

Congressional Hearings
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House Armed Services Committee Holds Hearing on the Proposed Fiscal 2015 Defense
Authorization for the Navy Department

MCKEON:

The committee will come to order.

I want to thank you all for joining us here today as we consider the fiscal year 2015 budget request for the Department of the Navy. I appreciate our witnesses' testimony and their support of our naval forces.

Joining us today are the Honorable Ray Mabus, secretary of the Navy; Admiral Jonathan Greenert, chief of naval operations; and General James Amos, commandant of the Marine Corps.

Our naval forces are best in the world. They provide our nation with an incredible ability to project power and strength, and strengthen the U.S. presence around the world.

Unfortunately, the largest threat to our naval forces is one of our own making. Defense cuts continue to have a debilitating effect on our ability to deploy naval forces in sufficient capacity to meet our nation's defense strategy and the needs of our military commanders.

For the Navy, this budget outcome means decommissioning an aircraft carrier. Just last week, Admiral Locklear, Commander of the U.S. Pacific Command, indicated that the Navy cannot meet the global command for aircraft carriers. Yet the budget request includes no funding for refueling and overhaul, forcing the Navy to decommission the USS George Washington, which has over 25 years of hull life remaining.

The budget outcome also means cutting force structure. Despite the repeated requirement for a minimum 306-ship Navy, the budget request funds a 283-ship Navy.

Secretary Mabus, you've characterized our defense strategy as inherently a maritime strategy, yet the administration has also outlined significant reductions in our submarine forces, amphibians, and cruisers.

Finally, this budget outcome means cutting end strength. A reduction to 175,000 Marines would significantly strain the force and reduce dwell time. It also means that the Marines have to be all in to deter and defeat aggression in just one region of the world.

These drastic, nonsensical cuts should stir immense debate. Is this the Navy that the Americans want? This assumes more than just increased risk, as Secretary Hagel stated last week. The

security environment and need for naval forces have not abated, yet this is a fundamental, piecemeal dismantling of the world's greatest Navy.

Now I'm not pointing the fingers at you. I'm -- I'm -- we're the ones that voted for these cuts, some of us. And the budget deal that was arrived at by our budget -- House Budget Committee, the Senate Budget Committee, voted on and signed by the president in December, actually set a two-year budget number.

So I don't even know why we're going through this actually this year because the number's already set. And this, I guess, just gives us talking points to debate about.

But -- but the budget is fixed by law for this year and the appropriators already have their numbers and they're already moving forward. And the Senate has said that they're not even going to address a budget issue this year.

But it -- it -- it is good to plan and think out ahead and look forward to the future. And I really appreciate you being here today. I think it's -- it's important that we have a good debate about this, that the American people understand how much we have cut defense the last couple of years and what the numbers look like going forward for the next several years.

I think it's putting us in -- in great jeopardy. And I'm going to plan on doing everything I can within my power to reverse this dangerous trajectory, do that by leaving, probably get out of the way and let somebody else carry on the -- the fight. I'm not -- as I've told people, I'm not planning on leaving the fight. I'm just leaving Congress.

Anyway, thank you very much for being here with us today. We look forward to your testimonies.

Mr. Smith?

SMITH:

Thank you, Mr. Chairman.

And I welcome our witnesses as well. I appreciate your collective service to your country. It's been great working with all of you. I think you do a fabulous job to make sure that our -- the men and women under your command are well served. And I appreciate all of your work in that regard.

And the good news is we do still have the most powerful, capable Navy and Marine Corps in the world. Your ability to project presence around the world, the size of your force is unmatched. And we cannot forget that and the importance of that, and the strength and capability that we have.

However, the Chairman correctly laid out the challenges that the future will bring. Because, in the first place, the United States has a lot more obligations globally than any other country in the world. We are just, to give one example, the guarantors of peace for South Korea and Japan. We are significant deterrent to what North Korea would otherwise do.

That doesn't come cheap. And the Navy and Marine Corps are a critical, critical piece of that deterrent. If we're going to be able to maintain that capability, we're going to have to make some very, very tough choices going forward.

And as bad as the F.Y. '15 budget is for a lot of the cuts that have been proposed, it's going forward beyond that that I think is the real challenge.

Now I will say one thing, Mr. Chairman, yes, the F.Y. '15 top number is set, but we have to figure out how we spend that money. The Pentagon, DOD, and the president have presented their initial budget request and it is our job to figure out, is that the best way to spend that top line number? We'll have that debate and undoubtedly make some changes.

But going forward, when you look at 2016 and beyond, if sequestration kicks in, I think these two gentlemen before us and their services are an excellent example of just how troublesome that is. The Marine Corps has been shrunk down to 182,000. If we face sequestration, that number's going to have to go even lower than that.

In the Navy we are consistently concerned about the fact that we are well under the number of ships that the requirements say we should have. We are currently building two Virginia-class submarines a year, two Destroyers a year -- I forget two, three LCSs a year. And we're trying to maintain an 11 aircraft carrier Navy.

Virtually none of that is going to be possible if sequestration kicks in in 2016. I don't see how we can maintain 11 aircraft carriers at that budget. I don't think we'll be able to build the number of ships that we projected to build. And that significantly reduces our presence.

And there are enormous challenges if we have to do that.

Now that is not to say that savings cannot be found in the Defense budget. Certainly it can. We saw a significant increase in the spending. Though, as I believe the Navy will point out, a lot of that increase did not go to the Navy during the course of our wars in Iraq and Afghanistan.

But we saw (ph) those increases and efficiencies can be found. And about three years ago, the Department of Defense sat down and looked out at the next 10 years and said, What should our strategy be? And they built that strategy. And they built in some reductions and expected spending. Those reductions were around \$500 billion.

But now, with sequestration and C.R.s, those numbers, the size of those cuts become much, much more significant.

SMITH:

But I will close just with two things.

Number one, as we go into F.Y. 2015, and we look at some of the cuts that have been proposed, I think most -- most prominent with this group is the proposal to take 11 cruisers out of service, to retrofit them for a certain period of time.

If we are not going to do those things that are proposed in the 2015 budget because of the reality that the chairman points out -- we have a top line number -- then it is incumbent upon our committee to say what we would cut instead.

It's not enough to just rail against reductions in the Guard or rail against, you know, setting aside those 11 cruisers or getting rid of the A-10s and some of the other decisions that we've made. You -- we -- we have to propose (ph) alternatives for 2015.

But the second, and I think more important point, is going forward. The impact on our national security and the impact on our industrial base of sequestration for national defense will be significant. There will be a lot of jobs lost if we don't change it.

Well, how do we change it? Really, there's -- there's some combination of three things that we need to do.

We need to turn of sequestration, which is devastating the discretionary portion of the budget. Defense is over half of the discretionary portion of the budget -- that is, you know, the primary place that we found cuts, both in the Budget Control Act and in the budget agreement that was reached in December.

So, we have to deal with sequestration and/or we have to increase revenue somehow or reduce the amount of money that we spend on mandatory programs. Now, I'll grant you that I think everybody here would have some different combination of how they do those three things.

But if you refuse to do any of those three things -- if we leave sequestration in place, if we don't find more revenue, if we don't find reductions in mandatory spending -- then the 2015 budget is going to be looked back on as the high-water mark of what we've accomplished in national security.

As much as we are bemoaning the reality of it today, if those changes that I just mentioned don't get made in 2016 and 2017, we're going to look back on this as the good old days. So, these are some tough choices that we have to make and figure out.

Like I said, we can disagree about how to do it -- you know, how much revenue to raise or not; you know, how much to reduce mandatory spending or not; what to do about sequestration -- but if we let current law stand, our national security picture and particularly in the very, very important area of the Navy and the Marine Corps and the forward presence that they bring will be significantly shrunk from what it is today.

