

**March 27, 2014**

**Senate Armed Services Committee Holds Hearing on the Proposed Fiscal 2015 Defense Authorization for the U.S. Navy and U.S. Marine Corps**

LEVIN:

Good morning, everybody.

We want to welcome Secretary Mabus, Admiral Greenert, General Amos to the Committee this morning to testify on the plans and the programs of the Department of the Navy, as part of our review of the fiscal year 2015 annual budget request.

We're grateful to each of you for your service to our nation and for the truly professional service of the men and women with whom you work. And we want to pay tribute to their families because of the vital role that families play in the success of the men and women of our Armed Forces.

Our witnesses this morning face huge challenges as they strive to balance the need to support ongoing operations and sustain readiness with the need to modernize and keep the technological edge that's so critical to military success.

These challenges have been made particularly difficult by the spending caps imposed in the Budget Control Act -- caps that were modestly relieved for F.Y. 2015 in the Bipartisan Budget Act that we enacted earlier this year.

However, these caps are scheduled to resume full blast in F.Y. 2016 and beyond. These caps already seriously challenge our ability to meet our national security needs, have already forced all of the military departments to make painful trade-offs.

Unless modified for years after fiscal year 2015, they will threaten our long-term national security interests.

Last year, the Department of the Navy was facing serious readiness problems caused by deferred maintenance, reduced steaming and flying hours, and canceled training and deployments. The increased emphasis on readiness in this year's budget will address some of the Navy's most serious readiness problems, but results in a serious shortfall in modernization funds to meet future threats.

The Navy budget says it continues to support a fleet of 11 aircraft carriers. However, the budget in Future Years Defense Program, the FYDP, include a plan to retire rather than refuel the George Washington. To follow through on the 11 carrier fleet, the administration would have to add almost \$4 billion to the FYDP to refuel and retain George Washington.

The Navy budget would continue the planned buy of 29 MH-60R helicopters in fiscal year 2015, but would cancel the planned buy of 29 aircraft in fiscal year 2016. The Navy says this is because of the planned retirement of George Washington.

However, the air wing that supports the George Washington would be retired if the carrier is retired, but it almost contains, at most, five MH-60 aircraft.

LEVIN:

Moreover, the Navy's failure to execute the planned purchase of 29 aircraft in fiscal year 2016 would break the multi-year procurement contract for the H-60 helicopters that are managed by the Army. This action would result in the government having to pay termination charges of at least \$250 million, but get nothing in return. And that action would result in increased cost to the Army, as well.

For Marine Corps modernization, we have yet another in a series of changes and plans that started with the cancellation of the expeditionary fighting vehicle -- the EFV -- several years ago.

After the Marine Corps said it could not afford the EFV, we spent many months trying to see whether we could achieve high-speed capability more cheaply or whether Marines in combat units could do their jobs without the high-speed.

Now, the Marine Corps has deferred all armored and amphibious assault vehicle work as being unaffordable, regardless of speed capability.

In place of that, the Marine Corps is now evaluating plans for a simpler, more affordable armored personnel carrier that can operate in shallow water. That might be the right solution, but it is vital that we promptly find a solution and stick to it.

The Defense Department's most recent Defense Strategic Guidance issued in January 2014 -- excuse me, 2012 -- refocuses the U.S. military on Asia-Pacific.

Consistent with that strategy, the Defense Department has been working to realign U.S. military forces in South Korea and Okinawa and plans to position Navy and Marine Corps forces in Australia, Singapore and possibly elsewhere in the region.

The department has also begun implementing a plan to deploy forward -- to deploy forward more ships, as shown by the Navy's first rotational deployment of a littoral combat ship, the USS Freedom, to Singapore last year. We look forward to hearing more about the results of that deployment.

Finally, I want to commend you, Secretary Mabus, for your efforts to lead in the areas of energy efficiency and energy self-reliance. You have wisely placed a strong emphasis on an area we're as strong as our military forces may be.

We remain subject to the tyranny of energy supplies. I want to thank you for your commitment to a more sustainable, stronger Navy.

Senator Inhofe?

INHOFE:

Thank you, Mr. Chairman.

I think we'd all agree that our security is being challenged in ways that we haven't seen in -- in many years -- and maybe ever.

Events across the Middle East, Africa and most recently, Ukraine, have brought into sharp focus the reality the president seems unwilling to accept. The tide of war is not receding, in spite of the statements he has made.

Continuing down a path to slash a trillion dollars from our national security budget will leave us with a Navy unable to meet mission, overtaxing our sailors and Marines and prematurely retiring ships and aircraft.

A shrinking Navy directly impacts our economic and security interests around the world. The global economic system is dependent upon open sea lanes as 90 percent of the global trade is -- is by sea.

A strong and well-resourced U.S. Navy is vital to protecting our access and freedom of maneuvering.

The Navy projects that the fleet would be -- would remain below its 306 goal during most of the period. The Navy needs to buy 10 ships per year to sustain a -- a 300-ship fleet. Last year's budget brought eight; this year's budget will buy only seven.

Admiral Greenert has stated that the Navy would need a 450-ship fleet in order to meet the needs of combatant commanders. A small fleet will lead to longer deployments; it's something we will be talking about -- a very serious problem, and more strain on our personnel and their families.

Just this week, Admiral Locklear testified that submarine requirements in his AOR are not being met while the U.S. is shrinking our submarine force.

The Chinese are growing theirs, as well as developing new ballistic missiles, and we'll provide them with credible second- strike. It's kind of reminiscent of the -- of the '90s, I would suggest.

How can our allies and our adversaries take the pivot into Asia seriously when we aren't even adequately resourcing the requirements of our combatant commanders?

Further complicating our ability to meet our COCOM and the ship force level requirements is the future acquisition of the Ohio-class ballistic missile submarine -- the centerpiece of our nuclear triad.

The new Ohio will require annual spending -- it's well over \$5 billion a year. Without additional Navy procurement funding, the Ohio replacement will crowd out other ships, as well as other Navy and Marine Corps investments and our readiness -- readiness needs.

The greatly increases the prospect of a hollow Navy force. At the same time, our industrial base is struggling to sustain both itself and a much smaller fleet.

Under the fiscal '15 budget readiness, we'll also deteriorate further as the Navy is short from \$5 billion to \$6 billion in its base budget.

The Navy is still very dependent on OCO funding to meet readiness needs. The commandant has consistently told us that the Marine Corps requires two to three years of OCO funding for -- for reset after all forces return from Afghanistan. That bill is \$1.3 billion.

We face the prospect of the future Navy unable to meet the global presence mission and looking more and more like -- likely to succumb to the same fate as the befallen -- the -- the British fleet and no longer to be a global force.

The nation needs to reset its fiscal priorities and embark on a second Reagan-like build-up -- build-up of our nation's defenses -- particularly, our Navy.

Before closing, I would like to say that General Amos, this likely will be your last appearance before this committee. And maybe that -- maybe you're happy about that, but we're not.

It's -- it's been great to have you and you're one of our heroes and your service has just been exemplary. Thank you for your service.

Thank you, Mr. Chairman.

LEVIN:

Thank you very much, Senator Inhofe.

And if, indeed, this turns out to be your last hearing, General Amos, I would totally concur with what Senator Inhofe said. You are a true hero for everybody who knows you and everybody who's under your command with whom you work.

Secretary Amos -- I mean Secretary Mabus? I don't know if that was a promotion or demotion but...

(LAUGHTER)

Secretary Mabus?

MABUS:

I'll answer to almost anything, Mr. Chairman.

Before I begin my opening statement, I would like to say that the thoughts and prayers of our entire Navy family are with the families, the shipmates, the friends of our sailor that we lost in the shooting in Norfolk Tuesday; the midshipman who died this week and also the sailors and family members who are missing in the Washington mudslides.

So, Chairman Levin, Ranking Member Inhofe, members of this committee, first I want to express my deep thanks to the committee on behalf of the Department of the Navy, our sailors, our Marines, our civilian employees and their families for all your help and all your support.

General Amos, the commandant of the Marine Corps and Admiral Greenert, the chief of Naval Operations and I could not be more proud to represent these courageous and faithful sailors, Marines and civilians.

These men and women serve their nation around the world with skill and dedication, no matter what hardships they face, no matter how far away from home they are and from their families.

And as both of you have noted, this will certainly be Commandant Amos' last posture hearing before this committee.

And I just want to say what a true privilege it has been for me to serve with Jim Amos as the commandant of the Marine Corps.

The architects of our Constitution recognized the inherent value of the United States Navy and Marine Corps. Article One, Section Eight gave Congress the responsibility to provide and maintain a Navy, because our founding fathers knew that the nation needed a naval force to operate continuously in war and in peace.

Over two centuries ago, the United States had a crucial role in the world. Today, that role is exponentially greater.

Whether facing high-end combat or asymmetrical threats or humanitarian needs, America's maritime forces are ready and present on day one of any crisis for any eventuality.

In today's dynamic security environment, naval assets are more critical than ever. In military terms, they provide presence -- presence worldwide.

The reassure our partners that we are there and remind potential adversaries that we're never far away.

MABUS:

This presence provides immediate and capable options for the commander-in-chief when a crisis develops anywhere in the world.

In the past year, our naval forces have operated globally, from across the Pacific to continuing combat in Afghanistan, from the Gulf of Guinea to the Arctic Circle.

The 2012 Defense Strategic Guidance and the newly released QDR are both maritime in focus and require presence of naval forces around the world.

Four key factors make that global presence and global action possible. These four factors -- people, platforms, power, and partnerships -- have been my priority during my tenure as Secretary, and they have to continue to receive our focus looking ahead.

In these fiscally constrained times, we've used these priorities to help balance between the readiness of the force, our capabilities, and our capacity.

Our people are our biggest advantage. We have to make sure that they continue to get the tools they need to do their jobs. In compensation, we've increased sea pay to make sure those sailors and Marines deployed aboard ship are appropriately recognized.

However, this budget also seeks to control the growth in compensation benefits, which threatens to impact all the other parts of our budget. If this is not addressed, as the CNO so forcibly puts it, the quality of work for our sailors and Marines will almost certainly decline.

Shipbuilding and our platforms remain key elements of our maritime power and has been a focus of this Committee. The number of ships, submarines, and aircraft in our fleet is what gives us the capacity to provide that global presence.

While we have the most advanced platforms in the world, quantity has a quality all its own. I think it's important to understand how we got to our current fleet size. On September 11, 2001, our fleet stood at 316 ships. But by 2008, after one of the great military build-ups of all times, that number had dropped to 278 ships.

In the four years before I took office as Secretary, the Navy put 19 ships under contract. Since I took office in May of 2009, we have put 60 ships under contract. And by the end of this decade, our plan will return the fleet to 300 ships.

We're continuing our initiatives to spend smarter and more efficiently, and we're driving down cost through things like competition, multi-year buys, and just driving harder bargains for taxpayer money.

Power, our energy, is a national security issue, and central to our naval forces and our ability to provide the presence needed. Dramatic price increases for fuel threaten to degrade our operations and training, and could impact how many platforms we can acquire.

Having more varied, stably priced, American-produced sources of energy makes us better war-fighters. From sail to coal to oil to nuclear, and now to alternative fuels, the Navy has led in energy innovation.

Since the end of World War Two, U.S. naval forces have protected the global commons to maintain the foundation of the world's economy. In today's complex environments, partnerships with other nations, evidenced by interoperability, by exercises, and by operations, continue to increase in importance.

The Navy and Marine Corps, by nature of their forward presence, are naturally suited to develop these relationships, particularly in the innovative, small footprint ways that are required.

With the fiscal year '15 budget submission, we are seeking within the fiscal constraints imposed to provide our Navy and Marine Corps with the equipment, training, and the tools needed to carry out the mission the nation needs and expects from them.

There are never any permanent homecomings for sailors or Marines. In peacetime, in wartime, and all the time, they remain forward deployed, providing presence, and providing whatever is needed by our country. This has been true for 238 years and it is our task to make sure it remains true now and in the future.

Thank you.

LEVIN:

Thank you, Secretary Mabus.

Admiral Greenert?

GREENERT:

Thank you, Mr. Chairman.

Chairman Levin, Senator Inhofe, and distinguished members of the Committee, I'm proud to represent 633,000 sailors, Navy civilians, and their families, especially approximately 50,000 sailors deployed and operating forward around the globe today.

The dedication and resilience of our people continue to amaze me, Mr. Chairman. And the citizens of this nation can take great pride in the daily contributions of their sons and daughters in places that count.

Mr. Chairman, since I've been appearing before this Committee for about two and a half years, you have always thanked us for our service. And this being the last Navy posture hearing under your leadership, I'd like to thank the opportunity to thank you for your service to the nation over the past 36 years and for all that you've done in support of the Navy, our sailors, and their families.

We wish you and Barbara the best as you complete your distinguished service.

I, too, like Secretary Mabus, just passed earlier, would like to offer my condolences to the family and the friends and the shipmates of the sailor who was killed Monday in Monday night's shooting. The sailors, particularly those of the USS Mahan, are in our thoughts and prayers, as well as the entire Norfolk Naval Station family.

I am pleased to appear this morning beside Secretary Mabus and General Amos. Your Navy and Marine Corps team is united in fulfilling our long-standing mandate to be where it matters when it matters and to be ready to respond to crises, to ensure the stability that underpins the global economy is in place.

General Amos has been a great shipmate. Our services' synergy of effort has never been better and I am committed to continuing that momentum.

Secretary Mabus has provided us the vision, the guidance, and the judiciousness to build the finest Navy and Marine Corps that the nation is willing to afford.

Forward presence is our mandate. We operate forward to give the president options to deal promptly with contingencies. As we conclude over a decade of wars and bring our ground forces home from extended stability operations, your naval forces will remain on watch.

The chartlet that I've provided in front of you provides -- shows today's global distribution of deployed ships, as well as our bases and our places that support them. Our efforts are focused in the Asia-Pacific and the Arabian Gulf, but we provide presence and respond as needed in other theaters, as well.

Now with this forward presence, over the last year we were able to influence and shape the decisions of leaders in the Arabian Gulf, northeast Asia, and the Levant. We have patrolled off the shores of Libya, Egypt, and the Sudan to protect American interests and to do induce regional leaders to make the right choices.

We relieved suffering and provided assistance and recovery in the Philippines in the wake of a devastating typhoon. Our presence dissuades aggression and coercion against our allies and friends in the East China Sea and the South China Sea.

We kept piracy at bay in the Horn of Africa. And we continue to support operations in Afghanistan, while taking the fight to insurgents, terrorists, and their supporting networks across the Middle East and Africa with our expeditionary and supporting our special operations forces.

The fiscal year 2014 budget will enable an acceptable forward presence. Through the remainder of the fiscal year, we will be able to restore fleet training, maintenance, and operations, and recover substantial part of our 2013 backlog.

The president's 2015 budget submission enables us to continue to execute our missions, but we will face high risk in specific missions that are articulated in the Defense Strategic Guidance. I laid this out in more detail in my written statement.

Our president's budget '15 fiscal guidance, through that FYDP, is about halfway between the Budget Control Act caps and our Pres Bud '14 plan, still a net decrease of \$31 billion when compared with Pres Bud '14.

So to prepare our program within these constraints, I set the following six priorities. Number one is the sea-based strategic deterrence. Number two, forward presence. Three, the capability and the capacity to win decisively. Number four, the readiness to do that. Number five, to sustain our asymmetric capabilities and our technological edge. And number six, to sustain a relevant industrial base.

Using these priorities, we build a balanced portfolio of capabilities within the fiscal guidance provided. We continue to maximize our presence in the Asia-Pacific and the Middle East using innovative combinations of rotational, forward-basing, and forward- stationing forces.

Now we still face shortfalls in support ashore, and a backlog in facilities maintenance that erode the ability of our bases to support the fleet. We have slowed modernization in areas that are essential to remain ahead of or keep pace with technologically advanced adversaries.

