garrison force. That's why we're never at home for very long. That's why we are forward deployed.

**Q:** What is the SECNAV’s position concerning the national funding, and how does SECNAV see the next ten years affecting the proposed DOD budget?

**A:** Great question. Number one, we were under sequester for about a year, and it's just a dumb, dumb way to cut. Everybody expects as we come out of two wars that we're going to spend less on defense, but the important thing is how do we do that? How do we do it in a smart way? How do we do it in a way that keeps the capabilities that we need? How do we do it in a way that keeps the tools for you that we need to have? So Congress fixed '14 and '15. Now they didn't get back up to where the president's budget was, but they gave us some stability for '14 and '15 so we can do some planning. Past '15 it's up in the air. Sequester is supposed to kick back in, in '16 going forward, but we're working very hard to make sure that we don't cut in this mindless way and just using this meat-axe approach. The National Defense Strategy of the United States the president announced in January of 2012 is a maritime strategy. ...For us to do that, we've got to keep a great Navy and a great Marine Corps. We've got to grow the fleet. We've got to make sure that we have that presence, and that's what one of my jobs is in terms of making sure that the budget we have reaches what we need to do. Now we're going to take some risk in some areas, but what we're going to focus on, are things like building ships to make sure that we can maintain that presence. We're going to focus on the things that will try to make sure that the force, that you, have everything that you need to do [your jobs.] Looking out 10 years, if you can on the budget, we're growing the fleet, we're trying to keep faith with Sailors and Marines. Now the Marines are coming down in numbers. The Marines went up from 175,000 to 202,000 during the surge in Iraq. We're coming back down right now. The number for the Marines that we're drawing back down to is 182,000 Marines. Marines can do the job that we need to do with 182,000, and we can keep faith as long we're given enough time to do that. We can keep faith with Marines and with their families in terms of how we get to that 182,000. The other thing though that's been hurting us in the budget, is these things called continuing resolutions. Congress doesn't pass a budget on time. We're supposed to have a budget by the first of October. It's been the spring in a lot of years. In fact I've been secretary for now almost five years, we have never had a budget on time since I've been secretary. And if you've got a continuing resolution going, you can't do things like put a ship in a shipyard because that's called a new start. You can't spend any more money on a program than you spent the year before, regardless of the need. And so, we've got to fix those two things - continuing resolutions and sequester - all the time, recognizing that the American people are demanding and should expect that we're going to spend less on defense, but that we will keep this country safe and we will come down. We will make these reductions in a smart way and not in just this “ham handed cut everything a certain percentage” way.

**Q:** With the smaller military budget on the horizon, has there been any more discussion about replacing the current housing and food allowance programs, the BAH and BAS, with a standard locality allowance that we consolidate our dependent allowance, OHA and COLA together? And then, can you comment on how this might affect overseas military families with regard to our housing and living allowances?

**A:** I don't know of any effort to move toward that one local allowance that you talked about, and that would be a
DOD-wide thing. That wouldn't be just a Navy or just a Marine Corps doing it. That would be for the joint force; that would be for everybody. As I said, I don't know of any movement in that way. The things that we're doing, the things that have been recommended on things like pay and allowance, is to slow some of the growth. It's not to cut anybody. It's not to cut any pay. It's not to cut anybody's pay, it's not to cut anybody's allowances, but it is to slow the growth. Because military pay and allowances have grown 40 percent more than the private sector over the last decade or more, and we're getting to a point, and we're really at that point, where we're going to have to decide whether we are able to buy the tools that your husband and fellow Marines and fellow Sailors need to do the job, in order to get, because personnel costs are taking up such a large part of the budget. In the Marines, for example, 63, 64 percent of every dollar, so 63 cents of every dollar goes for personnel costs. It's not because the Marines are more expensive, in fact they're cheaper than any other service that we've got. It's just that we have gotten to that point where you've got to make a choice: either we're going to get a lot smaller, or we're not going to have the tools that we need, or we're going to slow the growth a little bit. Slow the growth on things like BAH, slow the growth on pay raises, slow the growth on some of the healthcare cost. Without doing all this, in the words that our CNO uses, there's quality of life. With pay and benefits and for families there's also quality of work. Do you have the things that you need to do your job? And do you have the training that you need to do that job for the country? And we've just got to keep that balance.