So, we have some tough decisions to make, and you gentlemen do, as well. I look forward to your testimony, questions and trying to figure out the best way to make those difficult decisions.

Thank you, Mr. Chairman.

MCKEON:

Thank you.

Secretary Mabus, thank you for your service -- for your leadership in these very difficult times. I look forward to your testimony.

MABUS:

Thank you, Mr. Chairman.

Congressman Smith, members of this committee, first I want to thank you for your support of the Department of the Navy, of our sailors, our Marines, our civilians and our families.

General Amos, the commandant of the Marine Corps, Admiral Greenert, chief of Naval Operations and I could be prouder to represent those courageous and faithful sailors, Marines and civilians.

These men and women served their nation around the world with skill and with dedication, no matter what hardships they faced, no matter how far from home and family they are.

The architects of our Constitution recognized the inherent value of the United States Navy and Marine Corps. And this Article One, Section Eight, which is on a plaque in this hearing room, gave Congress the responsibility to provide and maintain a Navy, because of 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 has 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. They reassure our partners that we are there and remind potential adversaries that we're never far away.

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 the continuing combat in Afghanistan and from the Gulf of Guinea to the Arctic Circle.

The 2012 Defense Strategic Guidance and the newly released QDR on both maritime and focus (ph), as you pointed out, Mr. Chairman, 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 priorities during my tenure as secretary and they have to continue to receive our focus looking ahead.

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

Our people are our biggest advantage and we must ensure 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 of military compensation benefits which threatens to impact all the other parts of our budget.

If this isn't addressed, as the CNO puts it, the quality of work for our sailors and Marines will almost certainly decline.

Shipbuilding our platforms remain key elements of our maritime power and a focus of this committee; a number of ships, submarines and aircraft in our fleets -- 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 -- and I think it's important to understand how we got to our current fleet size.

On September 11th, 2001, our fleet stood at 316 ships. By 2008, after one of the great military build-ups in American history, 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, which are driving down cost, through things like competition, multiyear buys and just driving harder bargains for taxpayer dollars.

Power -- energy is a national security issue and it's central to our naval forces and our ability to provide that presence.

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 warfighters.

From shale to coal to oil to nuclear are now to alternative fuels, the Navy has led in energy innovation.

Since the end of World War II, 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 operations continue to increase in importance.

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

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

There are never any permanent homecomings for sailors and Marines. In peacetime, wartime and all the time, they remain forward deployed, providing presence and providing whatever is needed by our nation.

This has been true for 238 years and it's our task to make sure it remains true now and into the future.

Thank you, Mr. Chairman.

MCKEON:

Thank you, Mr. Secretary.

Admiral Greenert, there's a quote that's perfect for a Navy hearing: "Anyone can hold the helm under smooth seas." But it's a testimony to your leadership the way you've handled the helm in very rocky seas.

Thank you -- appreciate what you're doing. I look forward to your testimony.

GREENERT:

Thank you, sir. That's very kind when you're talking to a submariner, as well.

(LAUGHTER)

But I'll take it aboard (ph). Thank you, sir.

Chairman McKeon, Ranking Member Smith and distinguished members of the committee -- first Mr. Chairman, I'd like to thank you for 22 years of exceptional support that you have given the men and women of our Navy.

Your efforts, sir, have really helped ensure the preeminence of American sea power. You're always thanking us for our service.

So, Mr. Chairman, your sailors and Navy salute you and Patricia (ph) for your service and we'd all give you a standing ovation, but this table would -- we're all crumpled in here and the table would come over and it'd be very disruptive, so we'll keep decorum, if that's OK with you.

I'm honored to represent 633,000 sailors, Navy civilians and their families, especially the 50,000 sailors deployed and operating forward around the globe today.

The dedication and resilience of our people continue to amaze me and the citizens of this nation can take great pride in their daily contributions -- those of their sons and their daughters in the places around the world that count.

I am pleased to testify this morning beside Secretary Mabus and General Amos. Your Navy-Marine Corps team is untied in fulfilling our longstanding mandate to be where it matters, when it matters and to be ready to respond to crises to ensure the stability that undermines this global economy.

General Amos has been a great shipmate. Our services -- our respective services' synergy of effort has never been better.

And Secretary Mabus has provided Jim and I the vision, the guidance and the judiciousness that we need to build the finest Navy and Marine Corps that this nation is willing to afford.

Forward presence is our mandate. We operate forward to give the president the 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.

This chartlet that -- that I gave each of you in front of you shows today's global distribution of -- of deployed ships, as well as our bases and our places that support them. And the block in the lower left -- that'll also tell you how long it will take if we're not there to get from respective ports and areas in the United States.

GREENERT:

Now our efforts are focused in the Asia Pacific, I think you can see that, and the Arabian Gulf. But we provide presence and we respond, as needed, in other theaters as well.

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 patrolled off the shores of Libya, Egypt and the Sudan to protect American interests and induce regional leaders to make the right choices.

We relieved suffering and provided assistance, along with our Marine Corps brothers and sisters, and recovery in the Philippines, in the wake of a devastating typhoon.

Our presence dissuades aggression. And it dissuades coercion against our allies and friends against our allies and friends in the East and the South China Seas.

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 forces and our -- supporting our special operations forces.

The 2014 budget will enable an acceptable forward presence -- it's acceptable. And through the remainder of the year, we'll be able to restore a lot of our fleet training and our maintenance and our operations, and we'll recover a substantial part of that 2013 backlog that we talked about quite a bit in this room.

The president's 2015 budget submission enables us to continue to execute these missions, but we're gonna face some high risk in specific missions articulated in the defense strategic guidance.

Our fiscal guidance through this future year defense plan is about half way between the Budget Control Act caps and our presbud (ph) '14 plan. It's a net decrease of, still, \$31 billion, when you compare it with presbud (ph) '14.

So, to prepare our program within these constraints, I set the following priorities, and Secretary Mabus supported me.

Number one, we have to provide the sea-based strategic deterrent. Two, forward presence. Three, the capability and the capacity to win decisively. Number four, the readiness to support the above. Five, that we maintain and bring in asymmetric capabilities and maintain a technological edge. And, number six, to sustain a relevant industrial base.

Now, using these priorities, we built a balanced portfolio of capabilities within the fiscal guidance that we were provided. We continue to maximize our presence in the Asia Pacific and the Middle East, using innovative combinations of rotational forward-based rotational forces, forward basing and forward stationed forces.

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

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

Chairman, as I testified before you in September, I'm troubled by the prospect of reverting to the Budget Control Act revised caps in 2016. That would lead to a Navy that is -- it's just too small and it's lacking the advanced capabilities needed to execute the missions of the -- that the nation expects of the Navy.

We would be unable to execute at least four of the 10 primary missions that are laid out very clearly in the defense strategic guidance and the quadrennial defense review.

When I look back at the -- if you look at the back of the chartlet that I showed you, that's got the ships on the front, you'll see that our ability to respond to contingencies is dramatically reduced in this future scenario of -- being retained at budget control caps.

It limits our options. And it limits the nation's decision space. And we would be compelled to inactivate an aircraft carrier and an air wing.

Further, our modernization and our recapitalization would be dramatically reduced, and that threatens our readiness and our industrial base.

If we revert to the Budget Control Act caps, year by year, it 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.

So, Mr. Chairman, I'm on board with the efforts to get the 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 a relevant, future force.

This force has to be able to address a range of threats, address contingencies, and high-consequence events that could impact our core interests.

I appreciate the opportunity to testify today. I thank you and the committee for your continued support. And I look forward to your questions.

MCKEON:

Thank you very much.

I -- you know, I got to spend a couple of nights on a submarine under the Arctic ice cap. That was -- that was a great experience.

A lot of times when we travel, we get to shake a few hands and say hi to a few troops and then move on and probably never see them again. But after two days, we -- we kind of bonded. You know, we could play games and watch movies and eat together, and it was -- it was interesting.