So consequently, we face higher risk if confronted with a high- tech adversary or if we attempt to conduct more than one multi-phased major contingency simultaneously.

As I testified before you in November, I am troubled the prospects of reverting to the Budget Control Act revised caps in 2016. That would lead to a Navy that is too small and lacking the advanced capabilities needed to execute the missions that the nation expects of its Navy.

We would be unable to execute at least four of the 10 primary missions that are articulated in the Defense Strategic Guidance and the Quadrennial Defense Review.

GREENERT:

On the back of that chartlet that I provided you, here on the back -- our ability to respond to contingencies would be dramatically reduced. And I'm showing that. It limits our options in decision space, and we would be compelled to un-activate an aircraft carrier and an air wing.

Further, our modernization and recapitalization would be dramatically reduced, threatening readiness, and our industrial base. Reverting to BCA caps, year by year, will leave our country less prepared to deal with crises, our allies' trust will wane, and our enemies will be less inclined to be dissuaded or to be deterred.

To Mr. Chairman, I remain on board with the efforts to get our fiscal house in order. I look forward to working with the committee to find solutions that enable us to sustain readiness while

building an affordable but relevant future force. The force has to be able to address a range of threats, contingencies, and high consequence events that could impact our core interests.

I appreciate the opportunity to testify. Thank you for your continued support for your Navy and the families. I look forward to your questions.

LEVIN:

Thank you so much, Admiral Greenert, for that very pointed testimony.

General Amos.

AMOS:

Chairman Levin, Ranking Member Inhofe, members of the committee, I'm pleased to appear before you today to tell you about your United States Marine Corps.

Before I get into my prepared text, Mr. Chairman, I, too want to thank you for your faithful service. We have a -- a great term that's -- that while it's not unique to the Marine Corps, we certainly claim it as such, and that's the term and word, fidelity, and that means faithful, and you've been that for decades and decades, and you certainly have to the naval force as well as my fellow colleagues in the other services. Sir, thank you for your sacrifice, you and your wife. Many in this nation will sorely miss you next year when you're not chairing this committee.

LEVIN:

Thank you sir, General, and Admiral Greenert. Thank you for those very personal remarks, and I will pass them along to Barbara.

AMOS:

Please do, sir.

Since our founding in 1775, Marines have answered the nation's call, faithfully protecting the American people and maintaining a world-class standard of military excellence. Nothing has changed, and nothing will change in the future.

And yet, we find ourselves at a strategic inflection point. After 12 years of war, we are drawing our forces down in Afghanistan, resetting our institution, and resetting and reawakening the soul of the United States Marine Corps.

Today, we are challenged by fiscal uncertainty that threatens both our capacity and capabilities, forcing us to sacrifice our long-term health for near-term readiness. As I have testified before many times, despite these challenges, I remain committed to fueling the most capable and ready Marine Corps that the nation is willing to afford.

Our greatest asset is our individual marine. The young man or woman who wears my cloth. Our unique role as America's signature crisis response force is grounded in the legendary character and war-fighting ethos of our people.

As we reset and prepare for future battles, all Marines are rededicating themselves to those attributes that carried Marines across the wheat fields and into the German machine guns at Belleau Woods in March of 1918. Those same attributes that enabled raw combat-inexperienced young Marines to succeed against a determined enemy at America's first offensive operation in the Pacific, on August the 7th, 1942, as the first marine division landed at Guadalcanal.

And lastly, those timeless strengths of character and gut courage that enabled Marines to carry the day in an Iraqi town named Fallujah, and against a determined enemy, in the Taliban strongholds of Marja and Sangin.

Your Corps is rededicating itself to those simple four timeless attributes: of persistent discipline; faithful obedience to orders and instructions; concerned and engaged leadership 24 hours a day, seven days a week; and strict adherence to standards. These iron-clad imperatives have defined our Corps for 238 years, and they will serve us well in the decades to come.

As we gather here today, some 30,000 Marines are forward-deployed around the world, promoting peace, our -- protecting our nation's interests, and securing our defense. But we do not do this alone. Our partnership is with the United States Navy. And that partnership provides an unmatched naval expeditionary capability. Our relationship with the Navy is a symbiotic one. My relationship with Admiral John Greenert is unprecedented.

This is why I share CNO's concerns about the impacts associated with the marked paucity of building ship funds. America's engagement throughout the future security environment of the next two decades will be naval in character, make no mistake about that. To be forward-engaged and to be present when it matters most, we need capital ships. And those ships need to be loaded with United States Marines.

Expeditionary naval forces are our nation's insurance policy. We are a hedge against uncertainty in an unpredictable world. The Navy-Marine Corps team provides power projection from the sea, responding immediately to crises and successes measured in hours, not in days. From the super typhoon that tragically struck -- struck the Philippines late last year, to the rescue of American citizens in South Sudan over the Christmas holidays, your forward-deployed naval forces were there. We carried the day for America.

As the joint force draws down and we conclude combat operations in Afghanistan, some argue, quite frankly, that we are done with conflict. My view is completely different. As evidenced in the recent events currently unfolding in central Europe, the world will remain a dangerous and unpredictable place. There will be no peace dividend for America, nor will there be a shortage of work for its United States Marines.

Ladies and gentlemen, we will not do less with less. We will do the same with less.

In closing, you have my promise that we will only ask for what we need. We will continue to prioritize and make the hard decisions before coming before this committee and Congress. Once again, I thank the committee for your continued support, and I am prepared to answer your questions.

LEVIN:

Thank you very much, General Amos.

Let's try seven minutes in our first round.

Let me ask for both you, Admiral, and you, General, about the budget request, which includes a number of personal -- personnel- related proposals which would slow the growth of personnel costs.

Now, included in that is a one percent pay raise for most military personnel, which is lower than the currently projected 1.8 percent that would take effect under current law. It includes a one year pay freeze for general and flag officers, a slight reduction in the growth of the housing allowance. Over time, it has a phase reduction of -- by about \$1 billion of the annual direct subsidy provided to military commissaries, which is down from the current annual subsidy of about \$1.4 billion, and some changes in the TRICARE program.

Now, the department has testified that the savings that are achieved by these proposals, which are estimated by the department to be a little over \$2 billion in F.Y. '15, those savings would be used to invest in modernization and readiness.

So, Admiral and General, let me first ask you, do you agree with these proposals?

GREENERT:

Mr. Chairman, I agree with those proposals.

LEVIN:

OK. And general?

AMOS:

Chairman, I do. I completely do.

LEVIN:

And can you tell us why?

GREENERT:

Mr. Chairman, for -- for me, I think it's about balance. I ask our folks -- we spend a lot of time talking to our folks about "how is your compensation?" and they say, "you know, my compensation is good, but you can't just pay me and keep running me into the ground."

OPTEMPO is high. When I put their discussion -- the discussion together, their quality of work is out of balance with their quality of life and compensation.

What we need to do in the Navy is we need to improve the amount of spare parts they have, the gaps at sea, the training: personal and unit. We need to do more for their -- the training courses.

So, for me, Mr. Chairman, it's about balancing the compensation they have with the environment that they work in. And so all the money that we would garner is \$123 million, projected from this, would go into exactly that. To improve their quality of work, where they work, day in and day out, and train and become better sailors.

LEVIN:

Thank you.

General Amos?

AMOS:

Chairman, today, the latest figure is 63 cents of every dollar that -- that Congress gives the United States Marine Corps goes to pay some form of compensation. That leaves me a small amount to modernize the Marine Corps, to pay for training, to educate my Marines, pay for fuel, ammunition, and all that.

That cost, that projected cost, will only increase over the FYDP and if sequestration stays in effect, it will continue to increase as it edges up.

So, for me, the -- as I travel around the Marines, the Marines are not complaining about their pay, and I make no apology for the fact that they've been well compensated for and well paid for over the last 12 years, because, quite frankly, they've shouldered a pretty heavy burden for America, and they deserve to be paid for, and accordingly.

AMOS:

But their -- but right now, we are -- we are being -- we are doing well, sir. And if we don't arrest the increasing cost in things like TRICARE and things like pay raises and basic allowance for housing.

None of thus are we trying to take money away from Marines. What we're trying to do is just lower the slope of growth so that we can get this under control. And like Admiral Greenert stated, sir, it's my intention to take that money and plow that back into the United States Marine Corps for things like quality of life.

LEVIN:

Thank you.

Secretary, the president's budget relative to the question of the George Washington says that it continues to support a Navy fleet, which includes 11 aircraft carriers, but the budget and the Future Years Defense Program includes a plan to retire rather than to refuel the George Washington.

And to follow through on the 11 carrier fleet, the administration would have to add almost \$4 billion to the budget and the FYDP to refuel and to retain the George Washington.

Now if we were to try to restore the refueling plan envisioned last year, that would require adding about \$770 million in fiscal year 2015 alone.

Secretary Hagel testified before the Committee earlier this month that the administration would modify the FYDP for years 2016 and 2019 to restore funding for the refueling in order to maintain the 11 aircraft carriers in the Navy's fleet if -- capital if -- they were to receive a clear signal that the Congress would support the Department of Defense's FYDP for those years that includes \$115 billion more than the Budget Control Act caps for national defense.

So my question, my first question of you, Mr. Secretary, is what signal would be sufficient for the administration to restore funding for CVN-73, the George Washington refueling overhaul?

MABUS:

Mr. Chairman, I was -- I want to add my thanks, before I answer your question, to you and to give you a Bravo Zulu, well done, for your years of service and to the sponsor of the USS Detroit.

LEVIN:

Thank you.

MABUS:

Barbara Levin.

As you pointed out, what we have done in the '15 budget is moved the decision about the George Washington for one year. We can move it for a year without impacting the schedule, without impacting the cost, and without impacting the next carrier that -- that comes along to be refueled.

We need 11 aircraft carriers and we're very cognizant of that fact. As Admiral Locklear testified about the need for -- for the carriers, we need those 11 carriers for the operations tempo and for the stress that is put on the other carriers should we -- should we lose one.

What you pointed out was -- was very accurate in terms of restoring the cost. We will submit a budget for '16 that according to the initial guidance that we have gotten will have money for the carrier and it will be dependent on Congress to whether or not the funding gets restored in '16 and throughout the FYDP.

Because it is a -- it is a fairly large bill for -- for us to bear and probably cannot be done if sequestration kicks back in in '16.

LEVIN:

So that -- excuse me -- just to conclude that, then, you need this signal during the F.Y. '16 budget consideration rather than during the consideration of the F.Y. '15 budget. Is that what I understand you to say?

MABUS:

We need the decision in '16.

LEVIN:

Do you need a signal in '15?

MABUS:

I -- I think the signal could come either in '15 or '16. But a decision will have to be -- to be made in '16.

LEVIN:

Thank you.

Senator Inhofe?

INHOFE:

Thank you, Mr. Chairman.

Secretary Mabus and Admiral Greenert, the -- the Navy's long- range, 30-year ship acquisition plan calls for a 306-ship Navy. How many do we have right now?

GREENERT:

We have 290.

INHOFE:

OK. With -- if sequestration continues to -- in full to 2023, what size of fleet would we see at that time?

GREENERT:

In -- in 2000, I'd have to get the (inaudible)...

(CROSSTALK)

INHOFE:

OK, fine. For the record, go ahead.

GREENERT:

... it's 304.

INHOFE:

OK. Admiral Greenert, with a smaller fleet, we're going to see longer deployments, right?

GREENERT:

Yes, sir, we will.

INHOFE:

We've gone through this before, historically in the '70s we went through this and to a lesser degree in the '90s, is that correct?

GREENERT:

That's correct, sir.

INHOFE:

The -- it's my experience in going around and talking to people, the kids that are out there, that the deployments are just killing the families. It's -- it's a real hardship. Do you agree with that?

GREENERT:

Well, that's a strong term. But there -- it has definitely caused dissatisfiers around. And you're right, there.

INHOFE:

I mean, I'm getting a different reading than -- than some of the uniforms might get. But I think it is something that's really serious.

It seems to me that if you're building in the forward class aircraft carrier every five years, would only support a 10 aircraft carrier deployable force. I think that's right. Do you think that's right?

GREENERT:

No, sir. What we -- if we keep the -- the -- the 73, we'll build to 11 aircraft carriers.

INHOFE:

You -- when?

GREENERT:

In 20 -- when the forwards delivers, that would get us to 11.

INHOFE:

About when?

GREENERT:

Oh, I'm sorry, '16, March '16.

INHOFE:

OK, well, actually the dispensation from the law that requires 11 is good until '15. So you're satisfied with that, that's going to happen?

GREENERT:

I'm satisfied that in March of '16 (inaudible) the forward yes, sir.

INHOFE:

OK.

Secretary Mabus, in light of the civilian personnel hiring freezes and furloughs for fiscal year '14, I know something about this because while we don't have any -- ours is at ALC, our depot in Tinker, we had 15,000 that were affected by that, so I know what the furlough is -- the furloughs do.

So are the impacts similar on the shipyards and the aviation depots as they were in my state of Oklahoma?

MABUS:

We were able to exempt most of the shipyard workers from the -- from the furloughs, and some of the aviation depot workers, but certainly not all of them. So there was a -- there was an impact and there was an impact across the entire civilian workforce, to include the people that design our ships and...

INHOFE:

How many of those actually had to take furloughs of the ones that you were -- the numbers that you have?

MABUS:

We were able to exempt about 20 percent of our civilians.

INHOFE:

And you were able to also shorten some of those furloughs also, as we were, right?

MABUS:

Yes.

INHOFE:

OK.

Yesterday at a hearing, I was not there but I looked at this chart of the hearing, and this shows that the -- the -- the problem that we're having right now is in the older and more experienced people.

This chart shows that it's skyrocketing the number of -- in your workforce, with experience from 0 to 9 years and then it's dropping precipitously in 30 years and over.

Are you familiar with that chart?

It was used -- were you at the hearing yesterday, the Readiness hearing?

MABUS:

No, sir. I was not

INHOFE:

OK. Are you -- have you seen this chart? Well...

MABUS:

I'm aware of the...

INHOFE:

You're aware of the problem. Is -- is -- what kind of a problem is this? Because you're losing your experienced personnel. You know, we went through this back in the '90s when we went from eight shipyards with 70,000 personnel down to four shipyards with 20,000 personnel.

At the same time, you're losing your most experienced personnel. That's happening today, isn't it?

MABUS:

It is happening today. And one of the -- I think the thing you pointed out about the '90s, that's why we're losing so many people today. They're reaching retirement age now.

INHOFE:

Yeah, I understand that.

General Amos, the -- regardless of what happens with sequestration, the Marine Corps is going to be required to reduce its end-strength from -- what -- 182,000 to 175,000. And in terms of battalions, that means you're dropping from 21 to 20, is that correct?

AMOS:

(Inaudible)

INHOFE:

From 21 to -- from 28.

AMOS:

No, sir. We started at 202. We're at 194, about 193 today. We're on our way to 175.

At 2002, we had 27 infantry battalions. When we go to full sequestration at 175, we'll have 21 infantry battalions.

INHOFE:

OK. Now the statement you made a minute ago -- and it's a typical Marine statement, and I agree with it and I'm very proud of it -- you say, "We won't do less with less. We will continue to do it."

I know you will. But you'll also be assuming more risk; isn't that correct?

AMOS:

Senator, that's absolutely correct.

INHOFE:

Yeah. And risk equals lives, doesn't it?

AMOS:

Risk equals a whole bunch of things -- unit-readiness. But at the end of the day, it could -- it could result in increased casualties.

INHOFE:

OK, General Amos, I -- you may have to answer this for the record, because I should know this and I don't.

I'm familiar with the -- and what we went through with the NLOS cannon and that capability in the Army.

And we went down to Crusader Program; that was canceled during the Bush administration. The -- the -- the FCS program was canceled -- the -- five years ago in this administration.

As you've gone through this thing -- and it seems to me -- and it's not just -- it's in all the services. We get our expectations up, we start working on a program, then it's canceled; we start -- and we already have an investment in that program.