Q: Recently, President Obama signed the enhanced defense cooperation agreement. I want to know how that is going to affect the WESTPAC deployments, as far as location and the op-tempo?
A: You're right that he just signed that with the Philippines last week, I guess, and we don't know yet how that's going to - what that means in terms of rotation, what that means in terms of who goes there, but we're going to keep over 22,000 Marines west of the international date line, so Okinawa, Guam, the rotational Marines in Hawaii. And I don't think you're going to see op-tempos going down in the future either in the Pacific or anywhere else around the world. Now what we're trying to do is make sure that when you do deploy, that you know when it's going to be, and you know when you're going to come home; that we give you some certainty in terms of you and your families. Now the world gets a vote ... and so crises come up and best plans are going to have to be scrapped, but if you look at what we're doing with something called the Optimized Fleet Response Plan, we're starting with carriers, but we're going to move to amphibs. We're going to move to the whole fleet. And it takes for carriers a 36-month period and says here's when we're going to train, here's when we're going to do maintenance, here's when we're going to deploy, and then here's when we're going to come back home and be the surge carrier. That will give you an idea and some certainty for you and your family. As I said, we're going to move that amphibious ready groups, to our amphibs all around the world. Your deployment schedule though, the high op-tempo, ... the demand is going up, it's not going down. And so, I think that these high deployments, we're trying to make sure that they're not too long, because we've had some very, very long deployments, particularly of amphibious ready groups and the MEUs they carry with them. We're trying to make sure they're not as long as they've been, but again, the world gets a vote. How the agreement that we've just reached with the Philippines plays into that - it will play into it in some way in terms of our rotational forces, and my understanding is that's what that agreement talks about is rotational forces and an agreement that we've got in place now is in Darwin, Australia, where we send Marines. We started out with a company; we've gone up now. We started out with about 200 Marines, now we're around 1,100 or 1,200 Marines, and we're building up to a battalion size, a set of Marines with more than 2,000 Marines there. But on a rotational basis, not there on a permanent basis, and out and around the area doing engagements, doing training, doing exercises, working with our partners and our allies in the region.

Q: What are some of the advantages and disadvantages about the eight-month deployment, and if there are any plans to stabilize the deployment cycle in the future?
A: The answer I just gave to the other question, we're trying to regularize deployments, and we're trying to make sure that we reward people who spend a lot of time at sea. We've increased career sea pay. So if you are at sea for three years cumulative, you're going to see a 25-percent increase in sea pay. If you're at sea for three years in a row, then you're going to get sea pay premium, and we're doubling that from 100 dollars a month to 200 dollars a month. If you're E-5 to E-9 and you've spent eight years in your career at sea, then anytime you're assigned to a ship, you're going to get a combination of those two. We're also looking at giving additional allowances if deployments go over a certain length. So if they go much over six months, we're looking at extra pay for Sailors and Marines that are at sea for that long because that is a really, really long time to be at sea.
I was in the Navy more than 40 years ago, and six-month deployments then were pretty standard. And six months is not a short amount of time to be away from home, and so using this Optimized Fleet Response plan we're trying to make sure that our deployments are stable, ... that you can plan for it, that you and your families can plan for it, you know when you're going to be training, you know when you're going to go on deployment, that you know when you're going to come back. And that we reward people that go to sea and that go to sea a lot because we are the Navy,
and that's our job is to be forward deployed. We are the Marines, and that's our job to be forward deployed and they're around the world and not just at a base back at home. But we understand the stress that puts on people, on their families, and we want to, number one: make it more certain, and number two: reward you for doing that.