And then -- and then I went to Virginia a few years ago, when we did the -- welcomed the S.S. California into the -- into the fleet. And I was able to show my wife, this is where we ate, this is where we played cards, this is where I slept. I was -- you know, she couldn't believe I slept in the space that small. It was a great, great experience.

I want to especially recognize General Amos, the 35th commandant of the Marine Corps, in his last posture hearing before our committee.

I made the mistake yesterday, when we were talking of saying this is your last hearing. But he says, Oh, you know, let's not be pushed in a hut before he's done. And he's got a lot of work to do before he leaves. But this is his last posture hearing.

And few will ever know the full burden of command. And the general has shouldered it admirably.

He's been faced with difficult issues and equally difficult decisions, all the while he's kept our men and women in uniform in the forefront of his decision-making and has continued to be a tireless advocate for them.

The committee appreciates his honesty, his candor, and his counsel. I think our nation is better having had the privilege of his military service.

He told me when he -- when he got this job that he would not be a part of hollowing out the Marine Corps. And so, the way they've handled the -- the cuts, is they've kept them a fighting force. They're not gonna be spread out and try to have to pull together when they're needed. And I think that's been very, very important.

General Amos, I look forward to hearing your testimony.

AMOS:

Thank you, Chairman McKeon, Ranking Member Smith, and members of the committee.

Again, I'm pleased to appear before you to speak on behalf of the Marine Corps.

And, Chairman, I echo my colleague, Jon Greenert's, strong comments and appreciation for your leadership.

I suspect that every service chief that has sat at this desk, and we've certainly sat with all of them over the last three or four years, feels that you love their service the most. And that's the unique ability of leadership, to get them to believe that. Because you're (inaudible), it feels like you care for us more than you care for anybody else.

Matter of fact, I know that you care for all of us equally the same.

So, thank you for your leadership, Chairman. And this committee of Congress and the United States of America will sorely miss you when you retire later this year.

Since our founding in 1775, Marines have answered the nation's call, faithfully protecting the American people while maintaining a world-class standard of military excellence.

Nothing has changed. We continue to do the same, even as we meet here today.

Yet, we find ourselves at a strategic inflexion point in history. After 12 years of war, we are drawing down our forces in Afghanistan, resetting our institution 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 this committee many times, despite these challenges, I remain committed to fielding the most capable and ready Marine Corps the nation is willing to pay for.

Our greatest asset is the individual Marine, the young man and woman who wears my cloth. Our unique role as America's premier crisis response force is grounded in the legendary character and warfighting 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 Wood in March of 1918. Those attributes that enabled raw, combat- inexperienced young Marines to courageously succeed against a determined enemy at America's first offensive campaign in the Pacific, the attack at Guadalcanal by the 1st Marine Division in August of 1942. And, lastly, those timeless strengths of character and gut courage that enabled Marines to carry the day in an Iraqi town called Fallujah and against a determined enemy in the Taliban strongholds of Marjah and Sangin.

Your corps is rededicating itself to the timeless attributes of persistent discipline, faithful obedience to orders and instruction, concerned and engaged leadership, and strict adherence to standards. These ironclad imperatives have defined our corps for 238 years. 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, protecting our nation's interests and securing our defense. But we don't do this alone.

Our partnership with the Navy provides America an unmatched naval expeditionary capability. Our relationship with the United States Navy is symbiotic. My relationship with Admiral Jon Greenert is unprecedented. This is why I share CNO's concerns about the impacts associated with the marked paucity of shipbuilding funds.

America's engagement throughout the future security environment of the next two decades will be undoubtedly naval in character. To be forward engaged and to be present when it matters most means we need capital ships. And those ships need to be loaded with United States Marines.

Expeditionary naval forces are America's insurance policy. We're a hedge against uncertainty in an -- in an unpredictable world. The Navy and Marine Corps team provides power projection from the sea, responding immediately to crises when success is measured in hours, not in days.

AMOS:

From the super typhoon that tragically struck the Philippines late last year, to the rescue of American citizens in South Sudan over Christmas, your forward-deployed naval forces were there. We carried the day for the United States of America.

As the joint force draws down and we conclude combat operations in Afghanistan, some argue that we are done with conflict. My view is different. The world will remain a dangerous 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'll 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 to Congress.

Once again, I thank the committee and specifically your leadership, Mr. Chairman. I look forward to your questions.

MCKEON:

Thank you very much. As I stated in my opening remarks, I'm concerned about our aircraft carrier force structure. If a nuclear refueling of the George Washington is not supported, our careers will be reduced from 11 to 10.

Last year when Admiral Greenert, PACOM commander, testified before the committee, he commented about the -- the problem -- there was a flare up in Korea at the time. And he said usually when that happens he sends a carrier out and that has a calming effect. He said if he didn't have a carrier to send, he said then I would send a B-2. That also has a calming effect. We didn't have a B-2 to send. He says, then I send some F-22s. We didn't have any F-22s to send.

I -- I think I mentioned yesterday I think the main purpose of our military is to prevent war, to keep from having to go to war, to be a strong deterrent. If that's not possible, and that generally comes when we're weakened or perceived by potential adversaries that we're weakened and they sense an opportunity, then we have to sometimes engage in war. And then your responsibility is to win those wars as quickly as possible and return as many of our people home safely as possible.

Secretary Mabus, Admiral Greenert, last week Admiral Locklear testified again before our committee. And he stated that we have insufficient carriers to meet the global demand. He was questioned. I -- I enjoyed the discussion between him and Mr. Smith about the need for characters -- for the carriers and the forward presence.

Do you concur that the demand signal for aircraft carriers is more than what the Navy can currently fulfill?

MABUS (?):

The demand for -- from combat commanders for carriers and for all our types of ships is more than we can currently fulfill if -- and we are very -- we want to keep the 11th carrier and its associated air wing very much.

What we've done in this budget is move that decision to F.Y. '16 so that there is time to debate it, to take a close look at what would -- what would be the realities if we did decommission this. First, there's a law that says we must maintain 11 carriers.

But secondly, CNO, Admiral Locklear, have all discussed the impact of only having 10 carriers in the fleet. Your -- your deployments, which are already long and getting longer, would get longer still. The stress would increase on our force. The presence that we need for those carriers would be -- would be impacted.

The industrial base that builds and maintains our carriers would be very negatively affected. The ability to maintain the carriers that we had because of the increased usage of the ones that remained would also be called into question. So yes, it would have some very serious consequences to -- to have to retire this carrier.

To keep it over the five years starting it in F.Y. '16 is a \$7 billion additional bill, and there are very few places that you can find \$7 billion in -- in any budget. And so if -- if we go back to the sequester level, that would be one of the options we would almost certainly have to put on the table because of the -- the large cost and because of the decline in the amount of money that was available.

GREENERT (?):

Mr. Chairman, Admiral Locklear has been clear since he took the watch in the Pacific Command what he needs for aircraft carriers. And he said I need two there full time, and then about three months a year to four months a year I actually need a third. And he times that based on the events out there.

Admiral Locklear, the Department of Defense gives him an assignment, it's called the global employment of the force, and within it provides aspirations, if you will, or -- or key principles that each of our combatant commanders have to meet on behalf of the secretary of defense and really the nation.

And also he has operational plans. He's responsible for four of the seven treaties that we have out there and the sustainment. So he's been very clear on what he needs. And it's -- I think we call it 2.3. And if you take into account, on the back of the sheet for a reminder, for us to meet what the combatant commanders request, we'd need a Navy of 450 ships, Mr. Chairman.

So what we do is we adjudicate the distribution of forces, as the secretary alluded to, based on the Navy that we have, where we are, and distribute them accordingly. The A specifics (ph) important, and we are rebalancing toward it.