We went through in the -- in the Marines -- the amphibious assault vehicle, then we went to the expeditionary fighting vehicle, then the amphibious combat vehicle; now, I understand that the Marine personnel carrier is going to be taking over in some form. I'm not sure what that form is.

We don't have time to elaborate on that, but you got to explain to me what the problem is when we have to go through all these programs. That isn't your fault; that's a policy that you are handed.

Is that a problem when you go through these various developments of -- of equipment?

AMOS:

Senator, I am mindful of the time. But you know, I'll be happy to give you -- for the record, a complete detailed brief.

But in essence, that's exactly -- I regret that this has been, though, the history of this vehicle. And if you remember, I appeared before this committee three years ago, along with my secretary, and said that we have canceled that; Secretary Gates has canceled that.

And he canceled it because of costs; he canceled it because of reliability. And what we discovered after that as we really got into it was, quite frankly, the vehicle -- the EFV ashore, where it was going to live most of its life carrying the Marines, was -- was -- was marginalized with regards to maneuverability and protection.

So, this is all the things that we have put in the -- in the alchemy as we've looked forward over the last three years to try to figure out what's the best way ahead.

We can build a high-water speed vehicle today. But the tradeoffs in -- in survivability, protection and maneuverability ashore where it's going to live most of its life and rely -- and maintainability is more than I'm willing to pay.

So, what we've done is we've changed the paradigm, Senator. We've said, OK, the requirement for the vehicle to go high-water speed from a sea base considerably off the shore is we can solve that with a connector.

So, we're looking inside and organically to the connectors that we currently own -- connectors that we're buying right now, like the joint high-speed vessel, which will go 30, 40, 50 knots in the right sea state.

And we can now buy a vehicle that's -- that is basically one-third the cost that is easily much more maneuverable and safe ashore. And that's the direction we're going. It's a better cost...

(CROSSTALK)

INHOFE:

And that I -- I do appreciate; but for the record, if you could elaborate on that starting through the various entities that we talked about, that would be very helpful for us to understand that.

AMOS:

Senator, I'd be happy to.

INHOFE:

Thank you.

AMOS:

Thank you.

LEVIN:

Thank you, Senator Inhofe.

Senator Reed?

REED:

Thank you very much, Mr. Chairman.

And Mr. Secretary, Admiral Greenert, General Amos, thank you for your service.

And General Amos, if this is your last appearance, thank you for your extraordinary service to the Marine Corps and to the nation and to your great counsel and advice. Thank you, sir.

Admiral Greenert, you said that the number one priority of the Navy is to fund the Ohio replacement submarine.

And Admiral Richardson from the Office of Naval Reactors has indicated that there's a delay at least six months in the reactor core manufacturing because of insufficient funding, which is -- could throw the whole program into disarray.

And, in fact, I think in your statement, you allude to the possibility that this will slip. And this is not simply a Navy issue, because this is the -- the central part of our nuclear triad.

So, could you comment on the -- on the status and -- and what we have to do to keep this program on track?

GREENERT:

We have two -- two departments. There's the Department of Defense and the Department of Energy here that help serve us.

Department of Energy in this is the core development, and they need high-computing capability to do that. We're putting a new type core in the Ohio so you don't have to refuel it.

Anyway, we need to reconcile this. It's about \$150 million, if I'm not mistaken. And the NNSA and the Department of Defense have been talking about.

Senator, in the end, I got to get with Admiral Richardson and we got to reconcile this -- and we will. And we'll come to the committee if we need help.

The program has to stay on track. We have no slack in this program.

REED:

And the -- is there -- and I'll ask Secretary Mabus to comment, too -- since this is not just a -- you know, again, you can make this argument probably for every platform in the military.

But this goes to a national security concern that transcends the Navy --- that's our nuclear deterrence. And it is a land-based, sea-based, air-based -- so, is there the possibility that resources from DOD could be committed to help you keep this program on track? And I'll ask Secretary Mabus also to comment.

GREENERT:

Up to a point; but you get into a situation where, if you will, the charter, if you will, the mission of the Department of Defense -- you start going outside that. And then we would need, if you will, you know -- what do they call that -- a MIF or something where you cross departments.

But we're doing all we can within DOD to reprogram from other resources within Admiral Richardson's programs. We'll -- we'll reach a wall, though, eventually, and we'll have to go to the DOD -- DOE.

REED:

Mr. Secretary -- comments?

MABUS:

Senator, to your point, I think it's important that we have this -- this conversation -- this debate about how we fund the Ohio-class replacement and the strategic deterrent. These platforms will be at sea into the 2080s there.

We're driving the cost of them, but they're expensive platforms. And if it's all paid for out of Navy shipbuilding, it will have a very serious and very negative effect on the rest of the fleet to include the rest of our submarine force -- our attack submarines.

And so, we have to start building the first one in 2021; and sometime between now and then, I think there needs to be a very serious look at -- at how we pay for this.

REED:

Thank you, Mr. Secretary.

Admiral -- excuse me -- General Amos, you and your Marines are conducting for the first time a joint operation -- I think in a couple of years with the South Koreans as we speak.

But it raises a question I also raised with Admiral Locklear this week, which is the -- the ability to conduct amphibious operations in Pacific Command, specifically. And you were having a conversation with Senator Inhofe about the -- the connector and setter.

Can you give us kind of an update on the -- the capabilities? Admiral Locklear indicated to us that he needs more amphibious capabilities to carry out his missions in the Pacific.

AMOS:

Senator, the -- as you know well, the Asia-Pacific area is 62 percent of the world's surface area. Now, it's huge -- you know, water -- it's a maritime theater.

For us, the amphibious ships -- those -- those three types -- the large-deck, the LPD, the LSD -- are the Swiss Army knives of kind of the -- the naval force for America diplomacy there. That's what Marines live on.

We've got one Marine Amphibious Ready Group forward deployed in the Pacific right now -- it's based out of Sasebo. That was has four ships.

And we use that all the time. Those are the very ships that are being used to -- in part of this operation; every now and then, an ARG-MEU will come through on its way to the Persian Gulf and swing through and -- and participate in the exercises.

But quite frankly, in an area that big -- and that's part of the reason why the secretary and the CNO have committed in a couple of years to put another ARG-MEU down in the southern part of Asian- Pacific area so we can move those Marines around Australia and add Guam and use it down there.

So, quite frankly, we don't have enough. We know that, sir. We're just trying to figure out how we can cut Solomon's baby there with the budget. But we need more ships out there.

REED:

Can I -- a follow-up question, so, you know, I've heard the -- the -- the interconnector -- because that was a term that -- that's been used a few times.

Is that a platform -- a high-speed platform to deliver from over the horizon combat vehicles that beach? I know the Marine amphibious assault vehicles that were proposed before were designed to be the -- the high-speeded approach the beach and then the -- the tactical on the ground equipment that you could drive for.

That -- now, you're just looking at a -- a platform to get combat -- land vehicles to the beach and the beyond? Is that...

AMOS:

Essentially, that's true, sir. The connectors is just a general term we're using for everything from vehicles we currently own like the air cushion vehicles we have right now, the landing craft utility LCUs that we have in service right now.

We have JHSV's, as you're aware. We've already commissioned two of them; they're out at sea right now. There's another eight being built.

Those will go fast; they will haul a lot of Marines and vehicles. That gives us the ability to be able to maneuver from a sea base that -- that could be pushed as far out as perhaps a hundred miles because of the enemy threat.

REED:

Right.

AMOS:

So, what we've done is we've -- we've changed the paradigm and the way we've thought in that we have to swim all that way in our amphibious combat vehicle.

Well, it's impractical now. Can we get on a connector and can the connector take us in? And the answer is yes.

REED:

Just a final point, because my time is expiring, is that we talked about the Ohio-class.

And I think all of this, not only our attack submarine fleet, but the ballistic missile fleet, and it has to be sort of considered in the context of the very sophisticated Russian submarines that are coming into the service, and increasingly sophisticated and increasingly numerical Chinese submarines.

We still have a distinct advantage underwater, but that advantage is -- is not as great as it was previously. And just to -- to comment. You can kind of concur or -- you concur, I think?

AMOS:

We're still -- we don't -- we own the undersea domain, Senator, but we have to maintain it. I'm very comfortable in -- I have pretty good empirical data and we'll get you a brief, if you like.

REED:

Thank you.

LEVIN:

Thank you very much, Senator Reed.

Senator McCain?

MCCAIN:

Thank you, Mr. Chairman. I thank the witnesses.

And General Amos, thank you for your outstanding service over many years. You join other great leaders who preceded you as Commandant of the Marine Corps. And it is noteworthy that you served as the first Marine aviator to be Commandant of the Marine Corps. And I thank you for your outstanding service.

You made two comments in your opening remarks that struck me. One was the 62 cents out of every dollar now spent on the Marine Corps is devoted to personnel and entitlement benefits.

It reminds me of the words of Secretary Gates who said these costs are, quote, "eating us alive."

I'd be interested in what you think we ought to do in that area, given the benefit of your experience.

And the other comment, you mentioned the brave sacrifice of Marines at the Battle of Fallujah. Second Battle of Fallujah, as you well know, 96 Marines and soldiers died, 600 injured. And today, the black flags of Al-Qaeda fly over the city of Fallujah. It's rather difficult to explain to those family members exactly what happened since they made that sacrifice.

I believe it was a failure of American policy towards Iraq. But whatever caused it, it's really -- it's really tragic.

And as -- as you answered the question about the personnel cost, I can't let this opportunity go by without asking you about the F-35 and how it's -- how you gauge its progress and how it's doing.

General?

AMOS:

Senator, the -- first of all, on the 60-plus cents of compensation for our manpower, I want -- I want to go on record saying that's not a function of the Marines cost more per person. We actually, and I can prove this, we actually cost less. It's just a function of our proportion of the budget and -- and so that's -- that's why our costs are up there.

So that's the first point.

The second point is, I think there's a balance as we look forward to things like, there's a commission that's looking at retirement and we're drawing a force down and we're rebalancing and we're under sequestration, so there's pressure to cut services and these types of things across the Corps.

But I think there's a balance when we start looking at compensation with regards to how much will the market bear. And so the proposal by the Joint Chiefs, really over the last two years, we think it's modest, we think it's balanced, we think it's reasonable.

And that's -- that's shallowing the pay raise down to 1 percent. No pay raise for general officers and flag officers. Try to come up with a simplified TRICARE program that becomes affordable. As you know, that hasn't had a pay increase since 1996. It's the only health care company in America, I think, that -- that can boast that.

(Inaudible) allowance for housing -- can we lower the ramp of that. It typically goes up somewhere between 2 to 3 percent a year. So does rents. Can we lower that?

And so, there's simply things like the commissary. The last thing I want to see is commissary go away from our Marines. That's a huge satisfier or dissatisfier. But can we get it so it doesn't have to be subsidized, like the exchanges have.

And you remember from the days when they were subsidized. And I think that's reasonable.

So it's a reasonable approach, Senator, to trying to lower our costs, our compensation cost. In addition to those things, I mean, I pay \$152 million in unemployment last year. I mean, I've got all these things. So we're just trying to get it under control, the right balance.

Regarding the F-35, sir, I'll tell you, we've got -- we've got 17 airplanes a Yuma, out in our first fleet squadron. They're flying well. They're doing well. We've got another 14 at our training squadron at Eglin Air Force Base. We've got 55 airplanes under contract so far. Not delivered, but under contract.

The airplane for us is progressing well. We still are working towards a July-August of 2015 initial operation capability. I'm mindful of the GAO report that came out on the 24th. We worked closely with the JPO, the program officer, the program manager.

We're -- we have a reasonably OK level of optimism that the software for our version will make the 2015 IOC. We've got bulkhead problems that we've discovered. By -- by probably in the next 60 days, they'll have the fixed for those things. And we'll figure out what we're going to do.

So, sir, I'm -- I'm optimistic about it but I'm mindful of it and I'm paying very close attention to it.

MCCAIN:

Thank you for your stewardship of the program and I must say, it's come a long way.

Secretary Mabus, it's not often that I am surprised, but I must say I was taken aback when I heard that the Tomahawk missile program, now you're planning to cut it so that there would -- the number would drop to 196 last year, 100 in 2015. The number will drop to zero in 2016 to be replaced by a, quote, "next-generation land attack weapon," whatever that means.

Mr. Secretary, I would remind you, in Libya, we -- in the Libya exercise, we expended 220 Tomahawks. And as far as I know, we've never been briefed on any follow-on weapon that would replace the Tomahawk.

People like Seth Cropsey and others at the Hudson Institute say it doesn't make sense. It really moves the U.S. away from a position of influence and military dominance. He went on to say, "they couldn't find a better way than depriving the U.S. fleet of Tomahawks." It's breathtaking.

I think we have ample testimony that it takes years to develop a new weapon. Senator Inhofe talked about all the programs that have been canceled. And now we're going to have zero Tomahawks in 2016. And begin on a follow-up weapon. I'd be very interested in the rationale for this decision.

MABUS:

Senator, the supply of Tomahawks that we have -- and you're absolutely correct about the numbers that we used in Libya. But the supply of Tomahawks that we have today that have been manufactured are sufficient to carry us...

MCCAIN:

Which is how many?

MABUS:

Which is about 4,000 Tomahawks in the arsenal today, which will carry us, when you add the -- the Tomahawks that we plan to buy in -- in 2015, will carry us through any eventuality that we can foresee.

The follow-on weapon, we are in the analysis of alternatives and we believe that we can get that follow-on weapon introduced into the fleet expeditiously and so that there -- we certainly, absolutely don't want, don't need a gap between the Tomahawk and the next weapon.

And I'll be happy to get you a complete briefing on exactly where we are on that second weapon.

MCCAIN:

Well, I thank you and I've overused my time. But this is -- this is really rolling the dice, in my view, when we haven't even begun the assessment of what that new weapon would look like.

And I don't think there's any doubt about the absolute criticality of a weapon like the Tomahawk, without even moving forward. At least most of these weapon systems takes as much as a decade to fully develop and move into the fleet.

And I -- I really am surprised. And, obviously, we will have this subject of further hearings, I would think, Mr. Chairman, on this particular issue.

MCCAIN:

I thank you.

LEVIN:

Thank you very much, Senator McCain.

Senator Donnelly?

DONNELLY:

Thank you, Mr. Chairman.

And, Admiral Greenert and Secretary Amos, thank you -- General Amos, thank you very much for all your service to our country. We're extraordinarily appreciative.

And I want to thank all the soldiers, sailors and Marines, airmen around the world for everything they have done. Senator Ayotte and I just got back from Afghanistan. We were with General Dunford on Saturday. And, secretary Mabus, I know you know this already -- Admiral, General - - but you sailors and Marines are doing extraordinary, extraordinary work over there. And from everyone at Crane, they wanted me to let you know how appreciative they are for the opportunity to continue to protect our nation.

Admiral, when -- when we looked at what just happened -- the Russians just took 51 ships from Ukraine. Their navy, in effect, went from 280 to 331. And I was wondering, the coordination that is going on now between yourself and the Estonian navy, Latvian navy, Lithuanian navy -- our NATO partners and our European partners -- are their navies chipping in? And has there been an increased look at what is going on in that region?

GREENERT:

Well, this much I can tell you, Senator. I've communicated with my colleagues -- Romania, Bulgaria -- you know, the NATO nations there -- Poland -- to reassure them, "Hey, we're all -- we're all in this together, OK?" Number one.

Number two, our -- our exercise program remains on track, that -- that we have with them. Staff talks. So, it's such that there's -- we're -- we're reassuring our allies, Senator. I guess that -- let me be clear with that.

DONNELLY:

When you look at the Russian navy -- you know, they're looking at bases in Cuba, Venezuela, Nicaragua. They visited South and Central America. Iran has sent a naval ship into the Atlantic. How are we responding to these encroachments into -- into our hemisphere?