Q: When we get into [a] country, we have a vast assortment of optics to aid us when doing our job. Will we be seeing these optics stateside as a part of our battalion's standard issue?
A: One of the things that Marines do better than anybody is adopt new operating techniques, adopt new things to help them get their job done. Marines have done it in things like energy. We were losing a Marine for every 50 convoys of fuel coming into Afghanistan at the height of the fighting. Marines adopted things like these roll up solar panels to power GPS and radios. Solar panels to power tents, better generators, LED lights, stuff like that, and that's becoming part of the kit for every Marine unit. Same thing with the other equipment that we have. And one of the things, also, that Marines do way better than anybody else is, we're bringing our stuff back from Afghanistan and we're fixing it. We're looking at what Marines need going forward. Marines are going to get lighter because you're going back to sea. Marines have been used as a second land army for more than a decade now in Iraq and Afghanistan and you've been magnificent at it, but Marines going forward, the thing they give the country is this amphibious capability, this forward deployed, the expeditionary force and readiness, the force that's ready to go if the fight is today or if the crisis is today - you're ready to go today. And so we're going to take a look at the equipment, we're going to fix the stuff that we need to keep going. Marines get more for a dollar than anybody else in the service, and so I think the short answer to your question is yes ... we're going to make sure that you keep all the things that you have in theater that you'll need to do your job, but your job may be different going forward. And so that equipment may be a little bit different. But one of my jobs and one of the Commandant's jobs and one of the sergeant major's jobs is to make sure that you've got whatever tools you need to do the task that America gives you.

Q: Noticing the recent changes in policies and regulations, do you see anything being implemented for women with different hair types and texture, such as African-American and Hispanics, to be able to wear our hair in a more natural state?
A: That's one of the things that we're looking at right now. We're looking at that across the services. Not just for African-American women, but for everybody. Does it make sense? What allows you to do your mission and you know, isn't it just a big old pain to keep up? And we're going to have the answers pretty soon. The Secretary of Defense has given that to every service to look at, and I've had a bunch of conversations with Sailors and Marines about this, and I hope that with some of your input we can get a good answer on this.

Q: We're using a little bit more preventative medicine to treat our Sailors and Marines. My question is, are we going to provide more of these services more on a fleet level, providing more nutrition, exercise and health education to our Sailors and the Marines on the ships, and as well as shore side?
A: Yeah, we've got to do that. The preventative stuff makes sure that we've got a culture of fitness, make sure that everybody's ready to go, make sure that no matter what happens, we can respond. The things that you mentioned, physical fitness ... helping people stop smoking or making sure that alcohol doesn't end up in a career ending or life ending incident. And these are a lot of the things that we're talking about in 21st Century Sailor and Marine, trying to bring it all under one thing. It's way easier to keep something from happening than it is to fix it, than it is to rely on some of our great doctors and nurses and healthcare folks to fix. And so the reason that we do these PFT's, the reason that you see the fuel to fight things - how many calories are in something, are they good calories or are they sort of empty calories? Are they going to give you what you need? The reason that you see all the smoking cessation programs, and the reason you see emphasis on sort of deglamorizing alcohol, not to keep people from drinking, but to keep people from losing their career or losing their life over just a bad decision. And preventing other things too, preventing sexual assault, preventing some of the things that are attacks on our shipmates. And so the whole notion of 21st Century Sailor and Marine, the whole notion of what we're trying to do is to stop these things, is to prevent them before they get done. But I want to do a bravo zulu to Bethesda and to our corpsmen and doctors and nurses around the world for the great job that you all are doing, and I'm so interested in healthcare that I married a nurse.