If you go from 11 to 10 carriers, you exacerbate that -- what is already a very difficult problem to the point where one of our tasks, primary missions in the defense strategic guidance, is to deter and defeat if necessary. And the deterrence factor goes down dramatically when you have gaps. And it's a risk that we assume and I worry about.

MCKEON:

General Amos, the proposed Future Years Defense Program would reduce the Marine Corps to 175,000. What are the consequences of this reduced force structure in meeting your steady state, rotational and major contingency operation requirements?

AMOS:

Chairman, the Marine Corps helps with (ph) a couple of attributes of that 175,000 force. First is one that I would describe as a moderate risk force. Moderate risk in that that force would be made up of 21 Marine infantry battalions, which is the centerpiece around which everything is built in the United States Marine Corps.

Numbers of squadrons and everything else are all a function of the number of battalions. The large-scale contingency operation that might be required of our nation. The pacing of that -- of that sized operation would require about 20 Marine infantry battalions.

So what this means is your Marine Corps would be all in. And we built it so the Marine Corps readiness would be up. They would be fully manned, fully trained, fully equipped, as you talked about in your statement. But we would be all in. And just like World War II and Korea, we'd come home when the war was over.

So there's risk involved with that because there's other places around the world where things might well be happening, and that will require a presence of Marines. This is going to require a presidential recall of our reserves, 39,600 Marines, and they would provide the shock absorber that would provide not only combat replacements for that 175,000 force, those 20 infantry battalions, but it would also provide the ability to do limited operations elsewhere around the world.

So there is a combat power build up. There is -- there is a -- a sense of the units that remain back home will be less ready even though we're going to work very hard to keep them ready. So it'll be longer for them to get there. And eventually when you start running out of Marines in a major

theater war, you're going to go from boot camp to battlefield. So there's moderate risk in that force, sir.

MCKEON:

There's been a lot of talk with this budget that we received from the -- from the president about assuming additional risk. I think it's important for the American people to understand what we're talking about in additional risk is lives.

And -- and that's -- that's a big concern because as I said earlier it invites aggression, and then we have to go to war. And that's been our history for many, many years now. I would like to see us avoid that. We always draw down after the war, but we're still at war and we're drawing down. So we not only don't have a peace dividend. We're drawing down while we have troops still serving risking their lives every day.

So it's -- you've been dealt a very hard hand. I -- I commend you for the -- for the job you're doing. I wish it weren't so -- not the job you're doing. I wish you didn't have the hand that you're playing. Mr. Smith?

SMITH:

Thank you, Mr. Chairman. Continuing, first of all I want to recognize General Amos' service as well in his last posture hearing. It's been great working with you. You and your office have been terrific to me and my office, kept us informed. And you certainly do -- do a great job for the men and women who serve under you. So we appreciate your service and hope you enjoy your retirement when it comes.

You mentioned 175,000 Marines. What does that look like if we get the full eight years of sequestration that are currently on the books? How large of a Marine Corps could you maintain in that scenario?

AMOS:

Congressman, that is 175,000. When we built that force, we started just before -- almost a year ago today. And we actually looked forward expecting sequestration would be signed in March of -- of this past year. And so that force of 175,000 with 21 infantry battalions and the appropriate rest of the combat support, combat service support is a fully sequestered force. So that force will maintain itself out into the future.

AMOS:

Where we begin to run into trouble, because I moved to maintain near-term readiness now of those deployed units and the ones that are about to deploy and trying to keep the readiness of the deployable units up, I've reached into accounts in O&M within my authorities and pulled money out -- facility sustainment, restoration modernization, range (ph) modernization, canceled 17 programs. So I pulled out and pulled that money in to maintain the readiness.

I'll be able to do that for another probably two years. But the 36th Commandant will reach a point, probably two years from now, where he's going to have to take a look at that readiness level and say, I'm going to have to lower that so that I can get back into these facilities that I can't ignore, my training ranges (ph) that I can't ignore, and the modernization that I'm going to have to do eventually.

Otherwise we'll end up with a -- an old Marine Corps that's out of date.

SMITH:

Same sized force but it would be less ready under -- less prepared to...

AMOS:

Sir, it will be less ready in about 2017 and beyond.

SMITH:

OK.

Admiral Greenert, you mentioned the COCOM requests for ships and that if they were all met, there would be a 450-ship Navy. Our -- our requirements put the Navy, I think, at this point at around 300. I forget what the exact number is for the requirements at the moment.

GREENERT:

306, sir.

SMITH:

306.

GREENERT:

3-0-6.

SMITH:

So can you -- could you perhaps explain for the Committee's benefit the difference between requirements and COCOM requests? I mean, as my 10-year-old son says, it never hurts to ask. So COCOMs do make a lot of those requests, but obviously there's a difference between that and requirements. Could you explain that difference a little bit?

GREENERT:

Yes, sir.

The -- again, as you alluded, the Combatant Commanders, first of all, they have a tasking given by the Department, it's called the Global Employment of the Force. And it tells them what they're supposed to accomplish in their theater of operation. It's fairly -- it's broad enough for them to determine that.

They boil that down to presence, theater security cooperation, and security, and they deliver to the Department of Defense, through the services, here's what I need from you.

We take those down to the Joint Staff and we work through, well, here's what we have. Here is the need for my -- in the world I live in, here's the Navy I have, here's the request, and we -- we reconcile it. We adjudicate it.

That adjudication is done at the Joint Staff, signed by the Secretary of Defense. We distribute the forces in a -- in a document called the Global Force Management Allocation Plan. We allocate the forces globally.

So simply put, that's -- that's the process that we use. And that's my demand signal for the year.

SMITH:

But how reflective of it, how reflective do you think it is that the amount requests that come in from the Combatant Commanders -- like they're making all these requests and we're not meeting them. How big of a problem is that?

I mean, how is it? How do you sort of balance what is sort of it would be nice to have versus need to have based on a COCOM request?

GREENERT:

Well, you have to look at what's (inaudible), to your point, I think. What are the Department's priorities? Is this for war fighting? Is this for theater of security cooperation? Is it an exercise? What's the deal on that?

And that's reconciled. This takes a year, Mr. Smith. And so we grind through all of that. It's supposed to be a request of capability. So if you say, well, I need this ship. And as Jim Amos and I work (inaudible) say, you need an amphibious ship? Well, I've got an idea. How about this support ship that we think can do the same thing?

This sort of brokering goes on through the year.

SMITH:

Right. OK.

Secretary Mabus, tell us, you mentioned you're building up to get to a 300-ship Navy. Number one, what year would that be projected to happen? Number two, if sequestration kicks in as planned, what does that do to that plan? What number do you wind up with?

MABUS:

We would get to a 300-ship Navy by the end of this decade under the current plan, and would keep it, going forward.

The -- the effect of sequestration is on the back of the CNO's chartlet (ph) here. We would be unable to procure what we -- the carrier would certainly be at issue. Three Destroyers, one submarine, four support ships, and one afloat forward staging base that we are currently planning to build, we could not build at those levels.

Now one of the perverse things that happens with sequestration is that as we take ships out, things like Destroyers or submarines, we're taking them out of multi-year contracts. And so we're breaking multi-year contracts, which raises the cost of the individual ships. So we get fewer and they cost more.

SMITH:

OK. Thank you very much. Thank you, gentlemen.

I yield back.

MCKEON:

Thank you.

Mr. Thornberry?

THORNBERRY:

Mr. Chairman, I yield my time to the gentleman from Mississippi, Mr. Palazzo.

PALAZZO:

Thank you, vice-Chairman Thornberry, Secretary Mabus, Admiral Greenert, and General Amos. It's always a pleasure to see ya'll and thank you for your service to our country.

Gentlemen, I know you've all had the opportunity to visit south Mississippi and see first-hand the world-class war ships that are built right in my district. I know we all have a healthy respect for the capabilities these ships bring to our men and women serving in the U.S. Navy and the Marine Corps.