GREENERT:

Well, if -- if you look at the -- the little chartlet today -- the places that they have chosen -- if they -- these are not places where you can repair ships. You can't do much, really. They're not -- many of them are not deep water. The kinds of negotiations that they're doing may be a pull-in, and you get some fuel which we -- everywhere you see a square on that chart, we can repair, refuel, refresh.

So, I keep my eye on it. They are in this hemisphere, but it is not unusual to be in -- to be able to go into anybody that wants to do business. They'll sell you fuel, and they'll let you buy some food and some minor things, but can you do any reasonably relevant repair to weapons systems in that? That's what we really got to keep our eye on. And I don't see that yet, other than Cuba, of course.

DONNELLY:

After what has happened in Crimea -- the things you've looked at there -- the other challenges that we have -- have those kind of things made it more difficult to rebalance to the -- to the Pacific? Is it -- is it a question of, "We know you're stretched"? Is there a point where the rubberband snaps, in effect?

GREENERT:

There's a point to where the rubberband snaps. And if we go to the Budget Control Act caps, and we continue on that track, then I think the rubberband's pretty darn close to snapping, if you will. But today, you see in that chartlet, we have 21 ships in the European command. I'm reasonably comfortable there. In fact, we're -- we're building there, as you know. We -- we sent the Donald Cook -- the destroyer -- (inaudible) destroyer to -- he's now based in Rota. And we'll send the Ross, another one, this summer -- two more next year. So, we'll have four DDGs right that are right there, in addition to the other. Again, I refer to the little squares there. Those are places where our ships operate out of. And we're moving other ships forward as part of our strategy, including the European command.

So, we need to keep our eye on it, and have the right ships at the right place.

DONNELLY:

As you look at the rebalance of the Pacific, in regards to the Chinese, looking at last year, this year, next year, are we -- are we in the same or better position this year, as opposed to the Chinese? And as we look ahead over the next couple of years, how would you characterize that -- that balance between the two of us?

GREENERT:

When I appeared before you with Pres Bud '14 and we talked about the Defense Strategic Guidance, one of the things I laid out was to assure joint -- joint ensured access -- some call it

"anti- access area denial defeat." And I would tell you, yes, I feel very comfortable. We can keep pace and stay ahead where we're needed to.

We're slipping even with Pres Bud '15. We got to Budget Control Act gaps, we fall behind, and I'm very concerned at our ability to project power in an area against an advanced adversary with those, if you will, advanced capabilities. We're slipping behind, and now we need to prioritize. But I worry about that, Senator.

DONNELLY:

General Amos, you have -- you have served us in extraordinary ways -- this country. And as you look at the Marines and looking forward, and the challenges we've had in Afghanistan, which you have met so -- so well -- the challenges we've had in Iraq, same thing -- when you look at the things that concern you the greatest for the future of the Marines, for the future of the success of our armed forces, what would they be?

AMOS:

Senator, we spent a lot of time with my staff working on that. Because it nests -- I mean, it covers everything from sexual assault to abuse to hazing, to this kind of bad behavior. And so, when you try to look at all that, and so, how do we get -- how do we take some shameful behavior that is -- that has perhaps embarrassed the Marine Corps -- how do we correct that in light of 12 years of singularly-focused on combat?

And in my opening combat, I talked about reawaking the soul of the corps. And -- and I'm not trying to be corny here, but -- but as we go back in history, what was it that caused the Marines to do so well when they crossed the border in March of 2003? You know, I remind all the young Marines, there were 70,000 Marines there, and there were probably less than 500 of that 70,000 that had ever been in combat before.

When we crossed the beach on August the 7th, 1942, of Guadalcanal, with the exception of just a few leaders, almost everybody was green. The same thing in the wheat fields of Belleau Wood when the fifth and sixth Marines charged the machine gun nest and turned the tide of World War I.

It's discipline. It's adherence to standards. It's engaged leadership. Leadership where Marines, when we come home -- the -- the staff NCOs and the officers actually care about what that young lance corporal is thinking what he's going to do on the weekend. It -- and it will affect -- it will affect all our behavior. I mean, everything from sexual assaults to alcohol abuse to suicides. We've got to go back to -- to the basic fundamentals that had kept our corps what it is for 238 and a half years.

I know that sounds -- may sound corny, but -- but it really is the truth. And the Marines get it. They understand it. And so, that's where we are. That's -- I'm not concerned about will we be courageous in the future? Will we work through the budgets and the -- and the programmatic?

We will. We'll figure it out. And we'll continue to do the nation's bidding. But we don't want to lose the soul of us, the character of us.

And I think if we can kind of get back to -- we haven't lost it, but if we can just reaffirm it, then a lot of these really, really important things that go on in the life of a Marine that, quite frankly, are -- bring discredit on us, I think we can help ourselves with this.

So, that's -- I don't know whether that satisfies you.

DONNELLY:

It's very eloquent, and very on target.

Thank you so much to all of you for your service.

Mr. Chairman?

LEVIN:

Thank you very much, Senator Donnelly.

Senator Sessions?

SESSIONS:

Thank you all of you for your leadership and service to the country.

Secretary Mabus, I think you did an excellent job in a very difficult time.

Admiral Greenert, thank you for your service. And, General Amos, thank you for your long career.

I was in Fallujah not long after that great battle, and talked to the Marine leaders, and it was a fabulously courageous service, door- to-door that they fought. And then it was a -- a battle that will rank high in the history of the Marine Corps. And thank you for your long service.

Secretary Mabus, and all of us, I think it's like, as they say, ships in the night when we're talking about budget and numbers. All of us need to begin to get our heads together on the challenge we face. I am worried about it. I'm worried about where we are. And I intend to continue to dig into this and get a better handle on where we are.

SESSIONS:

The projections and -- and suggestions that we're going to have big cuts as a result of the sequester is not exactly correct. Secretary Hagel said that DOD's budget cut was \$37 billion last

year because of sequestration. And unless Congress changes the law, sequestration will cut another \$50 billion starting each year in fiscal year 2016.

Well, that's not exactly right, colleagues; it's not right. It's from the president's budget -- what he proposed.

And they're asking for \$115 billion above the Budget Control Act spending levels over the next four years, really, which is complicated by the fact that the Democratic leadership has made absolutely clear not one dime more will go to the defense budget that's not matched by an equal expenditure for non-defense discretionary spending.

And so, that -- you're talking about \$230 billion more over the next four years above the Budget Control Act that the president signed and we agreed to -- above the Ryan-Murray Agreement that helps. So, we've got a problem with our numbers.

And fundamentally, based on what we spent, we'll have two years more of flat budgets with an increase of about 2.5 percent or \$13 billion a year through 2020 to 2021.

So, whether you can get by on that, I don't know. But you -- we can't expect big increases on -- in the current climate, in my opinion.

Secondly, colleagues, we'd -- and -- and I worry that we are sending a message that we're not going to be an effective fighting force in the future because of the reduction in spending and flat spending.

I -- I think we are going to have a difficult, difficult challenge, but we don't need to over tell the world that we are on some sort of major retreat from our responsibilities -- hopefully that won't happen.

So, I just wanted to share that perspective. We're all going to have to wrestle with this, and I don't think we're going to see another \$115 billion over the next four years for the Defense Department.

Secretary Mabus, maybe you'd like to comment on that. And...

MABUS:

We share the concern, Senator, that if the budget goes back -- and we appreciate what Congress was done in '14 and '15. It's given us some stability; it's given us some certainty; it's given us some ability to plan -- but even that was significantly below the president's '14 budget request for '14 and '15.

So, our concern is if it goes back to the sequester levels in '16 and beyond, both the CNO and the commandant have spelled out some of the -- some of the impacts that will have on -- on readiness, on platforms, on training, on steaming, on flying and on doing what you said, which is

being the only global Navy and Marine Corps in the world and meeting our obligations to this country and to the world under the Defense Strategic Guidance and also under the QDR.

Those are serious concerns; those are -- are concerns that -- that are right upon us. Because '16 is -- is only a little more than a year away.

SESSIONS:

Well, I -- I'm -- we'll talk about all that some more. I just wanted to share with you that the expectation that we're going dollar-for-dollar -- or demand that we have to have dollar-for-dollar increases in non-defense as to defense is not justifiable.

And we're not going to be able to do that, number one; and I'm not sure how much more we can go back and bust the budget.

The president's budget that he submitted to us that you talk about blithely here is in direct violation of the Ryan-Murray Bill he signed just a few weeks ago -- and Congress voted to do to then help the military.

And we were forced to double that for non-defense. I just tell you, that's a problem; and it's not going to be easy for us to solve. And we all have a responsibility to do the right thing.

Admiral Greenert, you talked about the Navy's requirement. I just want to briefly ask you about the littoral combat ship.

The Navy has that as a requirement, does it not? And that's a formal process -- to have 52 of those ships. And you established 52 as the Navy's requirement for that ship?

GREENERT:

Yes, sir. It fulfills the requirement we refer to as the small surface combatant. I need 52; today, I have 26.

SESSIONS:

And we have that ship moving forward now.

Secretary Mabus, I know you -- you're alert and watched this project. But it seems to me -- isn't it correct that the ship is under the cost cap that the Congress has set and that it seems to be moving forward -- let us say at cruising speed now?

MABUS:

It's moving forward at its high cruising speed, Senator. And yes, it's under the congressional cost cap.

And one of the things that industry and Congress and the American people ought to be very proud of is the fact that the cost has been driven down on this ship from over \$750 million for the first ones to about \$350 million for the ones today.

SESSIONS:

And briefly, Congress asked the Navy to look for a faster ship; a more flexible ship; a ship that uses substantially smaller crew, as this does; a fuel-efficient ship; one that can be utilized for a variety of activities and a reasonable, lower cost.

Mr. Secretary, do you believe this ship is meeting those demands of Congress?

MABUS:

Senator, the ships that we have had delivered in the first deployment of LCS-1 is meeting those requirements.

SESSIONS:

Thank you.

LEVIN:

Thank you very much, Senator Sessions.

Senator Kaine?

KAINE:

Thank you, Mr. Chairman.

And thank you to all of our witnesses today. I want to echo the comments, especially General Amos to you -- congratulations on your wonderful service. It's been a treat to work together with you.

Just picking up on Senator Sessions, I don't view the president's budget submission to be contrary to the Ryan-Murray budget plan, which I worked on and supported.

The submission for '15 is in accord with what we did in '15. We were able to provide two years -- '14 and '15 -- of partial sequester relief.

But I view it as we've reserved for another day the discussion about sequester relief in the out-years.

And I have been impressed that the president's budget submission does not say "'16 and forward, eliminate the sequester." What the president's budget submission says is "Years '16 and forward, eliminate have the sequester."

The DOD under the president's budget submission will absorb 50 percent of the sequester cuts over the length of the sequester. But you've asked for relief from the other 50 percent.

And none of us took oaths of office to the sequester; we -- we took oaths of office to try to do the best thing for the country. And I think many of us are going to reserve our right to try to battle for additional sequester relief in '16 and forward; and that's really what's before us.

Secretary Mabus, I want to talk about this issue that this issue that the chairman began with you on -- on the signal to send, because this is somewhat about timing.

Your timing in DOD and doing budgets and our timing in Congress -- we've done a two-year budget now for the first time. It's generally a good thing.

But here's a challenge -- we won't do a budget again until -- until, by statute, we won't have to have it done until April of 2015.

That budget will be a topline budget; it won't even be a line item budget. We'll do an NDAA in May or June of 2015. There will be an appropriations bill sometime after that.

You have to give a budget to the president -- work with the president on the F.Y. '16 budget submission that he's required by law to deliver to Congress in February of 2016.

So, I gather you need some kind of a signal about what F.Y. '16 will look like from this committee in order to present your budget to the president so that the president can give us a budget in February; but we don't do a budget until April.

So, on this question of when do you need a signal, if you're to do things like statutory requirement of the 11-carrier Navy, my sense is you -- you need a signal as you're presenting the president material about the F.Y. '16 budget submission -- at least a signal of some kind. Am I -- am I reading that wrong?

MABUS:

Senator, you're reading that correctly. The earlier the signal could come, obviously the better for us. We're already working on the '16 budget, as you know.

KAINE:

If -- if we give you no signal and then we get into April of 2015 and start talking about what we're going to do in F.Y. '16, I -- I don't know how you could present a budget to the president and have the president present one to us that assumes, you know, a '16 budget that would support

11 carriers; that would support the end strength that you foresee for the Marines, for the Army, for the National Guard.

We really need to give you a signal sooner than next calendar year, don't we?

MABUS:

It would be difficult the later -- the later that signal comes. And the earlier, as I said, the -- the better and the easier it is to -- to do the budget workup.

Just to -- to -- as I told the chairman, the only thing we've done on the carrier is to give that extra year for such a decision and such a -- a signal or a notion of where we're going to be in '16 and in the rest of the -- rest of the '16 FYDP.

KAINE:

But -- but -- but separate from budget strategically now, I get that there is no dispute within the DOD, Navy family, White House in terms of the strategy, that the 11-carrier strategy, which is statutory, is also a strategy that is desired and preferred to the America's maritime defense posture, correct?

MABUS:

It is a strategy that is very desired and very preferred.

KAINE:

General Amos, quickly, your discussion with Senator Donnelly I thought was an interesting one. Because I've really grappled, too, with this issue of what is the stress on the force, the Marines or any force, of 12 years of war?

You know, we -- we had a seven-year war, the Revolutionary War. We had a war, I guess, 5 to 10 years, the Vietnam War. But from September -- late 2001 until now into 2014, we've not had a 13-year period where we've been waging two wars simultaneously.

There's a lot of deferred maintenance. I kind of look at it as deferred maintenance issues. The kinds you talk about -- the character issues, the kind of returning to roots.

It's hard to repair your roof in the middle of the rainstorm. Nobody's up on the roof trying to patch it when the rain -- you wait until the rain stops, then you go up and try to patch your roof.

And so there's a -- the whole series of issues that you mentioned, very important ones -- military sexual assault, suicide, other kinds of behaviors that maybe treated things in a cavalier fashion that shouldn't be treated in a cavalier fashion.

The -- the pace of an OPSTEMPO for 13 or 14 years breeds conditions where that's more likely. And we're moving into a phase now where we got to get into those deferred maintenance projects. Is that sort of how you see the task before our organization right now?

AMOS:

Senator, two aspects of that. Number one is the readiness that you -- that you talk about. Those -- we have taken money. We've made purposeful decisions to take money out of home station readiness, training ranges, buildings and facilities and those types of things, programs, and move it to unit-readiness.

So -- so readiness of our units that are deployed, readiness of our units that are fixing to deploy is at the highest state.

The readiness of those home station units that are back there that are a long way's away from deploying are beginning to erode. And my Assistant Commandant testified that today -- yesterday on the Readiness Committee Hearing.

So that is a concern of mine. And that's parts, that's -- and that mostly parts and artisans to be able to fix things and keep (inaudible) maintenance. But those are things that are eroding. The things at home station with regards to facilities and maintenance.

I've been given \$6 billion over the last probably 6 to 7 years to upgrade barracks and we built well over 100 new barracks. The Marine Corps quality of life in those are better than they've ever been since I've been a Marine. But they'll begin to erode. Our training ranges will begin to erode.

So I am concerned about that. But I have a near-term requirement for the nation, and that is to be America's crisis response force. So we are meeting that. And I want to be clear that we will continue to meet that, but we're eating the seed corn back here.

With regards to the Marines themselves, 52 percent -- 52 percent of 193,000-plus Marines on active duty today are on their first enlistment. Which means the bulk of the Corps, the bulk of that are somewhere between 18 and probably 22, 23-years-old.

Senator, they joined the Marine Corps to deploy. They joined the Marine Corps to go from one thing, reset, wash their clothes, re-pack their gear, and then go again.

When I traveled around in Afghanistan, there's a classic case. It could be 110 degrees in Afghanistan. You're talking to Marines that haven't had a bath in a month. They're just eating tray rats if they're lucky. And you say, OK, Devil Dogs, what do you got? And they'll go, sir, when am I going to get to deploy again?