Q: Are the LCS and JHSV programs meeting the needs of the U.S. Navy in your opinion? What is the likelihood of additional LCS orders beyond the 32 ships already ordered?
A: Well, we've got a requirement for 52 small surface combatants, and the Secretary of Defense has ordered that we take a look at LCS. This is very normal. Take a look at it in terms of survivability, in terms of lethality, in terms of the whole program. There were concerns about LCS early in terms of cost. We've gotten that not only under control, but it's a pretty model program now, in terms of how much these platforms cost. We've gotten it down from almost $800 million a ship, down to $350 million a ship now. But we take a look at every single platform we do, whether it's the
DDGs that we did, whether it's the Virginia class submarines, it doesn't matter when they come into the fleet. At some point we take a close look at, are we doing them correctly, do we need to change anything, how are these ships performing? And so the Secretary of Defense has said that we should take this close detail look, which I think is absolutely appropriate, that the options coming out or we keep building the LCS the way we're building now. That we build modified LCS or that we build a completely new design, but take into account schedule and cost so that we make sure that we get those ships to the fleet, because as I said we've got this requirement for 52 small surface combatants to meet our needs and meet our obligations around the world.

Q: How do you feel about opening up the chief warrant officer program to the corpsman rating, Mr. Secretary?  
A: I'm going to give you, doc, the very best answer I've got - I don't know. But I'll tell you what, I'll check into it and make sure I can get back in touch with you. But I will look into that.

Q: Are any of the weapon systems currently being tested going to be deployed anytime soon?  
A: We're testing all sorts of weapons and we're deploying some of them very soon. We're putting a laser weapon on the [USS] Ponce in the Arabian Gulf this summer to see how that weapon does in a maritime environment with all the salt and the corrosion and the heat of the Arabian Gulf. We're testing a rail gun, and we're going to put one probably on something like a joint high speed vessel to test it out. I was just at the christening of the Zumwalt, and it's got a brand new gun system that is amazingly long range and amazingly accurate. We've got new missiles coming into the fleet. We've just got weapon system after weapon system after weapon system that either advances on what we've got now or completely new stuff like the laser and the rail gun. And as soon as they are ready, we're moving them out to test them in the fleet to make sure they work, not just in a lab or in a test area, but in the fleet. And we're going to get you the most advanced things that we've got, and we're going to do it just as quickly as we can.

Q: How will budget cuts affect retirement for active duty military?  
A: Well, Congress has got a commission looking at retirement. They're going to report - I think it's early next year. But the notion that everybody has, everybody in leadership, is that whatever retirement system you joined under, that's the retirement system you'll retire under. So that if any changes are made to retirement it'll be for people who joined after those changes are made. So I think the answer to your question is nothing. It won't change. It won't change the system, it won't change the amounts of whatever retirement you would get in any other way.

Q: Are we still going to be able to stay ahead of our enemies in submarine technology with the budgets the way that they are?  
A: Absolutely. I'll give you a longer answer, but we own the undersea domain. And we just announced we're buying 10 new Virginia class submarines - announced it yesterday. Over the next five years, we're building two subs every year, and these are technological marvels. These are way ahead of any submarines anywhere else in the world. And we're going to keep that technological edge, we're going to keep that edge in the underwater domain. We've got a Chief of Naval Operations that's a submariner and he understands particularly well the importance of doing that, and that's one of his commitments and my commitments that we will never fall behind in undersea in just that presence and what we can do in the undersea domain.

Q: With the previous shootings on board naval installations, what security measures are we taking and what is the long term plan of action in order to prevent this?  
A: Well when the tragic, tragic shooting happened at the Washington Navy Yard, and we lost 12 heroes that day, we took a real close look at security, see what gaps there were, we took a quick look, and then we took a much more detailed look, and there were some gaps. Now we don't think and we don't believe that any of these actions that we've taken would have prevented the Washington Navy Yard, but they might prevent something in the future. So we have taken some additional security steps to make our bases safe and secure for our Sailors, for our Marines and for their families.