I believe many of you agree that the world is not getting safer but is becoming more dangerous, and that we need more ships, not less ships. So with that, let's jump right in.

General Amos, do you support the requirement for a 12th ship of the LPD 17 class? And would you please explain the capability that vessel would add to the Marine Corps mission?

AMOS:

Congressman, the capabilities are significant. That's a wonderful ship. And we just -- Admiral Greenert and I just commissioned the USS Somerset, LPD-25, just about two weeks ago in Philadelphia. So it's a wonderful ship and it's being built with a very high degree of quality.

I would love to have the twelfth ship. We would love to have the twelfth ship. Quite frankly, there's -- there's little to no money in the budget to be able to do this, which goes back to my original -- my opening statement on we need capital ships. The Navy needs that. But there's no money, Congressman, to do this, to -- to buy this twelfth ship.

The twelfth ship, if it was -- if money was allocated, would allow us some decision space, as we look towards just exactly what's going to replace those LSDs, those 12 LSD 41, 49 class ships that we have, which are nearing the end of their service life.

So would we love it? Yes, we absolutely would. But there's money in the budget to pay for it.

PALAZZO:

So the Marines clearly want and need a twelfth LPD and the LPD maintains the critical industrial base, hot for rolling right into procuring the next amphibious ships based on the LPD hull form.

And experience in shipbuilding has shown that new programs are always more expensive than desired and always take more time than planned. And I think it is vital that we support maintaining the current program that is building these ships and receiving excellent marks from the operational commanders and delivering a vital capability to our Marine Corps.

And so, General Amos, you mentioned the LSD ships and that we're thinking about constructing them based on the existing LPD-17 class hull form. Can you elaborate on that and why that's important?

AMOS:

Congressman, there's a -- what we call an analysis of alternatives which is underway right now. The CNO Jon Greenert, Admiral Greenert commissioned that some time ago. And they're looking for all the different -- but we do this for everything. We do this for vehicles. We do this for airplanes.

So we examine all the -- what are those -- what are the -- are the possible things that might be out there? Some of which may be commercial off the shelf, some of which may be developmental. But so what is it that's out there that could fit the needs of the requirement, meet the needs?

And that's what we're doing right now. So that has not been complete yet. There's seven or eight variables out there that are potential solution sets to the LSD, and we're looking at that right now, Congressman.

PALAZZO:

Admiral Greenert, do you have anything to add to the questions that I proposed to the General?

GREENERT:

Well, sir, there's requirement, and we have a requirement for 38 amphibious ships for joint forcible entry. I stand behind it. The Marine Corps has established -- we established it together. Thirty-three, we say we should endeavor for as an affordable solution -- 33 great hull amphibious ships.

But today, in the world that we live in, the world that the Navy and Marine Corps lives in, and the future, we probably need 50. If we want to do everything that we're asked to do -- and it's not just the COCOM's ask, it's we look out around the world. We could probably use 50 amphibious ships, but we don't have that.

So there's requirement. There's want. Oh, I want this ship. And then there's the reality that I have.

So if we go -- if we were to take the shipbuilding plan and do this, sir, I would unbalance what I have with the resources of the Navy.

Now if I may be so bold, in the past, we have taken -- as Jim said, we -- we are building an amphibious ship to replace the LSD. And we want to get that thing going. And we want that thing to be affordable.

So if there's a feasibility of taking seed money and looking at what could we do to help the industry, to help designers -- we've done this with the Virginia class. And it got us down -- it saved us \$200 million per copy, we estimate, on the Virginia class.

If there's a way to do something like that, I think that's feasible. So you didn't ask for that, but thank you, sir.

PALAZZO:

Well, thank you. And thank you for your testimony. And General Amos, you're going to be sorely missed.

And I yield back.

MCKEON:

Thank you.

Mr. McIntyre?

MCINTYRE:

Thank you, Mr. Chairman.

And thank each of you gentlemen for your service to our country.

Secretary Mabus and Admiral Greenert, you were talking earlier about the desire to reach 300 ships by the end of the decade. Do you think the current mix of ships is correct, especially with the truncation of the LCS program and how that impacts the fleet design?

I know on the handout here you actually say, in parenthesis, mix matters (ph), insufficient small surface combatants.

How does this concern about the number of ships affect what you think the mix should be among the ships we do have or will be able to have by the end of the decade?

MABUS:

Congressman, you're absolutely correct. It's -- it's got to be the right mix of ships and not just sheer numbers.

But first I want to -- I think we need to be very precise on the LCS. What the Secretary of Defense has said is that we need the surface -- the small surface combatants, that we need to grow the fleet, that we need the -- what has been noted, that we need 52 of the small surface combatants.

What he has tasked me and the Navy to do is to take a look at the LCS program and at the requirements. What -- what should a ship like this do? How survivable should it be? What sort of arm (ph) movements should it have? This sort of thing. And report back in time for the '16 budget.

And all we've been told to do is to not engage in contract negotiations past 32 ships. We only have 24 under contract now. So we will continue to build the LCS.

MABUS:

One of the things that he called out very specifically that we should look at. One is continue to build the LCS. Two is build a modified LCS. And three is build a different designed ship.

He also tasked me to -- as part of that look -- how much would any of these alternatives cost and how long would it take to get to the fleet, because we do need -- need these ships very quickly.

And so, this -- this look at the requirements at what the ship is meant to do at -- does it meet the requirements -- is what we've done on every single type of ship that the Navy has built.

We're about to start in F.Y. '16 the fourth flight of the DDG-51. We're going to start fairly soon after that with the fourth flight of the Virginia-class submarine.

So, requirements change; technology improves and we change. And so, that is -- that is what I've been directed to do. That is what we are doing at Navy on the LCS.

So, in terms of numbers of ships and in terms of mix of ships, secretary of defense has said that we need to have these small surface combatants.

And what we're doing now is what's the best way to meet that need; and continuing to build the LCS or a modified LCS is certainly an option pending the results of this review.

MCINTYRE:

Thank you.

Admiral, let me ask you this, because my time's running out.

Thank you, Mr. Secretary, for that answer -- and that was very helpful.

Would you please discuss with us the risk and cost savings associated with any further slippage that might occur in the Ohio- class replacement submarine?

I know there's a question about whether the Navy can fulfill STRATCOM's continuous at sea deterrence requirements in future years. Can that be done at the current schedule?

And if these replacement submarines are further delayed, what can you share with us about meeting that concern with STRATCOM?

GREENERT:

Yes, sir. First of all, thanks for all that you've done for your Navy. I understand that you're getting near some of your last hearings, as well, sir...

MCINTYRE:

Thank you, sir.

GREENERT:

It's been great working with you.

To the point -- your question, the Ohio-class submarine today has already had its life extended. They are on a retirement track that -- by the way, we still need to be sure they can technically support the retirement track they're on.

So, the Ohio replacement, which we've already moved two years to the right -- number one, it is aligned with our ally, the U.K. So, we are building this thing in commensurate with them building their submarine; the missile compartment is common.

Then number two, we have to get the Ohio -- the first Ohio replacement in construction by 2021 so that it is complete by 2029 and ready to go on patrol. So, we have -- we have quite a bit of a tight schedule there; and so, my point would be there is no slacking (ph) here.

And the mission is sea-based nuclear -- excuse me, strategic deterrents. And for us, that's number one; it's a national mission and we have to -- we have to fulfill it, sir.

MCINTYRE:

All right. Thank you.

Thank you, Mr. Chairman.

MCKEON:

Thank you.

Mr. Jones?

JONES:

Mr. Chairman, thank you very much.

And yes, I would be the first to agree that the budgets are critical to a strong military. But I also would like to say that integrity in each of the services is also critical to a strong military.