So the morale of the Marines themselves is high. The stress -- we don't look at the stress of the multiple deployments and go, oh God, this is terrible. We don't do that. Marines don't do that. They actually want to deploy.

This budget, this 175K Marine Corps that we are building, will be on a one-to-two dwell, which is what we've been on now for about the last five to six years.

The young Marines like that because they don't want to -- they want to go to West Pak, they want to go to Australia, they want to go Africa, they want to go to Europe. A little bit harder on what we call the career force -- you know, the majors and the gunnery sergeants and that.

So there is going to be stress there, sir. But -- but the Marines are a happy lot right now. The equipment piece, the sustainment back for those that are not to deploy worries me. And that's what concern me probably the most.

KAINE:

Thank you.

Thank you, Mr. Chairman.

LEVIN:

Thank you very much, Senator King.

Senator Wicker?

WICKER:

Thank you, Mr. Chairman.

And to all of our witnesses, thank you for your service and thank you for your testimony.

I have a letter here that my colleagues received from a group of 20 retired Marine Corps generals, including former Commandant General Conway and former (Inaudible) Commander General Mattis. The letter from this distinguished group highlights concerns about our current 30-year shipbuilding plan. And we've talked about that earlier today in the testimony.

I look forward to receiving your plan next month. As you know, not having a stable and predictable shipbuilding plan creates a ripple effect that extends beyond the demise of our defense-industrial bases.

Mr. Chairman, I ask that this letter be entered into the record at this point.

LEVIN:

It will be.

WICKER:

Let me quote from it.

"Experience over the past decade demonstrates that the demand for amphibious warships will not decrease. These Swiss army knives of the sea have proven to be much more than just troop transports. Their versatility and interoperability with our allies have repeatedly caused them to serve as the cornerstone of America's visible forward presence, projected metered power and response to crises ranging from non-combatant evacuations and humanitarian assistance, to direct military intervention," unquote.

Admiral Locklear, our PACOM Commander, testified before our Committee on Tuesday. He stated that we have insufficient amphibious ships to meet the current global demand.

So this is a concern to me and other members of the Committee. So here's my question to you three gentlemen, and we'll start down here with General Amos and -- and go down the table.

In this fiscal austere environment, if sequestration level cuts to defense spending persist beyond 2016, what sort of gap will these cuts create between America's Asia rebalance strategy and maintaining a presence in Europe? What gaps are we seeing today regarding the right number and type of ships required?

General Amos?

AMOS:

Senator, thank you. We have a gap right now in the Mediterranean. In the late '90s and early part of 2000s, we had our groups, Marine amphibious ready groups, in the Mediterranean all the time. Quite frankly, we just -- we don't have them. We don't have them available right now because they're spending their time in the central command area of operations -- of necessity.

There's no question that we would like to have more amphibious ships. I made this statement publicly a couple of times. I'd like to have 50-plus amphibious ships. The demand for steady-state operations all around the world would indicate that that's probably somewhere around the right number. 50-plus.

But we simply can't afford it because it's capital ships and they cost a lot of money. So that's -- that's the reality that Admiral Greenert and I and the Secretary deal with with a \$14 billion a year shipbuilding account, trying to figure out how you cut that and parse that out.

So the truth of the matter is...

WICKER:

50 -- is 50 your requirement, sir?

AMOS:

Pardon?

WICKER:

Is 50 going to be your requirement?

AMOS:

Three-eight is the requirement for forcible entry, Senator. But the steady-state requirement for day-to-day operations the world is something well above that.

And -- and it's in the 50s. But it's impractical and we're not going to be able to afford it. Can we get more and should we get more than what we have? And the answer is yes. It's a function of where we're going to get the money, Senator.

WICKER:

Mr. Secretary?

MABUS:

To pick up on what General Amos was saying, for forcible entry, the requirement, and that's to do the war plans, the requirement is 38, but Marines and Navy have agreed that because of budget constraints, it can be done with 33, as long as you have 30 of those available at any given time.

But as General Amos, and as the CNO will reiterate, the steady-state requirement, the things that the letter mentioned, things like humanitarian assistance, disaster relief, engagements with our -- with our allies and with nations around the world -- that number is certainly greater than 38.

MABUS:

It -- it ranges from a low probably of 45 that the CNO has talked about to -- to above 50, that General Amos just mentioned. One of the things we're doing to try to mitigate that is using other types of ships to do the things that -- to do certain missions that amphibious ships have done in the past, joined high-speed vessels to move Marines and equipment rapidly across wide areas. Afloat-Forward Staging Bases and mobile landing platforms to be the sea base with the afloat-forward staging base.

And we're asking for -- our budget has another one of those, an additional one of those in '17; to have different ways to move Marines to get Marines to where they need to be, to do the engagement, to do the humanitarian assistance, to do the disaster relief, that amphibs do so well. But because, as the general said, they are such capital-intensive ships, we're looking for other smaller footprint, more affordable ways to do this. But to meet steady state requirements, we would need a good many more of all types of ships.

GREENERT:

Senator, I think you have one of these chartlets in front of you. And on the back in the lower right-hand corner, I kind of summarize, this is what's going to happen to your shipbuilding plant at the Budget Control Act level. We'll probably have to cancel three destroyers, a submarine, the carrier we talked about. And as the secretary mentioned, a ship called and Afloat-Forward Staging Base, currently built on the West Coast, but these things can be built in other shipyards, too.

I agree that there's kind of request, require and reality. The request out there for ships to do -- I'll call it expeditionary things, because if we try to do it all with amphibs, we'll do one of two -- well, we won't get it done and we'll wear them out, and that's what we're doing today. We are wearing our amphib ships out. That letter probably addresses that pretty well that you mentioned.

I agree the requirement is 38, with an affordable 33, but our reality is we're at 29. And it will be difficult to hold that. But amphibious shipbuilding is a requirement of mine. I'm very concerned about it and it has a high priority. And my partner down to my left and I will work on that.

Other things we can do, we will continue the rebalance to the Asia-Pacific, because -- and the way to do that is to move ships forward, join high-speed vessels like the secretary mentioned, mobile landing platforms, and there's a picture of that up there. And to do the things with these ships that you might normally do with an amphibia ship. They don't do joint forcible entry. They do lower-end kind of things. So we have quite a conundrum. It will hurt the shipbuilding plan. We have to be judicious and innovative, but it still won't meet all the requirements in the future.

WICKER:

Well, thank all of three for your answer. And my time is gone. But Admiral, if we look at the difference between requirement and reality, and we stick with what you view now as reality, you say that we're going to wear these -- that we're wearing these ships out, are there any other consequences that this committee needs to know about?

GREENERT:

It'll wear the people out, and I worry about that more than I do the ships. You can build ships in less than a decade probably with money. If you got the industrial base, that's a problem. But it'll take you more than a generation if you wear this force out and we've seen this before and we lived it twice -- after Vietnam and in the '90s.

WICKER:

Thank you. And thank you all.

LEVIN:

Thank you, Senator Wicker.

Senator Blumenthal?

BLUMENTHAL:

Thank you, Mr. Chairman.

Thank you each of you for your extraordinary service and thank you for being here today and very helpful testimony. Let me ask, if I may, Secretary Mabus and Admiral Greenert, as the requirement for the Ohio-class replacement draws closer, what can we do in Congress to make sure that we accomplish this mission? I know you're going to say money, but in what form, over what period of time and what amounts do you think are necessary to guarantee that we do the Ohio class?

MABUS:

Sir, I'll take a very quick crack at it and turn it over to my submariner CNO here. We are exactly on track now in terms of the early engineering, the research and development that need to happen for the Ohio-class replacement to come online in 2029 when the first ship will need to go on patrol. The big milestones that are coming, we have to start buying advanced procurement in 2019, we have to start construction on the first one of these in 2021. And so the amounts of money will go up pretty dramatically in that timeframe.

The common missile compartment that we are developing now with the British, has to be ready earlier because the British submarines we'll put to sea before ours, their replacement for their strategic deterrent. And so we have to have that capability ready so that they can do the early testing on that.

In answer to an earlier question from Senator Reed, when those additional amounts of money, very substantial additional amounts of money become necessary in the early 2020s, if all of that comes out of a steady dollar number Navy shipbuilding account, we will keep the Ohio-class replacement on track. What we will do is we will devastate the rest of the shipbuilding, attack submarines, our surface force. And I don't think that is an even that anyone wants to see happen. So I think that there has to be a serious discussion about how do we pay for this once-in-a-generation replacement of a strategic deterrence, because some of these Ohio-class replacements are scheduled to be at sea until the 2080s, in order to keep from just taking our fleet down to where we cannot operate and do the missions that our country requires us to do.

MABUS:

Thank you.

Admiral?

GREENERT:

Secretary Mabus did a pretty good description there. We need a predictable budget and on time. When we have a continuing resolution, as you know, we can't do what's called New Start. So things you want to start during that fiscal year, you can't. So we are building up engineers. We're doing the computations now and the design, so that when we reach 2021, we have all the detailed design and we can start building. Because remember, we slipped at two years. Well, we said, well, if you're going to do that, when you start building it, you better have all the detailed design down, because 2031 armed patrol is not waivable, sir. So predictable and on-time budgets. And there's two elements undergoing in this design phase. One is, of course, the Navy part, the DOD part. But then there's the NNSA, the Department of Energy part to help us with the reactor and the uranium and all to make it a life-of-the-ship core, concern about that. And those need to come together with that -- working with the UK, as the secretary said. Thank you, sir.

BLUMENTHAL:

Predictable and on time, which is what the sub- building program has been, very proudly, for Connecticut where we make them. But I thank you for those answers.

Let me ask you, Mr. Secretary, I know that you're considering some initiatives in terms of reducing tobacco sales at exchanges. and I think those kinds of changes in tobacco consumption or the incentives surrounding them could be very important for health of the men and women under your command. Could you describe a little bit specifically what you're planning to do?

MABUS:

Sir, we're looking at several things to do. We have the fittest force ever. We know that tobacco hurts that fitness. We know that we spend far more money in health care than the exchanges making profit from tobacco sales. So we're looking at a range of options that, hopefully, we will be able to come forward with, fairly soon. We want to build on what has been done in the submarine force. Smoking was banned on submarines in January 1, 2011. And we have a fitter submarine force because of that.

But we know the dangers of tobacco. We know what it does to the fitness of our force and we are looking at a good number of initiatives.

BLUMENTHAL:

And you already have a cessation program -- I think it's called You Quit or something like that -- which I think is also commendable.

MABUS:

We have a pretty aggressive cessation program, and we will continue to make that available to our sailors and Marines to help them -- to help them quit this addiction.

BLUMENTHAL:

Let me ask finally about the tuition assistance program. I'm somewhat disappointed to see that -- if I'm correct in my reading of the -- the budget -- that both the Navy and the Marine Corps are reducing available funds. The Navy cuts are about \$25 million, and the Marine Corps has proposed cuts of tuition assistance over 67 percent, from \$45 million to -- in F.Y. '14 -- to only about \$15 million.

I don't need to -- to tell any of the leaders at the table today how important this program is. And I wonder whether there is something we can do about it.

AMOS:

Senator, the -- it's a little bit misleading, the numbers. We have \$15 million in the '15 budget for tuition assistance. And what we've done now is, we're trying to figure out how we did in '14. We had the \$44 million in there. We didn't -- as I recall, we didn't use it all. There was a -- so, there was a usage issue, so we're trying to capture as much money as we can so we don't waste it. So, we put \$15 million as a place holder in '15. And we've agreed that, internally with my budget head, that we will then feed that account with -- with quarterly offsets, as we -- as we adjudicate our budget as it goes through the year.

So, the Marines will -- will not fall short on tuition assistance for the remainder of this year. We're going to pay 100 percent of it. What we have done, though -- truth in lending -- is, is that we've said that for the first two years of a Marine's life, you're not eligible for tuition assistance. You should be worrying about your MLS credibility and learning to be a Marine and learning about your unit. And then from the third year on, then they're eligible for tuition assistance at 100 percent reimbursement.

GREENERT:

Senator, that one got by me. My intention, in talking to my chief of naval personnel's -- defunded 100 percent. We'll work that out in the budget execution. But I want to look closely and make sure our kids are -- we have a process to sit down and put together a good plan with them so they know what they're taking, why it is, what's it going to do for them, and make sure what they're signing up for are credentialed, respected universities, or colleges, or whatever trade schools, that get them something relevant when they complete service.

BLUMENTHAL:

Your responses are very reassuring and welcome. And if there's anything that we can do to make possible full funding, I hope you'll let us know.

Thank you, Mr. Chairman.

LEVIN:

Thank you, Senator Blumenthal.

Senator Blunt?

BLUNT:

Thank you, Chairman.

Thank you all for being here today. And, General Amos, thanks particularly for your great service. And we may not see you again in this particular setting, but I know we'll continue to rely on your advice and your judgment on these issues as long as you're willing to give it. And I appreciate your service.

I'm sorry I missed the -- the Defense Approps hearing yesterday. I had another Approps hearing going on at exactly the same time. But I did look at what some of the comments were made there about aviation, which is what I think I want to talk about in my six and a half minutes that are left.

In terms of the electronic attack analysis, General Greenert -- Admiral Greenert, where are we in a -- a study that will provide what we think we need to know about what combination of aircraft works best together and what's the best way to approach that package of aircraft?

GREENERT:

We've done a Navy study. Our Naval Air Systems Command did a study, and we -- what we looked at was, you know, what's a good knee in the curve, if you will? Where do you get the most for the number of aircraft? We're talking about platforms and we're talking about the Growler. And right now, we have five Growlers in the squadron, and we looked and said, "You know, for the kind of packages we would have in the future to get joint assured entry against the kind of -- of the defenses that we would be up against in the future, you need closer to six, seven, eight." Eight is premiere -- something close to that.

So, now, what we want to do is look joint-wide. OK, that's good for us, but we are the joint provider for all electronic attack. We'll do that this summer -- look joint-wide.

BLUNT:

And will we have the -- the Navy analysis that you talked about? Will that be available to us before the markup that this committee would have? And what would that time be, Chairman?

End of May?

Would we have the Navy analysis? Not the system-wide analysis, but the Navy analysis? Is it available now, or will it be by sometime in May?

LEVIN:

No, it's -- it's available now. I'll take that as a follow-up for you, Senator.

BLUNT:

All right. And in terms of the Growlers that you brought up, when flying the Growlers together with other aircraft, you have a lot more electronic attack capacity? That would include the F-35 when that becomes part of the system?

GREENERT:

Yes, sir. Make no mistake, the F-35 has a good electronic attack. However...

BLUNT:

Right.

GREENERT:

... that's just one of its attributes. We'll need Super Hornets in that package for sometime well into the next decade. So, somebody's got to do the suppression. And the beauty of the Growler is, it has not only the anti-radiation missiles -- it can protect itself and the units -- it has extraordinary capability. And it isn't linear. You know, when you add another Growler, it's -- it's more exponential at what you get for that package.

BLUNT:

Thank you, thank you.

Secretary Mabus, on the F-35 -- the F-35B or the F-35C, but when does the Navy expect that to be operationally ready for combat? And I'm not asking initial operational capability. I'm asking when you would expect that to be operationally ready for combat?

MABUS:

Senator, as you know, the -- the B for the Marines -- the STOVL version is the first out of the pack. General Amos has followed that very closely. And we've stood up our first squadron in Yuma, and IOC would be next year in '15. And ready for combat, the threshold would be about six months later. That is...

BLUNT:

For the Marines. What about...

MABUS:

For the Marines. For the Navy, our -- the C version -- the carrier version is the last of the three versions to come online. We -- we are looking at about a 2019 IOC. And the threshold for combat operations, again, about -- about six months after IOC.

BLUNT:

So, sometime in 2019 or 2020...

MABUS:

2019 or 2020.

BLUNT:

... depending on when you get that to start with?

MABUS:

That's correct.