Q: Many rates are known for assets they receive during training such as civilian certifications and clearances that make it for profitable for them to get out. How can the Navy convince them to stay in?  
A: Well, we're trying to convince people to stay in in ratings that are absolutely crucial like that. We've got reenlistment bonuses for ratings that are undemmanned but in high demand. Also it's the service aspect - the good that you do for your country. We're trying to lower the stress on Sailors and their families by doing things like this, Optimized Fleet Response Plan that gives you more time to plan about when you're going to be deployed. Doing things like if you
go to sea, this increased career sea pay and premium. To make sure that people know that we value what you do and that you're very important. Now having said all that, so far we're seeing record recruiting and still record retention across the Navy and across the Marine Corps. I think that speaks partly to the things that service and the military brings, but I also think it speaks to the patriotism and dedication and willingness to serve of people who raise their hand, the fewer than one percent of America that actually puts on the uniform of America raise their hands, and says, "Send me." And that's an awesome thing to see. That's the best part of my job is getting out seeing Sailors and Marines on things like the [USS] Jason Dunham. I went to the commissioning. I think, except for El Salvador, I've been to every single place that so far that a call or Skype has come in from. Part of my job is to tell people how much, not only the Navy and Marine Corps appreciates their skill, their dedication, their patriotism, but how much this country does. We're America's away team, and when we're doing our job we're usually a long, long way from home. People don't get to see just how good our Sailors and Marines are, just how talented they are, just how educated and trained they are, and part of my job is to get that word out and to go thank them, thank Sailors and Marines on behalf of the people that they protect.

Q: What can be done to improve the joint travel regulations for single Sailors serving in OCONUS duty assignments? The JPTR rules seem to be inconsistent with how single Sailors and married Sailors are treated with respect to housing allowances and pay entitlements. For instance, married Sailors on OCONUS PCS orders get housing and dislocation allowances while single Sailors do not.
A: That's one of those issues that we struggle with all the time. And the best answer I can give you is promise to go back and take a look at this particular instance. But I'll go back to my own experience. When I was in 45 years ago I was single, I got paid less, I got fewer allowances, I always found myself on duty on Thanksgiving Day and Christmas Day. I had a family, too. I wasn't married, but I had parents and aunts and uncles and folks that I wanted to be with. It is always a pull and a tug because we want to make sure we take care of dependents. We want to make sure we take care of families, but we also want to make sure that we are fair in the way that we do it. I'll just take this and get back to you.

Q: Why does it take so long for Marine and fellow service members to receive VA benefits after their enlistments? One of the things that DOD and the VA are working on is shortening that. Marines and Navy - we've shortened it more than anybody else but it's still too long. We've got it down to about 180 days down from - it was more than 300 days. It was a year before you were getting it. We've cut that more than in-half, but it's still taking too long. There are efforts underway at the DOD level, there are efforts underway at the VA to have one set of records to make -- we ran a pilot in the Navy to make one determination of need so the physical fitness determination, the disability determination would be made once and not twice the way it is now. We're hoping that that, the lessons learned from that can be rolled out. It's taking too long. There shouldn't be that gap in between the end of service and the VA. I know that people, it's a DOD-wide issue. It's not just Marines, it's not just Sailors, I know that people are working on it. We need to do a lot better.

Q: I read last week that the naval research laboratory has developed a method to create JP-5 equivalent fuel out of sea water. Is that something that is cost efficient in that not only will we produce an equivalent amount of fuel based on the energy we use, but is it something that we are going to have to overhaul all our aircraft and ships based on the new chemical composition?
A: Well, it's still in the research phase. It's still in a lab right now. It would be pretty cool if we could do it. We seem to have a good bit of sea water to be able to do that. But, anyway, we've got some, I've been working on energy since the time I came here. One of the requirements that we have for new sources of energy is just what you were talking about, that they've got to be a drop-in fuel if we're going to use them across the fleet. If we're going to use them across our aircraft fleet, because we've got most of the fleet we're going to have for the next years and years, we've got most of the aircraft. And it would be just incredibly prohibitively expensive to change those engines.