That brings me to this -- General Amos, I have become friends with Major James Weirick, United States Marine Corps, who I believe -- sincerely believe is a man of integrity.

That brings me to four questions that I do not think you will have time to answer today, that I would ask the chairman and ask that your -- these answers be written and submitted back to the committee so that each member of the committee can analyze the responses.

The first question would be who brought to your attention the e-mail Major Weirick sent to Peter Delorier on the 21st of September of 2013.

The second question would be who decided to issue the protective order taken out against Major Weirick.

And since you were named in the protective order, did you fear Major Weirick at any point? That would be another question.

Your job is to stand up for your Marines. That said, was your civilian attorney Robert Hogue ever reprimanded for his slanderous comments comparing Major Weirick to the Navy Yard shooter?

Mr. Hogue made these comments in the press, both before and after Major Weirick had been found by a Navy behavioral health provider as fit for duty and posing no threat.

And Mr. Hogue made those comments about an outstanding Marine officer. I want to know, again, in writing, did you reprimand him? Because I did not see it in the press.

And in February the 17th interview with NPR, you stated, and I quote, "I have never, ever said that I wanted them crushed and kicked out" -- talking about the Marines in (ph) your nation case, when speaking about the Marines involved with this video; however, General Waldhauser gave sworn testimony that you did, in fact, say that you wanted them crushed.

I'm asking you today -- and you can put it in the writing -- are you saying that General Waldhauser lied under oath?

The fourth question that, again, I look forward to your written responses, during this same NPR interview, you stated certainly none of them have been crushed or thrown out of the Marine Corps.

General Amos, how many of them were not allowed to continue to serve in the Corps? My information says that the number is seven out of nine Marines. Would you please verify that you -- what you said in the NPR article -- interview was that none have been crushed?

Then lastly, Tarnished Brass -- a 27 February, 2014 article in Foreign Policy Magazine poses this question -- and sir, I would rather not be reading this, but it has been -- put it into print; and it all goes back to Captain James Clement and to Major James Weirick.

The article says, and I quote, "The top Marine Corps general is -- is unpopular with his troops, damaged on Capitol Hill and under investigation in the Pentagon. Can he really still lead?" This, again, I would ask you to submit in writing to the committee.

Sir, when I look at what has happened, both in the James Clement situation, and having talked to Major Weirick on numerous occasions over the past five months, it is disappointing that the integrity of this Marine -- and I would include Captain James Clement, as well -- have had to take the attacks that have come out of the office, whether it's you or people around you; that they've done everything they could to destroy two -- integrity of two Marines.

And Mr. Chairman, with that -- I've got 43 seconds left -- I would ask that these questions that I have asked publicly here in the committee today -- that with your help, sir, and the ranking member's help, that we get a response back, if possible, within the next six weeks, to these questions.

Because in my humble opinion, it is important. I have heard from too many Marines, sir, both active duty and retired, that they are concerned about the integrity of the United States Marine Corps.

So, sir, I ask you please to put in written form answers to these questions.

And I yield back the balance of my time. Thank you, sir.

MCKEON:

General, do you want to take any time now to respond, or would you prefer to do it in writing?

AMOS:

I'll do it in writing.

MCKEON:

Thank you very much.

Ms. Davis?

DAVIS:

Thank you, Mr. Chairman.

And to all of you, thank you so much for being here -- for your extraordinary service.

And General Amos, best of wishes to you, as you -- as you move on; not quite yet, but in the future.

We had a hearing last week with Secretary Hagel and -- and General Dempsey looking at the QDR. But also, how -- trying to face the really tough decisions that you obviously are very aware that we have, whether it's readiness and how we move forward with personnel issues and a host of other ones.

And I wonder if you could -- could share with us. Of the decisions that are coming forward and where you think we are today and the likelihood of the committee pushing back on some of the tough decisions that you have ahead, where -- where do you see that -- those key issues that you want to be sure that we take a very hard look at -- and not necessarily respond in what we think would be the -- the better situation for the -- for our constituents -- for our communities?

Is the -- there an area that you -- you'd choose -- choose to point out that you see as a -- a problem area? Admiral Greenert?

GREENERT:

Ma'am, I -- I would request that we look very closely and weigh all the options and read closely our intentions on -- excuse me -- compensation reform.

The -- it's a fairly comprehensive -- extensive; it's just not one issue. I don't think it's a one issue topic.

And I think it is -- our sense that under the circumstances that we're in fiscally, the long-standing good support and good will of this Congress for our military and those members -- and in the world I live in, the other things that they need -- any -- any money coming from compensation reform to the Navy, and Secretary Mabus supports me on this, is going right back to things that support our sailors -- their quality of life and their quality of work.

Barracks, peers (ph) training, manning -- all of those things; these are the things that they tell us - - they tell myself and my senior enlisted -- that this is what -- the things that bug them that could make their career better -- that we do a balance of that and think through that and not pick the -- the -- the thing apart.

It is my opinion that we have an opportunity here to sort of address and do this debate in this sort of node, if you will, or knee in the curve -- however you want to look at it - inflection point of our service and of our budget. Thank you, ma'am.

DAVIS:

Secretary Mabus, I wasn't sure if you wanted to respond.

MABUS:

I would echo exactly what the CNO said. But I would also say to go back to what the unique characteristic that the Navy and Marine Corps give this country, and that's presence.

The ability to be forward deployed; the ability to have the right number and the right mix of ships forward; the ability to maintain those ships; the ability to have trained crews on those ships -- and so, keeping that presence, and also taking a little history in mind, that the Navy got significantly smaller in the last decade, and that we are beginning to come up now to meet this new maritime strategy.

So that presence that gives our nation options, we, the CNO, the Commandant, and I, are working very hard to protect that presence. But not just presence, but presence with the right kinds of ships, presence with the trained people -- sailors and Marines -- on those ships, to -- to give those options to this country.

DAVIS:

Yes. So that's also keeping faith with our promise to our sailors and to their families, as well, that -- that -- that those -- that balance is correct. And I think that's going to be the tough decision, one of them, that we face.

I think the other one, certainly for the services, all of them, but I'm wondering about the Navy and the Marines in terms of BRAC and whether you think there's excess capacity that we can be looking at.

I guess one other question I'd like to ask is just about how we're dealing with toxic leadership, which I know has been of grave concern to all of you. And whether the training, the ability to go back and sort of reassess where we are in that area to keep the integrity of the services also very clear.

MABUS:

I'd like to comment very briefly on that. We uniquely, in terms of leadership, when we relieve somebody, we announce it. We announce why we're doing it and it's one of the things that we focus on.

The Commandant has talked about the reawakening efforts that he is making and a lot of the other efforts that he's making and has made across the Marine Corps. The CNO, likewise.

I was at the Naval War College in Newport and made a talk to those students and to about 700 of our officers about ethics.

Having said all that, no ethics classes in the world, if you don't know it's wrong to steal, if you don't know it's wrong to take a bribe, if you don't know it's wrong to cheat, you miss something from your mother. And what we can do is set up systems to make sure that we catch you, that we hold people accountable.

And I think that we've done a pretty good job in that. And again, when we find that somebody has not met those high standards, we are public about it when we relieve them.

MCKEON:

Thank you.

Mr. Forbes?

FORBES:

Thank you, Mr. Chairman.

General Amos, I wish there was more we could offer you than thank you, but we offer that to you. You've done a great job. You've shown courage not just on the battlefield, but on the political field. You've always fought for your Marine Corps and your Marines, and we owe you a debt of gratitude.

Thank you so much for that service.

Admiral, Mr. Secretary, I have just enormous personal respect for both of you. I know you love your Navy. I know you're fighting for your Navy.

I believe that some of the decisions we're arguing about today were not your decisions. I'm not going to ask you to comment on that, but I'm -- I will ask you this -- please don't take my criticisms to the two of you. They're to the people who ultimately made these decisions.