BLUNT:

And, General Amos, I know you're a former pilot -- an F- 18 pilot. Any comments on either of these questions would be appreciated.

AMOS:

Sir, I hope I'm not a former pilot...

BLUNT:

Exactly.

AMOS:

... I still get to -- but I do the -- the secretary's absolutely correct. That IOC, although it sounds kind of squishy -- that's 10 pilots, 10 crews, complete maintenance. Airplane's all set up, completely combat-ready. So, by -- by the late summer of 2015. So, if something should happen, and our nation should need to deploy a fifth generation capability, by the end of next year we'll have those capabilities to be able to do that.

But that squadron is scheduled to deploy to the Western Pacific in 2017. So, that'll be the first debut of a fifth generation airplane for the United States of America around the world, in 2017.

BLUNT:

And any -- do you want to give me any -- your sense -- and I -- former pilot fly -- quite quickly replace that with former AF-18 pilot. Any -- your sense of the diversity of aircraft that's necessary to perform the mission in the best possible way.

AMOS:

Senator, I think -- I think the way we're headed right now in the Department of the Navy is a great blend. We talked a little bit earlier. You're going to have fifth generation airplanes, which are highly stealthy. You have capabilities for information-sharing and electronic warfare in and of their own class. That will be what I -- what I would consider first -- I don't want to say strike aircraft, but first aircraft in a contested arena followed up by the -- the rest of the force, which doesn't have to be fifth generation.

So, I think we've got the right blend and the right -- the right balance.

BLUNT:

Admiral Greenert, on your underfunded priorities, back to your earlier comments, you had -- the unfunded priority for the Growler was 22. Could you tell the committee why you need those 22?

GREENERT:

Well, Senator, on our previous discussion, we looked at this study that -- which we'll get to you. And I saw the -- the electronic -- the electromagnetic spectrum is -- is a huge issue for us. Electro -- electronic warfare will be bigger and bigger. The capabilities are going to expand. They're not going to be less.

What we have today in the budget, as I looked at it, is -- is acceptable. It is the minimum. That would be five Growlers per squadron. But when I look in the future and I think of the study coming up -- studies never say, "Hey, guess what -- you have too much." All vectors pointed to needing more. The question posed to me was, "How -- what do you need to reduce programmatic and operational risk?" And to me, Growlers were clearly one of those.

BLUNT:

And I would think also, just as a -- my comment when we add the new plane, that's a very expensive plane, whatever you can do to protect that package, to use it in the most -- the most effective way would be a good thing for us to be sure we're thinking about.

I think the initial cost per copy of those planes if I -- if I divide correctly is about \$400 million a copy. So whatever package you have there should be the best possible package, not of the Growlers, but of the -- of the new plane.

GREENERT:

Yes, sir. As General Amos said, I agree with him. That's an extraordinary plane. It's fifth generation. We have to have it. It can go in by itself. It networks. It's got payload, range and all of that.

BLUNT:

Um.

GREENERT:

But, we have a whole air wing that has to come together, from the Hawkeye through the Growler to the Strike fighters. And, you're right, the Growlers will just enhance, the synergy will be expanded.

And, again, it's exponential when you add additional Growlers.

BLUNT:

Thank you.

LEVIN:

Senator Blunt. nator Hagan?

HAGAN:

Thank you, Mr. Chairman.

And to all three of you, I just want to say thank you so much for your service, the incredible job you're doing on behalf of our -- our country.

And, General Amos, I know we've got a lot of bases in North Carolina, Camp Lejeune in particular. And just I appreciate all of our Marines and what they do in our -- in North Carolina.

General Amos, I know Senator Blumenthal was asking a question on tuition assistance. I wanted to follow up on that, the tuition assistance benefit, because this is something that across the services, is a benefit that's a great recruitment benefit, retention benefit, and the outcome that it does for so many of our military men and women to help them get that college education by taking that one college class a semester on their own time.

And I guess my concern is the 65 percent cut that's being proposed, of almost \$30 million, would -- and including the cost-share arrangement, adding -- placing a 25 percent burden on the Marine, so I wanted to say, why such a huge cut, and also why putting that burden on a Marine?

And, I also understand that you're looking at changing the measures, so that the Marines would have to be in -- on duty for two years after the entered the service before -- to see how they're adapting to the military and how they're comfortable with their duties, but shouldn't we wait to see the effectiveness of these new measures, before we cut this benefit?

AMOS:

Senator, the -- we have -- we went from \$44 million in '13's budget -- excuse me, '14's budget to '15 budget, '15's budget, budgeting \$15 million. We're gonna fill the rest of that in throughout the year. It's a commitment. We're gonna pay 100 percent of a Marine's -- if a Marine signs up for a course and it costs X amount of money, we're gonna pay 100 percent of that. And it is true

So we'll add money into that pot through the annual execution of our budget. So, please understand that that will be fully funded at 100 percent.

It is true that we've set some criteria. We've set the criteria of two years. You have to have been a Marine on active duty for two years. And that's predominantly so that that young Marine is spending his or her time focusing on their MOSs, they're growing in maturity, they're understanding their unit, they're probably deployed at least maybe once, maybe even getting close to twice, so they're tightly focused on -- on being a Marine.

Once they get to enter their -- they just pass the end of the 25th month, then they're eligible for this.

And, as you know, once you get to the 36th month, then you're eligible for the Webb G.I. Bill.

So, Senator, I -- I think we've got the right balance here.

HAGAN:

So, you're saying you're not making the cut down to 75 percent?

AMOS:

We are not making the cut to 75 percent.

HAGAN:

Great.

And, Admiral Greenert, in the Navy, it looks like you've decided not to cut too, that you're gonna do 100 percent. But reported that you said you might eventually ask the sailors to put some skin in the game.

And the way I understand it, the average sailor using the tuition assistance benefit is an E-5 with eight years of service; 66 percent of them are married, with two children, and they earn \$33,000 in base pay.

And I guess, do they need to put more skin in the game, when we're talking about a recruitment and retention benefit like the tuition assistance?

GREENERT:

Senator, I don't know. I have to look at this closely. But I'm not ready to put skin the same, as they say, through '15. That's where I am.

I like the program. I'm more focused on making sure what they take is of value to them. Because, to me, this is not a lot of money. In fact, this is a good return on investment that we'll get, but, more importantly, society will get. Sooner or later, we're all gonna go out and do something else. I want our kids to go out there feeling confident that what they did here in the Navy accelerated their life and made them a better person.

HAGAN:

I thank you for that.

General Amos, I wanted to ask you a question about the Marine security guards. With the rise of the instability in countries like South Sudan, Mali and then, obviously, the Ukraine, the demands and the need for our Marine security guards in support of our diplomatic missions is obviously apparent.

And this, the Marine Corps' Embassy Security Group has, as I understand it, 1,300 Marines stationed throughout the world, at detachments, regional headquarters, and over 135 countries, supporting the Department of State.

The Marine security guard program is growing. How do you describe the relationship between the Marines and the Department of State?

AMOS:

Senator, I think it's legendary. Every time I, which is not often, but several times through the year, I go to the State Department for different functions and different meetings, and as I travel around and visit Marines at embassies, and I talk to the ambassadors and I talk to the charges, and I talk to the -- to the rest of the embassy personnel, I think it's legendary.

I think we train them that way. They're inoculated down at Quantico when they go to school that way, and very rigorous training. It's a hugely, highly successful program.

We have 163 diplomatic posts today, because some countries will have more than -- they'll have a consul and then they'll have an embassy, so 163 posts. We're gonna grow another 35 as a result of the NDAA, when we got the other 1,000 Marines.

And probably one of the -- one of the really, you know, fall-outs of the 1,000 Marines that Congress gave us this last year is we developed a Marine Security Augmentation Group, which is -- which are a squad of Marines, we've got a bunch of them, and we blow that balloon up or shrink it, and we send it to an embassy when an embassy is beginning to sense high threat.

When the president of the United States is gonna go into a country, the vice president is gonna -- is gonna travel, we'll send this augmentation unit. They're MSG Marines, they're trained in diplomatic skills, they have all the weapons skills, and they fold in on the Marines that are there.

And then, you know, once the crisis goes away or the threat goes, or, in this case, in some cases, the VIPs leave, we pull them out.

We've got -- we've deployed that now 17 times in the last year, since Congress gave us those 1,000 Marines. It's a huge success story.

HAGAN:

Then I also wanted to follow up on one of Senator McCain's questions, General Amos, and that is, will the F-35B still achieve the initial operational capability by July 2015th (sic)? And what's being done to ensure that the program stays on track?

AMOS:

Senator, the last part of your question is, the thing is being managed, not only at my desk, but at the program office desk at my, the head of Marine Aviation. I mean, to include Admiral Greenert and General Welsh.

There is an awful lot of oversight on this thing, a lot of people paying very close attention.

So paying more attention, I don't -- I don't know that that's possible. Now, we've got a great program officer, program manager right now, with Lieutenant General Bogdan.

And so, he's working through the nuances of this, trying to bring this new program in, which is very challenging.

So we are still on track, at this time, for a July initial capability of next year, for us.

But that's predicated on the software delivery, Block 2B, for us. We are -- the program officer is -- our program manager is moderately OK, thinking it'll make it.

If for some reason things don't fall in place, now, I'm not going to declare IOC in July of 2015. This is event-driven. But we're keeping the oversight and the pressure on the program. And I'm hoping and I'm anticipating a July IOC of next year.

HAGAN:

I appreciate that. Thank you.

Thank you, Mr. Chairman.

LEVIN:

Thank you very much, Senator Hagan.

Senator Ayotte?

AYOTTE:

Thank you, Mr. Chairman.

I want to thank all of you here for your leadership and for your service.

And I very much want to commend and thank General Amos for your distinguished service to our country and all that you have done for us to keep us safe. And please pass our gratitude on to your family, as well, for their sacrifices.

I wanted, first of all, to commend you, Admiral Greenert, as I understand -- I got a report from the Military Times that you were in Mayport last week, or recently, apparently, and were asked a -- was asked a question about our naval bases worldwide, and in particular, another BRAC round.

And as I understand it, you're quoted as saying, "People ask me about BRAC -- 'do you have the need?' And you said, 'Do you see a need for BRAC?' And I say, 'No, I don't.'"

I want to commend you for that; because as I look at our needs for our Navy right now, particularly the work being done at our shipyards, including the Portsmouth Naval Shipyard, they're booked out, in terms of their work.

And so, I'm not sure how -- if we were to go down a BRAC round, we could do what we need to do, in terms of not only the -- really adding to the fleet, but also maintaining the fleet in the way that we would need to.

I wanted to ask you -- the issue that I'm very concerned about -- as we look at the overall posture of our attack submarine fleet, as I understand it, you know, even without a -- without going down the sequestration road, we're in a position that the number of attack submarine fleets actually decline from 54 currently to, as we go to 2029, 42.

And as -- so, when we think, obviously, sequestration is -- is, I imagine, even worse. And I -- in fact, I -- I would like to hear what you would say about the size of the fleet then.

But in addition to that, just even looking at where we are, I'm concerned that with the two replacements of Virginia-class submarines, we aren't going to be able to meet all our needs in the Asia-Pacific region and other areas around the world. Can you comment on that?

GREENERT:

Yeah, sure, Senator. The -- we were -- I was under the ice last weekend with Senator King -- on the -- on a Virginia- class submarine, the New Mexico.

And it reminded me that we do own the undersea domain. We can go anywhere in the world with these things...

AYOTTE:

Right.

GREENERT:

They are absolutely valuable. But to your point, the Asia-Pacific will remain our priority.

So, I would say other regions of the world may have to take a backseat to that. But that still won't fulfill Admiral Locklear's requirement. He needs about -- I think it's 10-ish or whatever.

We get about 70 percent of what he can do. If we're under the Budget Control Act, if -- if -- caps, and we are sequestered, the back of this little chartlet shows you -- I don't see how we can sustain two Virginia-class a year.

And that's tough; breaks my heart to -- to lose the Miami. And I thank you for doing all that you could to help us, you know, maintain that. But these -- each is really hurt.

AYOTTE:

Yeah. No, that broke our hearts, too. And we were hoping, obviously, put the investment back into the Miami.

And I think that as we go forward -- that this is an issue I know that Senator King is concerned about, as well. But the fact is that the Chinese are investing more in their submarine fleet.

And do you think we can take for granted our supremacy underneath the seas that's so important to the protection of -- of our country, but also of our allies?

GREENERT:

No, ma'am. We -- we can't do that. We have today, and that's what's so critical. It would be a shame to lose it. So, I have to do everything I can to -- to maintain that.

Under the Budget Control Act caps, that's going to be very difficult. And it's more than subs, as you know; it's a network under there. It involves...

AYOTTE:

Of course it is.

GREENERT:

The -- the -- the P-8A; it involves net -- unmanned underwater vehicles...

AYOTTE:

Right.

GREENERT:

And -- and fixed systems. And -- and we have to do the research and development to do that -- to get at -- to stay ahead.

We are slipping and we will slip further. And I'm very concerned if we go to BCA caps.

AYOTTE:

Well, thank -- thank you, Admiral.

I also wanted to ask you, Admiral and Secretary Mabus, as Senator Donnelly mentioned, we were in Afghanistan, but then we were also in Ukraine on Sunday.

And one of the issues that was brought to our attention was the exercises by the USS Truxtun in the Black Sea. And, what I was hoping to really make the point to both of you is that I believe the presence there -- whether it's the USS Truxtun or other of our Naval assets -- is very important right now in terms of the signal it sends not only in terms of our support for the sovereignty of Ukraine, but as well as our signal to the Russians.

AMOS:

Yes Senator, we intend to remain on track for the exercise plan that we have, which we have an exercise usually with the Ukraine called, I think, Operation Sea Breeze if I'm not mistaken. We intend to keep that on track until further notice.

AYOTTE:

And I would say, I'm glad we're keeping it on track. We might want to consider increasing our exercises in that region as well. So I hope that's something that both of you will consider in light of what we see with regard to Russian aggression against the territorial integrity of Ukraine right now.

Our presence, I think, very much matters.

Thank you and General Amos, I wanted to -- you know, yesterday, I think, as you testified, we had General Paxton before the readiness subcommittee and we were talking about the size of our Marine Corps and one of the things that struck me that I wanted to ask you about today is if we go down to the 175,000 and that number -- what does that do in terms of -- you know, General

Paxton described yesterday that, if we have to fight a conflict, you've got -- as I understand it, that brings us down to a one-to-two dwell even if we're not involved in a conflict.

Isn't that right?

So let's say, we have to go fight a conflict, which none of us wants to do, but we always need to be prepared for, can you describe for us what that means, because I think the people need to understand that -- as I understand it, we're all in and we don't -- when we're all what that means.

AMOS:

Senator, that's exactly what it means. It means, we empty the bench of the active duty forces. I mean, we'll have folks back at home station. They'll be keeping the fires going back home. But, the combat forces of the Marine Corps are all in for a major theater war and will come home when the war is over.

Now, in the context of what else can be done around the world, we'd activate our 39,600 Reserves, and they'd come on. And they're very experienced now. They're an integral part -- they would form some of the shock absorber. They would become part of our combat replacements.

But, as far as other things going on around the world, the joint force then would -- you know, we're not the only service, as you know -- the joint force would then have to address that, but for a major theater war, for 175,000 Marines, we're all in Senator.

AYOTTE:

And I have supreme confidence in the capability of our Marine Corps. But, that's a tough operational tempo for the Marine Corps is it not, when we're all in like that?

AMOS:

Senator, the one to two for the steadies to wait -- steady state is not optimum. The optimum for all of us and what we've really been -- all of us have really been trying to get back to is a one to three. So you're gone six months, and you're home 18 months. It gives you time to reset, go to school, move new leadership in, train...

AYOTTE:

See your family we hope.

AMOS:

Yes, thank you. Families actually get to see their spouse and daddies and mommies. So one to three is the ideal thing. It -- it just is the right amount of tension and the right amount of I guess relaxation.