And that's why biofuels that we've now demonstrated with the great green fleet at RIMPAC two years ago, that we're beginning to buy now have got to be drop-in fuels, have to be cost competitive with fossil fuel, they can't take any land out of food production. Those are our requirements. It would be the same for any sort of new fuel, unless it's sort of a niche fuel for something like unmanned underwater vehicles or something like that. Then we could design the vehicle around the fuels, but if we're putting in the whole fleet we've got the engines. And the great thing about the biofuel we've used so far as I said in the answer to previous question, the big news was no news. The engines didn't notice a difference, that's what's got to be the case.
Q: In terms of the med-board process, is there something that can be done to improve this in terms of time-frame and communication throughout?

A: Same sort of answer that I gave on the VA. We are working to make sure that med boards, that disability determination, is that medical determinations are made only once between the service and the VA. We're trying to make sure that they're done faster, and I've said we've compressed the time for the Navy and for the Marine Corps, but we still have to compress it some more. Because you can cite all the statistics you want to - that were coming down in terms of number of days, that we're getting better at these sort of things, but if you're going through it, if you're the one that's waiting for that med board, if you're the one that's waiting for that determination - those statistics don't mean anything. We just need to do a better job of getting you an answer and getting you through that process quicker. And it's one of the things that we're focusing on.

Q: What are we doing to help our Sailors and Marines transition in to the civilian world?

A: We're trying to do a lot to help Sailors and Marines transition to the civilian world. Most people that come into the Navy and Marine Corps don't spend a career. They spend one tour, two tours, then they go back out and they do great things. We try to start fairly early, up to a year before your transition date, up to a year before your end of service date, take you through some of the benefits that will be there for you, take you through some of the processes that you'll need to go through. Give you some options in terms of which way you go, whether you go for more education or whether you go for a particular set of job skills or job trainings, so that you can move right in to the workforce. Or whether you want to become an entrepreneur, go out and do something, start a business, own your own, we've got these different tracks. We've also got an apprenticeship track that you want to do something, I'll take, for example, welding in a shipyard, it relates to something you've done before. We can put you in with an apprenticeship program so that as you come out you can spend some of your last service time actually in these programs, so that when your service ends you can move right in to a job. Employers - the other things that I and a lot of people are working on is making sure that employers get the skill that's coming out of the Navy and Marine Corps and all of our services - because you have got leadership skills, you have incredible technical skills. You've got the kind of skills that in terms of discipline, in terms of just life experience, that every employer ought to be looking for. And one of the things we've got to do, and one of the things I think we're beginning to do much better, is to hook those employers up with people coming out of the military so that they can see how good our Sailors and Marines are that are getting out so that we can see the skill and talent level that they bring to any job. And so that it's not a murky process, and we do that "latch up" before you get out of the military and not just sort of say, "Thanks, and see ya." But to have that good strong transition process in place, make sure that you avail yourself of all the things we've got out there that can help make that transition, and to help make you as much of a success in the civilian world that you were in the Navy or Marine Corps.

Q: Are there plans to improve shipboard systems or add satellites to increase connectivity and bandwidth so Sailors and Marines can maintain contact with their families via social media and Skype from anywhere in the world?

A: One of the things that this communications revolution that we're in, one of the big issues that brings to us - one of the big challenges is bandwidth. Just having enough for our installations, having enough for our ships at sea, having enough for our networked systems, weapon systems, communication systems, all the systems that we rely on to do our jobs. In addition to that, making sure that we can stay in close touch with our family, with our loved ones back home when we're gone on these long deployments, a long, long way from home. We've got some programs underway, we're managing the spectrum a lot more, a lot more actively managing the spectrum so that we can do all these jobs. We're bringing new stuff online, new capabilities online to make sure that we keep that bandwidth because the demand is getting bigger. It's not getting smaller - it's getting bigger from network systems. It's getting bigger from people staying in touch.