As we look, we hear a lot about these cuts. And one of the things that we don't talk about is the fact that there were \$778 billion of cuts that took place long before sequestration reared its ugly head.

I asked last week for Secretary Hagel to present us with a single time that the administration appeared before this Committee or communicated to us and said those \$778 billion were too much.

So far, I'm holding in my hand all those responses. It's all I expect to get.

The second thing is, I heard this discussion about our Combatant Commanders, kind of suggesting that maybe these guys just came in with these wish lists. We have had seven Combatant Commanders testify before this Committee. Their testimony is what we use for our posture hearings, what we use to base this budget on.

They are gold standard. I asked Admiral Locklear, do you fluff these requirements or are they the requirements we had (ph)? He said, I can assure you -- they're not fluffed; they're what we need.

Mr. Secretary, one of the things that frightens me are the facts that in 2007, before this administration came into office, the reality is we met 90 percent of the combatant commanders' requirements. This year we will only meet 43 percent.

And what's our response? Not more ships, but paper ships. When we talk about a 30-year shipbuilding plan, one of the things we ignore is this -- we will build half the ships today that that 30-year shipbuilding plan had in it 10 years ago. Next year, we'll build half the ships that the 30-year plan had in it 10 years ago.

And even if we took the shipbuilding plan, there's a \$6 billion deficit per year in getting to the number of ships that we need in there. And they're just paper ships.

The second thing, Mr. Secretary, I look at is this -- you have issued, and you were kind enough to notify us, we're going to change the counting rules of how we count the ships. I don't know if this has gone into effect. I don't know when it goes into effect.

But here's the facts. Sixty seconds before this new rule goes into effect, the Navy will have officially 283 ships. The moment it goes into effect, 60 seconds later, we will have 293 ships. They're paper ships.

Not one of those things on that shipbuilding plan, or this change in counting, help meet a single one of those requirements for our combatant commanders.

And then the Chairman asked about the carrier. And there's a huge disconnect between the rhetoric we're hearing and the actions that are being taken. We say we're not going to reduce our carriers down from 11 to 10, but the reality is this -- \$243 million this Committee put in to do the planning for year to get ready for that refueling, we are taking it out.

If you wanted to reduce our carriers from 11 to 10, you would take it out. If you wanted to leave them in and to delay the decision, you'd leave the money in.

\$450 million of materials that we need to buy for next year to get ready, that's not even in the president's budget. It's taken out. If you wanted to keep 11 carriers, we'd leave it in. If you wanted to take them out, you would take that money out.

And then in the FYDP, we have removed the carrier from the FYDP. It was in last year's FYDP. It's not in this year's.

So reality, Mr. Secretary, what we're really doing is we've made the decision to go back from 11 to 10 -- we're just waiting until maybe after November or something to announce it. But you've taken all the steps with the actions to take it out.

Here's my two quick questions for you. One is this -- why didn't the president, if he was going to keep 11 carriers, include that in the budget that he submitted, which is \$115 billion above the sequestration numbers and the Budget Control Act?

And then the second thing is, do you have any historical data that suggests if we make that decision next year and put all that money back in, that you could possibly meet the timelines that would be required, after you've lost two years, to make sure we don't go down from 11 to 10 carriers?

MABUS:

Yes, sir. The decision that we brought forward on the carrier was to move -- was to give another year's decision space.

And one of the things we looked at very closely, because we are heel-to-toe in these carriers, is can we meet the timelines? If the decision is made next year in F.Y. '16, we had -- we have

exactly the amount of time, the correct amount of time, to get the George Washington out and to put the next carrier in with the -- with the materials, with the supplies, with everything.

So that was one of the -- one of the things we looked at very carefully before we made the decision to -- to defer this for one year. And we have been given guidance to prepare, as we're looking at the F.Y. '16 budget, to prepare with the carrier in that budget. That is at least the initial guidance.

FORBES:

Thank you, Mr. Secretary.

MCKEON:

Thank you.

Mr. Larsen?

LARSEN:

Thank you, Mr. Chairman.

I have a series of questions. First here, General Amos, on the -- on the dwell time question, and the numbers in the Marine Corps, as I understand it, the -- your desired number is 185.5 and the number you're getting is 175. Is that about right?

AMOS:

Congressman, the -- the -- the number that our nation needs its Marine Corps to be is 186.8.

LARSEN:

186.8.

AMOS:

And -- and that will be a roughly one-to-three -- in fact it will be a one-to-three dwell.

LARSEN:

Yeah, so the question -- so that's about -- the 175's about a 6.2 percent decrease from 186.8. But the dwell time, though, then drops from 1.3 to 1.2, which is about a 33 percent decrease in dwell time. Can you briefly explain to me that jump?

AMOS:

Yes, sir. It's capacity. It's simply the numbers of battalions and units we have to do what we call steady state operations.

And that's the -- those units that are (inaudible) deployed in the Pacific, they're rotating units. Those are those units that are aboard ship on Marine expeditionary units, amphibious ready (ph) groups. Those are the units that are in Afghanistan. Those are the units -- although, they'll be coming out -- that should take care of itself here soon.

It's those Marines that are in the special purpose MAGTF, (inaudible) task force, that's in (inaudible) right now.

So those steady state requirements drive us at a 175K force to a dwell of 1.2. If we go -- if we go to combat, it's -- it's 1.0. It's -- you just go and you come back. So that's what it is.

At a 186K force, we have enough elasticity and capacity where we can go on a deployment for six months and then come home for 18 months, and then go for six months and come home for 18 months. It's just a function of capacity, Congressman.

FORBES:

Yeah, I think I understand it better. Thanks.

Admiral Greenert, I might have missed it while I was here, but you mentioned that the sequestration would lead to a high risk to specific missions. And I didn't quite -- then you jumped to a different part of your testimony. You might have jumped back to what those specific missions were that were going to be subject to high risk.

I have a question for Secretary Mabus, so don't -- don't take the 3:18 to answer your -- to answer this.

GREENERT:

Yeah, I understand. Thank you, sir. At deter (ph) -- deter and defeat aggression, that's the -- with the retirement of the carrier, the deterrence force, that means presence. What do I have presence? What do I need to deter? And in defeat, one conduct -- one -- one NCO (ph), if you will, for that.

So that was the first mission. The second one is project power in an anti-access air denial. And that's keeping -- if we don't keep pace with the high technology capabilities we're bringing in, and we have to face a high technology adversary, an advanced adversary, then that risk continues to grow as we go through the FYDP.

FORBES:

Those are the two main ones, yeah, thanks.

And Secretary Mabus, we know that over the last couple of weeks, because the NATO mission in the Baltics has shifted to us for this quarter, we've increased the number of airplanes there by four. I think four additional F-16s do air patrols on the Air Force side.

I was curious if -- over the last several weeks is the U.S. Navy as part of its NATO mission or as part of the U.S. mission has been asked to increase or maintain any presence in the Mediterranean or near the Black Sea to -- to assure allies in the region.

MABUS:

One of the things that we endeavor to do is to have that presence there all the time, not just at the right place at the right time but the right place all the time. And I think that this is one of those examples of where we do have the -- the right presence at the -- all the time, whether -- regardless of the region.

FORBES:

Yeah. Is there anything specific that you can point out?

MABUS:

We have -- we have a DVG in the Black Sea now, a long planned exercise that we have -- that we do every year. The Marines have a force called the Black Sea Rotational Force that we go in, exercise with -- with our allies, with our friends, with our NATO members there. And we are continuing to do that, forward deployed all the time now as we have in the past.

FORBES:

All right. Thank you.

And then with the time I have left -- I'll yield back just momentarily -- just to put in a plug, I appreciate the Navy and Marine Corps' investment in electronic warfare. Obviously it's close to home, but as well it's -- it has fallen upon the U.S. Navy to provide the air attack capability for electronic warfare.