One to two we've been at now for at least five, six years. The young kids in the Marine Corps are youngsters. They're OK with that. That's why they joined. It's the career force that the one-to-two dwell begins to put pressure on. And those are the Marines that have been on active for 13, 14 years, have got a family, they're trying to get the kids in school, and think about high schools and stuff. It becomes hard for them, Senator.

AYOTTE:

Well, thank you, General.

I want to thank all of you. I just think it's an important consideration for us because we're talking about the career force, we're talking about the leadership within the Marine Corps and those that are providing the mentorship and the standards for our newer and younger members of the Marine Corps. So we cannot -- I'm very concerned that if we continue at that tempo, we're really jeopardizing our most precious asset, which is our men and women in uniform and our Marine Corps. We're very proud of them. And so I think this is an important consideration, as we look at the impact of sequester and even without sequester, there's serious issues here. So I want to thank all of you.

LEVIN:

Thank you, Senator Ayotte.

Senator King?

KING:

Thank you, Mr. Chairman. We all talk about a sequester. And I think we have to step back a moment and remind ourselves that the sequester was designed to be stupid. It was designed to never take effect. It was designed as an incentive to the Congress and the president to figure out how to deal with the necessity of getting our budgets under control. I call it the Wile E. Coyote theory of budgeting where we throw an anvil off the cliff, run down to the bottom and act surprised when it hits us on the head, and that's exactly the situation we're in now. And I just think we got to step back and say, wait a minute, this isn't the way it was supposed to be. Senator Kaine said, we didn't take an oath to the sequester. Our obligation is to figure out how to replace the sequester. And I think that's something that we all need to set ourselves as a goal -- over the next year, we've got the Budget Act in place now. We've got a little bit of breathing room. But instead of relaxing and saying, oh, we're going to have to deal with the sequester in 16, we ought to figure out how do we replace it. And the Budget Control Act contemplated that. It instructed that. And we haven't been able to do it.

Now one follow-on question. How could you -- could you live under the Budget Control Act caps, without the sequester? Secretary Mabus, how does that world look? If you take away the sequester, there's still those caps that were imposed in 2011. Is that an adequate level of funding to meet the requirements and the needs of the United States Navy over the next eight years?

MABUS:

Senator, it's far preferable to sequester. And I think that the thing that Senator Kaine talked about is the president's budget going forward is about half of the sequester, which is about what the BCA caps would be. We would have some risk, but we wouldn't be able to perform the missions that the country has given us both from the Navy and the Marine Corps. The Marine Corps under that scenario would stay at 182.1 almost certainly. The Navy and our shipbuilding plan would stay on track to get to the fleet size that we need with the right mix of ships.

So the president's budget that was submitted in 415 and then on out for the outyears, I think, I haven't seen exactly the lines as they go along, but is about where those caps would be.

KING:

I think we should take our obligation to meet the caps, but to deal with the sequester as the Budget Control Act contemplated in August of 2011. Let me move on for a minute. I just want to thank Secretary Mabus and Admiral Greenert for your work to move forward with the fifth destroyer, which is going to be built up in Maine at Bath Iron Works. It's, as you know, it'll probably be the cheapest ship in the whole series. And it's important to us, it's important to the people of Maine. We're very proud of that shipyard and proud of the work that they're doing.

And Mr. Chair, on April 12th, we're commissioning the Zumwalt, which I've seen under construction now. And it's one of the most amazing ships, I think, in the world. And I would certainly invite members of the committee and anyone else to join us in Bath, Maine on April 12th. That's going to be an extraordinary day. And that ship -- I talked to somebody the other day who crossed the bridge at Bath and looked back and said, what is that ship that they're building out there. It is an amazing piece of military equipment. And of course, my hope is the Navy is going to like it so much, they're going to want half a dozen more. But that's a discussion for another day.

Tradeoff between personnel costs and readiness. We had a hearing yesterday on the Personnel Subcommittee of this committee. And I think we need to remind ourselves that within the budget constraints we're talking about, this is a zero-sum gain. And if you aren't able -- if you don't make the personnel reductions that you are talking about, that's \$2 billion a year that has to come out of readiness.

General Amos, is that the way you see it?

AMOS:

It is, senator. The -- even -- there's a difference between reducing the personnel costs and reducing personnel. When I reduce personnel, I go to 175, they'll be less overall cost in my budget for people.

KING:

Right.

AMOS:

But my proportional part of the budget for people will also go down. But it's the compensation piece inside of each one of those young Marines that I need to get adjusted downward.

KING:

And what I asked at the Personnel Subcommittee was to get a figure from the Defense Department on the growth of personnel cost, per capita, as opposed to overall, because if it says, yes, it's only 50 percent. But if you're down 100,000 or 150,000, then that masks the increase of cost per person. So I'm searching for that data. But the other piece is, as you said earlier, if we don't make savings like this, then it has to come out of your readiness budget.

AMOS:

Sir, I think it's -- maybe I can state it just a little bit differently. What worries me is that if we don't get this under control then over time, we will become an entitlements-based Marine Corps instead of a war-fighting based Marine Corps. We exist for only one reason, to fight our nation's battles. So we've got to rebalance this. We can do it. We can do it within reason. We can do it with keeping faith with our Marines and our sailors, but it's got to be rebalanced. Because I exist through the nation's bidding, not to become an entitlements-based Marine Corps.

KING:

Well, I think it's important that in the figures that we were given, it's 2.1 billion in the first year. In this budget year, the savings from these personnel changes, but something like 30 billion over the next five years. So this is a significant number. Now of course, we -- there is a commission, as you know, on compensation. The inclination is to wait until that happens. But if we do, that makes it a year later that we make changes that are necessary to provide more funds for our troops' readiness.

Secretary Mabus and Admiral Greenert, the Navy recently released the Arctic Roadmap. And as the Admiral mentioned, he and I were on the U.S. New Mexico this past weekend 400 feet under the Arctic ice which was an extraordinary experience. I have to say, Admiral, that my wife said, what was your major impression of the trip. And she expected me to say the cold or the ice or the ship or the nuclear power plant. It was the people on that ship. Those young men on that ship were amazing. And particularly -- I was particularly impressed by the enlisted people that worked their way up through the ranks. And they felt it was their machine, and they were so proud and patriotic and idealistic. That was a tremendous experience, and that was my overall impression.

However, the Arctic is opening up. It's essentially a new ocean. Admiral Greenert, what does that mean for us in terms of naval assets, because you've got the chart here, and there's nothing up here. What do we have to be thinking about in terms of naval assets? And I know it isn't within

your bailiwick, but we only have one icebreaker in the whole shooting match of the United States Government. That's a 40- year-old Coast Guard icebreaker that's powerful enough to go up there.

What do we need to be thinking about, as the Arctic Ocean opens up?

Greenert: Well, Senator, there's -- I've got -- working with my oceanographer and with the Coast Guard and my staff, here's the way we're approaching this. Number one, just when is it ice-free and where is it ice-free, and we need to figure that out. So we went to 2025. A good bit of the icecap that we now know will be ice-free. Well, what does ice-free mean? Well, that you can take a normal ship that doesn't have to be ice-hard and a commercial ship and you could go through some of the other sea lines of communication, if you will. Well, where are those? Number two, where are these sea lines of communication? You have the Northwest Passage, not really highly traveled, sort of shallow. Then you have the northern route. Well, that goes up near Russia, fairly deep. How often is it open during these summer months? And then you have a polar tract.

So how deep is the water, because that draft for the big ships that would make it commercially viable, that's important. So we're analyzing that, talking to industry, Maersk, and others that do that. So that's number two. Number three, is there a threat? Is there a threat such that we need to be up there or is this no different from, say, the South Atlantic or somewhere where you just travel? And you say, OK, just travel. And then -- and we need to figure that out. So my people are analyzing that.

And then number four, what kind of agreements do we need to make if there is an issue? Are there sovereignty claims that we need to settle down with and talk about? We were in staff talks with the Russians and we want to continue that when we're ready to do that. The Chinese have joined a group. They're interested. So we want to talk with the -- what I call the community of nations who are interested in using the Arctic. Obviously, Canada, obviously, all the Scandinavian countries in Norway. Those are all in progress.

From that, we'll become a global force management demand signal, if you will, as to what we need up there. Today we average one submarine, oddly enough, in that upper Arctic region.

KING:

Thank you.

Thank you, Mr. Chairman.

LEVIN:

Thank you, Senator King.

Senator Cruz?

CRUZ:

Thank you, Mr. Chairman.

Admiral, General, Secretary, thank you for being here. Thank you for your service to our nation.

Secretary Mabus, I'd like to talk some about the proposed reductions to our military in the context of alternative avenues for cost savings. The army right now is planning on reducing its size by six brigade combat teams by 2019, according to this year's budget request. And those proposed cuts concern me greatly. The Department of Defense continues to spend billions of dollars on alternative energy research and programs at DOD that I think are far less essential than maintaining our readiness and ability to defend our national security interest.

For example, the Navy spent \$170 million on algae fuel, which costs four times as much as regular fuel, which means potentially \$120 million was spent unnecessarily.

And -- and even in these tight budgetary times, the Navy budget now contains nearly \$70 billion in this year's budget for a request for the Navy energy program which funds research and development activities such as the algae fuel research program.

And -- and the first question I wanted to ask is instead of buying algae fuel, which even the National Research Council says is currently not sustainable, the Department of Defense could instead field nearly a battalion's worth of active duty soldiers or even more National Guard troops.

And Secretary Mabus, I would welcome your views, in light of the threats we face, whether you would support more Army infantry troops instead of money spent on algae fuel.

MABUS:

Senator, now is exactly the time that we have to -- have to diversify our energy sources. We're facing in Navy in F.Y. '11 and F.Y. '12, we got an unbudgeted \$1 billion increase in fuel costs for each year. \$2 billion that we had not budgeted for because of the spikes in the price of oil.

The -- if we don't get a American made, more stably-based source of fuel, if we don't get some competition into the fuel, we're looking at fewer soldiers, fewer sailors, fewer platforms. That's exactly why we're doing this.

The \$170 million you mentioned is not for algae fuel. It is for alternative fuels. And you'll be happy to know that we now are working with four companies that will -- that are obligated to provide us with 163 million gallons of biofuel at 2016 at less than \$3.50 a gallon.

So we're not going to buy any alternative fuels that aren't absolutely price competitive. But if we don't do this -- because oil is a global commodity. Oil is traded globally. And every time there's something happening in the world, every time you have somebody threatening to close a strait, or just instability, oil traders add a security premium.

And every time the price of oil goes up a dollar a barrel, it costs our Navy and Marine Corps \$30 million additional in fuel. So now is exactly the time that we have to do it or we will face more cuts just like the type you were talking about.

CRUZ:

Now your -- your comment was that we needed an American produced energy source that was stable and reliable. And as I'm sure you're aware, we're in the midst of an energy renaissance right now where the United States is on track in the next few years to become the world's top producer of natural gas, and a few years later the world's top producer of oil.

Is it your view that the Department of Defense is going to somehow revolutionize the study of algae or alternative energy? Is that really the core function of the Navy, and at a time when the Navy is proposing, for example, cutting 5,000 Marines, eliminating two Marine infantry battalions?

Now obviously your job is to prioritize. And my question is which is a higher priority, preserving those two Marine infantry battalions or continuing to research algae fuel in the hopes that -- that somehow the world energy market can be transformed by the Navy's research?

MABUS:

Well to start with, I'm very glad that America is increasing its production of oil and natural gas. But oil is a globally traded commodity. And even if we produce as much as we can meet -- and the military's going to go to the head of the line in terms of -- of fossil fuels or any other kind of fuels.

We are -- we -- we are dependent on the world price. And that's what's been just skyrocketing our fuel costs. That's what I talked about about a more stably-priced American produced version. We're not researching algae, Senator. The research has been done. The production is there. We are moving toward changing the way we use fuel. We're doing energy efficiency as well.

If we don't do these things, the cuts that you talked about -- and you're absolutely right. You have to set priorities. This is a priority that will save ships. This is a priority that will save Marines, and it is a priority that will save Marine lives.

LEVIN:

Senator Cruz, if I could interrupt because there's votes on here now, I'm going to call -- Senator McCaskill will follow you, and then she's going to have to vote. And Senator Hirono is here as well.

We're going to -- if there's no one here when they're done, we will recess for 10 minutes because I will be coming back. So when you're done, Senator Cruz, you have about another half minute or so, we'll then go to Senator McCaskill.

CRUZ:

Very good. Thank you, Mr. Chairman. My final question is this.

In appearing before this committee, Secretary Hagel responded to this same line of questioning. And he characterized the algae fuel program and also programs such as a wind farm in Alaska that was built where there's no wind as "luxuries." Now from your testimony today, it sounds like you don't agree with Secretary Hagel's characterization.

And so I would welcome your views on whether you think he's right or wrong that these programs are luxuries, and whether the priority -- in my view the priority, the number-one priority, should be maintaining readiness and the capacity to defend our national security, which means the soldiers, sailors, airmen and Marines necessary to protect our interests, and that should be prioritized above luxuries. Do you agree with that or not?

MABUS:

I absolutely agree that the number-one priority ought to be readiness, and that's why we're doing the alternative fuels.

CRUZ:

And do you agree with Secretary Hagel's characterization?

MABUS:

Senator, I didn't hear Secretary Hagel's characterization But I'm confident that in these energy terms that -- that he did not state that -- that they were luxuries.

CRUZ:

Thank you.

MCCASKILL:

Thank you. Thank you all for being here today. And I know you have gotten plaudits today, General Amos, which you deserve for a career that should make every American proud of you and those Marines you love so much. And if anybody doesn't know that General Amos loves the Marines, talk to me. He loves the Marines.

But I want to give a shout out to Bonnie. I think that one of the things that happens, so many of you come in front of this committee that have had incredibly long service and have done all kinds of sacrifices. And I'd like to have a hearing some day and just have everybody's spouses up here.

Frankly, we could learn a lot about the good, the bad and the ugly of our military. And I would love the opportunity to have them sitting there to thank all of them. But please give my best to Bonnie and thank her for the important role she's played in helping you lead the Marines.

AMOS:

Thank you, Senator. And I'll be happy to tell Lynn and Mrs. Greenert that you'll -- and Bonnie that you'd like to hold a hearing for them.

MCCASKILL:

Well I don't -- they probably wouldn't think that was a love note. So I -- I don't know that that's a good idea. Let me talk first about the Growler, Admiral. I know that Senator Blunt covered it with you about the Growler capability.

I noticed that it was put in the unfunded priorities. I'm curious as to what was the analysis that went into a request for these additional Growlers in terms of airborne electronic attack issues.

GREENERT:

The analysis was looking toward the future air wing, the lay down of the aircraft that we intended to have, really capability starting from the -- the Hawkeye, which is the manager. That's the radar plane. And then what would we have for electronic attack in our strike fighters.

Look forward the future. Today what -- what do our potential adversaries have out there, and what are they proliferating? It's not just one. These systems are proliferating, and what are they made up of? And so what kind of threats would we have in the future for what I call joint assured entry?

And so when doing that, we realized, you know, we're at bare minimum right now. Yes, we are at requirement. But -- but if some -- if this is going to grow and -- and this line is shutting down and this capability is not available and we are the entire department source, I felt the opportunity existed to reduce risk operationally and reduce risk programatically. It's time to act.

MCCASKILL:

Well I appreciate that. And I think, you know, this is one of those moments. You have these moments because all of us are, frankly sometimes appropriately, accused of parochial concerns. This is a time that I almost wish I wasn't from St. Louis because I think -- I'm afraid that my advocating for this very important aircraft could be seen as parochial.

In reality, Admiral, what I'm asking you is this in fact should be a national priority, not a parochial priority.

GREENERT:

Well, it -- it is certainly a department priority because we provide all electronic attack -- airborne electronic attack. And so again, there's another study coming. So I couldn't use that for analysis, but we looked at the last, and you've seen many of these. They don't get smaller. And the future in the electromagnetic spectrum is expanding dramatically.

MCCASKILL:

It's going to explode. I just can't imagine that this isn't going to be one of our highest priorities in terms of our readiness and capability for decades to come because of -- of the potential that's there.

I also wanted to talk to you -- it made my heart beat a little faster, Secretary Mabus, when I read your opening statement for the hearing today and I saw you talking about your estimated savings on contractual services alone of more than \$2.5 billion. You know you're playing my song.

MCCASKILL:

I have worked very hard on the contracting piece and I've seen that you're going to have \$15 billion of savings over five years in terms of contractual services. Do you -- is most of that attributable to cutting programs or is most of that attributable to more aggressive contracting practices and getting a better bang for our buck?

MABUS:

Door number two.

Senator, you and I are both former state auditors. My father was probably the cheapest human that God ever saw fit to put on this Earth, and I am his son. We -- what we have done -- we spend \$40 billion a year on service contracts -- more than we do on acquisition. And so, we decided to take a close look at it. And we've set up things like contract courts to have every contracting officer every year bring in their contracts and justify them.

We have very senior oversight now of -- of all contract activities. Some of these contracts just go on and on and get renewed, whether they're -- whether they're needed, or not. And we are absolutely confident that we can save the \$2.5 billion a year, and we're hopeful that we can -- we can do better than that.

This is an area that -- it's hard. It's not -- it's not just as obvious as cutting a program. But it's where very large amounts of savings can be had. What -- what we are getting to is the ability to track a dollar from the time it is appropriated by Congress all the way through the process to what you get in that contract at the end for that dollar. And it hasn't been an easy process, but -- but we're -- we -- we're a long way down the road, and we're absolutely confident of the savings.

MCCASKILL:

And this -- these are the kinds of savings that are -- it's just money in the bank for all the needs we have. So, I hope there are experiences in doing this, and how you've done it. I hope you certainly take it to Secretary Hagel so that we can have some joint activity around what you -- the processes you're using, and what you've learned in the process. Because I know that there is still -- while I join with, I think, every member of this committee with grave concerns over the notion that we would get back into a sequestered environment and what it would mean to our military. At the same time, I know there's still some squeezing we can do, especially in that contract arena.

Secretary Amos, I've got to go vote, but I don't want to leave without recognizing the -- the survey that was taken in the Marine Corps that has not gotten very much attention. In 2011, you conducted in the Marine Corps a survey on unwanted sexual contact. And then you did another one last year that the Department of Navy did, that measured prevalence of unwanted sexual contact.

We -- you -- we found that it went down between 2011 and 2013. It decreased both for men and women from 2011 and 2013. Now, I know that's because of a lot of factors. A part of it is that we are all working harder at it. I think the work that this committee has done has made a difference in terms of the environment in raising this problem to the very top of everyone's list. I also know we've had an increase in reporting.

So, that's -- that's the goal: decrease in incidents, increase in reporting. And it looks like it -- for -- for at least this year, we're on that track for -- for your service. I -- I want to make sure that -- that -- I recognize that I know you're -- you're working at it very hard, and I just wanted to point out that we do have both of those things going on right now -- an increase in reporting and a decrease of incidents. And I think that's -- that's very important.

AMOS:

Senator, thank you. There's enormous -- as you say, an enormous amount of work and attention being paid from the very senior level, to include the this committee, and our president. And my service secretary is absolutely committed to this thing, as are -- is the chief in A&O operations and myself. I mean, there -- this is -- this is -- we've got a lot going on. There's -- I guess you could probably say there's a lot of job ones, but this is one of those job ones that are really, really, really important.

We're a little bit more than two and a half years into our campaign plan. Excuse me, we're just about two years into our -- into a campaign plan we launched in July of 2012.

The vectors are encouraging. Nobody's dancing in the end zone in my service right now. We've got a lot of work to do. And so, we're -- we're going to stay at it, Senator. You have my word on that.

MCCASKILL:

Well, I know you will. And -- and just as I think everyone in leadership in the military knows that I'm not going anywhere. And this is going to be something that I will continue to -- I have joked with some people, I was accused of coddling the command during this debate. And I said, "I think people have not been coming to the Armed Services hearings." Because I don't think that would be the way they would characterize typically the -- the aggressive questioning that sometimes I engage in, in order to make a point, and hopefully, make positive change for the military that we all care about so deeply. And for -- for more importantly, for the men and women who serve nobly and courageously. And I thank all of you for being here.

I know that members are coming back to ask questions. If I don't go now, I'm going to miss this vote. So, I'm going to recess the hearing briefly. And then, I'm sure the chairman will be back momentarily to continue the hearing.

MCCASKILL:

Thank you.

(RECESS)

LEVIN:

Come back to order.

I don't know if any colleagues are going to be coming back, but if their staff is here, let them know that I only have a few questions and then we will adjourn, unless I have notice that a colleague is coming back.

Admiral Greenert, first you made reference to an unfunded priority list. And when will that list be coming in?

GREENERT:

Chairman, it's -- it's due by the 18th of April. I'll -- I would like to have it within two weeks.

LEVIN:

All right.

Now, we -- we also got -- I think an unfunded list from the Marines. Is that correct?

AMOS:

General, we have a -- there's an unfunded priority list, which will be forthcoming from the Marines, as well.

MABUS:

Yes, sir. It'll all come in here shortly.

LEVIN:

At the same time? Will they come at the same time, generally?

MABUS:

Yes, sir.

LEVIN:

OK. And then we will also expect a list from the other services as the practice is.

Admiral, I -- I wonder if you could tell us about the efforts that we're making relative to Malaysia Flight 370, if you're free to tell us that.

Can you tell us what ships are steaming in that direction -- what area they're going to or what their mission will be? And I guess we'll -- we'll start with that, if you have that information.

GREENERT:

When -- when the plane went down, we steamed a ship -- the -- a destroyer that happened to be in the area; that's the goodness of being where it matters, when it matters -- the Pinckney. And then we had another ship just a few days later, the Kidd.

Both of those ships steamed in the area until released. And they were released within about five, six days. Because it was determined -- when there became uncertainty as the location, they said, "Look, we need to do an aerial search so we can do this."

So, although we had aircraft there at the same time and a more -- I'd say organized, or say a laydown -- organized laydown, we had a P-8 -- which is our maritime patrol -- our new one -- and a P-3 searching in a northern and a southern region.

When the area shifted now to just a southern region, we are now working with the Australians and we fly one of our maritime patrol aircraft daily.

LEVIN:

So, are our ships going to go to the area where that debris field has been identified? Or is -- are we just going to rely on our planes, in terms of our contribution?

GREENERT:

Our contribution -- when tasked, we will go to the debris field. I'm not familiar right now with which ship.

We've agreed to provide a sensor -- it's a pinger sensor, effectively, using remote. And so, we'll deploy that from a ship.

So, there'll be -- as a minimum, an auxiliary ship of some sort that we'll go down there -- and I'll take that for the record and get you a synopsis of that.

LEVIN:

As of right now, there's been no specific area where we have assigned our ships -- ships to go, as of right this moment?

GREENERT:

Other than the one that would tow this search for the pinger no, sir; not at this time that I'm aware of. And I'll take that for the record...

LEVIN:

OK.

GREENERT:

And get it right to you.

LEVIN:

All right, thanks.

Just a -- a couple questions. See, I guess Admiral, this might go to you, as well.

Now, let me -- let me start first with Secretary. The Navy is going to be conducting a review of the Littoral Combat Ship Program to assess options for future purchases beyond the 32 ships currently approved. Is that correct?

MABUS:

That's correct, sir.

LEVIN:

And will the Navy's review include the current signs derivative of the -- derivatives of the current LCS designs and a new ship design?

MABUS:

Senator, the review that was ordered by the secretary of defense -- and I think it's very important, as you pointed out, to -- to go exactly with what the secretary has ordered -- is that we do a review of the ship as we do of almost every Navy type of ship; that there are three options, coming out of this review.

One is to continue to build the littoral combat ship as is; one is to build a modified version of the littoral combat ship; and one is to build a completely new ship.

But the -- the instruction also continues that we are to take cost and delivery time to the fleet into account. And the -- the only thing that has been paused now is that we are not to enter into contract negotiations past 32 ships; but that 32 ships will take us to 2019.

LEVIN:

And there's not -- you're not to enter contract negotiations beyond that until this review is completed. Is that correct?

MABUS:

That's correct. And this review will be completed this year.

LEVIN:

All right.

Admiral, let me ask you about the survivability requirements for the LCS program. Are those requirements different than the survivability requirements for cruisers and destroyers?

GREENERT:

Yes, sir, they are. There -- there are levels of survivability -- what we call them.

Now survivability three -- that's a cruiser, destroyer and a carrier. And that means you take a missile hit, guns hit, mine -- and maybe torpedo, and you continue to fight on. So, the -- the build -- the militarization, if you will -- the building standards are different.

Level two, amphibious ships and some submarines. And in that one, you are able to continue fighting on in some circumstances, very laid out.

And then there's level one. And level one is where we have frigates and the littoral combat ship.

If I may sir, survivability is a -- is a broader term than we're giving it credit for. There are three -- there are three elements to survivability.

There's susceptibility to get a hit; in other words, your -- your ability to defend yourself. Then there's the vulnerability -- and that would be taking the shock -- the effect of the hit itself; the

compartmentalization. And then lastly, is the recovery -- the damage control; firefighting, automatic firefighting, automatic dewatering and all that -- all of those go together.

We -- we've looked at the littoral combat ship and compared it with our frigate -- which folks have been happy with.

And it meets or exceeds the same standards of those elements of survivability and recoverability that I just kind of laid out to you.

I would tell you we can do a little bit more in susceptibility. But the littoral combat ship does meet the standards and the -- and the design that we laid forward and everybody, if you will, signed up to.

Sometimes the question is, well, that's -- I want better survivability. And that's fine -- we can work on the susceptibility. And we do have a plan in place.

LEVIN:

Now were the requirements for the LCS ships, in terms of survivability and the other elements you mentioned, approved by the Joint Requirements Oversight Council?

GREENERT:

Yes, sir, they were.

LEVIN:

OK. Are you a supporter of this ship?

GREENERT:

I am, yes, sir.

LEVIN:

Can you tell us -- tell us why?

GREENERT:

Well, first of all, we need small surface combatants. I have 26; we need 52.

Number two, I look at the potential of this ship -- all the discussion that we just had on survivability notwithstanding, we can get there in that regard.

But this ship has the ability to grow; it has speed, it has volume and it has capacity. And -- and we can put payloads in there, as we've proven -- as we -- we have in the Program of Record.

We talk about it as only a counter-surface, counter -- anti -- anti -- anti-submarine, if you will and my warfare ship. But I think there's more, because of the -- the ability to grow, as we've just talked about with Secretary Mabus.

We'll go to another flight, and that ship could look quite different from -- although a look in the same hull. And if you look at our -- our strike fighter, the Hornet; if you look at our destroyers, we're on our fourth -- coming up on our fourth flight, and the very, very satisfying Arleigh Burke destroyer.

LEVIN:

OK. Thank you.

Senator Hirono? And Senator, would you -- when you're done, if there's no one else here, would you then adjourn? If there is someone else here, would you then call upon them? Because I'm going to have to leave.

HIRONO:

Certainly.

LEVIN:

Thank you.

HIRONO:

Thank you, Mr. Chairman.

LEVIN:

Thank you all very much for your testimony today.

HIRONO:

I want to start by of course thanking you for your service and all of the men and women that you lead and their commitment.

Secretary Mabus, as I was reading your testimony and you noted that there are four key factors that enable our global presence and global -- that make our global presence and action possible.

And one of these factors is the people. Your testimony went into some detail about your initiatives in regard to meeting the challenges of suicide, sexual assault and alcohol-related incidents.

And -- and I want to commend you for these initiatives, because as you know, this committee spent considerable time on the issue of sexual assault. And so, of course, I will have a continuing interest in the outcomes of your initiatives in this area.

Turning to my questions, you responded to a number of questions regarding your efforts to become more energy self-sufficient and to decrease our -- our reliance on very expensive oil to fuel our efforts.

And I -- and I -- excuse me -- I agree with you that over the long-term, that we do need to move toward energy self-sufficiency, because that does enable us to pay for the soldiers and sailors and the platforms that we're all talking about. So, I -- I commend you for your forward thinking in this area.

And I wanted to ask you -- you know, what is the importance of research and development in helping the Navy meet the energy security goals that you've outlined and that you've set?

MABUS:

Well, R&D in this area, as in all areas, is one of the edges that -- that we have. We -- as I've said in answer to a previous question -- in terms of much of this alternative energy the -- we're there in terms of production, in terms of what we can do now. There are still areas that still many areas that we need to research, that we need to look into, because of potential for growth, potential for savings, potential to make us better war-fighters.

And that's one of the reasons that we have fought so hard in this budget submission to protect research and development funding all across the Navy, because our people are our first edge. Our technology and our research and our development is -- is the other edge that we bring in the world.

HIRONO:

And of course, I'm very aware that there are efforts under way in Hawaii that is -- actually already saving money in this area.

Admiral Greenert, you mentioned that due to fiscal constraints the Department of the Navy will not meet the mandated capital investment of 6 percent across all shipyards and depots described in fiscal year 2015. The Navy projects an investment of 3.5 percent in fiscal year 2015, and the budget proposal does fund the most critical deficiencies related to productivity and safety at our Naval shipyards. Of course we have a very large Naval shipyard in Hawaii, as well as in other states.

Can you comment to the importance of the sustainment, restoration and modernization funding for the shipyards and what the impact of this reduced level of capital investment will be?

GREENERT:

Yes Senator, it's more than just maintaining, if you will, buildings and utilities and all that. It will increase the efficiency of the shipyard as well. We've seen pay back in that.

I regret that we didn't meet that. I will tell you that I'm committed in the execution of this budget, as we look for opportunities to reprogram money, it is my intention to -- to do as much as feasible to do that. We'll look for, you know, other programs that aren't obligating right. This will be a priority of mine, and every programming request.

HIRONO:

I'm glad to hear that, because I have certainly seen firsthand how, for example, modernizing a shipyard really enables for better efficiency not to mention the impact on the morale of the men and women who work in our shipyards.

So thank you for your efforts.

General Amos, as the rotational movements in Hawaii continue for the Marines around the Pacific -- and we are -- we, in Hawaii, are going to see an eventual movement of more troops, additional Marines to our state from Okinawa, can you talk to the importance of the availability of training ranges for our Marines as they rotate to Hawaii, for example?

AMOS:

Senator, I'd be happy to.

We're in -- we're joined at the hip with the Army National Guard, and the Guard folks there in Hawaii right now and the U.S. Army with regards to Pohakuloa training area on the big Island. There's a lot more that we can do there.

There's discussion underway right now about building a runway where we could land C-17s down there in the PTA area itself, making some building areas down there -- temporary building areas that both your Army and the Marine Corps could use, the Guard, when we deploy down there.

We use our forces in Hawaii, that's really their -- the ground forces, that's really their sole ground training area. You can fire artillery. You can fire mortars. We can do air to ground there. It's significant for us. So it's very, very important for the forces that are there.

And, as we bring in -- we're gonna bring in another 900 Marines over the next couple of years that will fall in on Kaneohe, on the facilities there, but -- but, even beyond that, the other 2,700 Marines that we'll bring into the Hawaii area, at the end of the Pacific realignment for us it's -- the end of it's one of the last things that happens, but it's 2,700 Marines coming to Hawaii. And those will be -- those are Marines that'll need training ranges and facilities.

And so, this is very important.

HIRONO:

Thank you. And I'll certainly do my part to make sure that the people of Hawaii understand the importance of the training facilities, because as you know those kinds of issues can become very controversial in the community with regard to both Pohakuloa and Makua and other areas.

So I see my time is up, and I don't see anyone else here.

I thank you once again for being here, and for your testimony.

This committee will stand in recess.