So the continued investment on the electronic warfare side to go along with platforms is pretty key and something we'll be exploring with the other services as well. So appreciate that, and yield back.

MCKEON:

Thank you. Mr. Wilson?

WILSON:

Thank you, Mr. Chairman. And I'd like to thank each of you for being here today, particularly General Amos. We appreciate your association with South Carolina. I'm very grateful that I represented Paris Island, and I saw first hand your success in training young Marines and giving opportunity. I'm also grateful that my late father-in-law and late brother-in-law were proud Marines. So we associate with you and wish you well in the future.

And Admiral Greenert, I'm very grateful I had a son under your command. And so it's personal. We are very proud of his service. And Admiral, what is the status of the Navy contribution to the national mission forces, combat mission forces and cyber protection forces of the U.S. Cyber Command, which is to be located at Fort Gordon, Georgia?

GREENERT:

We were tasked in, it started in fiscal year '12 actually, to stand up a series of task forces. And what these are, these are groups of around 40 cyber warriors who have specific skills to -- to enter networks, if you will, to be able to rummage around, to look for the right stuff, and as necessary, I'll just say provide effects.

And we are -- we are stood up -- we are on track -- in fact, we are ahead of track to stand up those I think all told 16 teams, and we provide those to -- around the world to combatant commanders.

WILSON:

And I visited the facility, and you would be proud to see in the midst of a Army complex Navy personnel looking very strack (ph).

GREENERT:

Yes, sir.

WILSON:

Including civilians. This is a -- this is very joint and interagency, and so important for the security of our country. Secretary Mabus and General Amos, I'm very concerned about the unintended consequences of the decision to raise the minimum wage for federal contractors. This has an extraordinary potential to destroy jobs totally unintended.

And these -- it's quality of life. And as chairman of military personnel, it -- it concerns me. And that is that employees of chain restaurants on military installations, it could be Subway, Taco Bell, Burger King, that they could be subject to this regulation which would make the businesses not profitable. They would close. People would lose their jobs. And the services provided for quality of life could be eliminated.

I hope that you're looking into this so that this can be avoided. Additionally, we have other services such as barber shops that won't be able to -- to provide the services that are necessary.

Additionally, another benefit that's been so positive for military families, a little kiosk where you have small -- tiny businesses where persons operate. And this is perfect for military dependence in spouses.

All of these are at risk. And Secretary, are you aware of this and what's being done?

MABUS:

Congressman, the benefits that you laid out, the quality of life, we are very aware of this. And we're very cognizant that these things remain for Marines, for sailors, for their families.

However, as you know, there is very conflicting and imperfect evidence as to which way this goes. And so we'll continue to watch it, but -- but in terms of making sure that the quality of life for -- for everyone, our sailors, our Marines, their families and the people who work on those bases, we're going to keep -- keep an eye on that. And we will make whatever recommendations are appropriate.

WILSON:

And to me it's really very clear. And that is where you have a wage differential on post, off post, and then you have to raise prices on post, I know something about our military. They're -- and their families. They're very bright. They'll shop off post. It'd be a spiral out of control. Closing these businesses, destroying entry-level jobs.

Additionally, it would create a circumstance where you would have a wage differential on post, off post, and that would be not sustainable. And so the way to address that is to close the on-post facilities, again affecting military families. And I just see this as just -- it couldn't possibly have been an intended consequence.

The unintended consequence is really catastrophic to jobs and to quality of our for our military. And I hope you look into this right now. It's -- because the contracts are going to be negotiated soon. There have already been some closures and planned closures at strategic locations around the world.

Thank you very much, and I appreciate your service.

MCKEON:

Thank you. Ms. Bordallo?

BORDALLO:

Thank you very much, Mr. Chairman, and welcome Secretary Mabus and General Greenert, I'm always very proud to say our former commander naval forces Marianas and Guam, and General Amos.

I do appreciate all your service and your continued commitment to the realignment of Marines and to a robust Navy presence on Guam. And I think this year's budget does show a clear commitment on your part to our rebalanced strategy.

General Amos, can you comment on the progress that we've made in the last year regarding the realignment of Marines for Okinawa to Guam? Can you comment on the significance of the governor of Okinawa signing the landfill permit? And how important is it to remove the restrictions on government of Japan's funds in this year's defense authorization bill? What impact do those restrictions have on our partnership with Japan?

AMOS:

Congresswoman, first of all, we're -- we remain, as I said last year, bullish on this move to Guam. We're planning on it happening. We need it to happen to aid in our redistribution of the forces in the Pacific.

We sit today at about a little over 22,000 Marines west of the international dateline. As you recall, Secretary Panetta's goal was 22,500. Now they're not all in the right spot though. We've got more on Okinawa than we need and we'll eventually go down to 11,500 in accordance with an agreement between Japan and us.

Forty-seven hundred of those will -- roughly 5,000 will go to Guam. We're still planning on that. Two construction projects are underway right now. The underground utilities that go out to the north ramp of Andersen Air Force Base, and there's a maintenance facility that's being built there.

We have in '15 a hangar to built at the north ramp. So those are all things that are unencumbered by the NDAA's specific language on restrictions. So we're planning on doing this. As you know, the environmental -- the supplemental environmental impact statement should be complete, scheduled to be complete towards the end of this year.

That means by early 2015, next year, this time next year, we should have a record of decision. And when that happens and that then allows the -- assuming that it goes the way we hope it goes, that allows then the planning for the construction of the -- of the training ranges and the -- the living cantoma (ph) and the building cantoma (ph) in our headquarters.

So we're -- we're actually doing well. There's money in the budget all the way out until 2020 and beyond to do this. But you're absolutely right. The NDAA is pretty strident with regards to not spending money until we have a comprehensive plan for Okinawa, Guam, the realignment in the Pacific and Hawaii.

So we're going to need some help to try to break free some of that -- those restrictions with Congress to allow us to spend some of the money that's already in our budget and that's in the -- in Japan's budget to be able to build the facilities we need on Guam in an iterative fashion.

BORDALLO:

Thank you. And we will continue to -- to work on that. The next question I have is for Admiral Greenert. At a hearing last week, Admiral Locklear indicated that it was very important for there to be a robust depot-level ship repair capability with a dry dock on Guam. Now I think we can all agree with that assessment.

Admiral, can you elaborate on why that specific capability is important to the Navy and our readiness overall in the western Pacific? We've spent many, many years building up a specialized workforce on Guam and I would hate to see that capability decline and for the MSC ships to be going to foreign countries for repair when we do have the capability on Guam.

GREENERT:

Ma'am, Guam is very important to me, to Admiral Locklear, to Admiral Harris, our commander of the civic fleet. It's strategic. I agree with Admiral Locklear's assessment. I want to and I will do what I can to move this ship repair contract, get going, get back up to speed. I'm with you. We've got to get workers working.

I don't want to go back, you know, all the way to the U.S. It's a long way back, you know, there to do ship repair. And I agree we ought to have a dry dock facility there as soon as feasible if we've got to get old big blue up and certified or whatever it takes.

BORDALLO:

Or to be sending these ships to foreign countries, Singapore and other areas, when we should be repairing in a U.S. facility.

GREENERT:

Yes, ma'am.

BORDALLO:

Thank you very much. Thank you, gentlemen.

And I yield back.

MCKEON:

Thank you.

Mr. Conaway?

CONAWAY:

Well thank you, Mr. Chairman. Gentlemen, thank you for being here. And I sincerely appreciate each of your long, distinguished careers and service to our country. We are a better country for all of your service.

Secretary Mabus, I am sincere about that. You and I disagree on something of some import to me, anyway, and so don't let that disagreement distract from my appreciation for your service.

2009, when you and the president launched this greening of the Navy effort, were under dramatically different circumstances than we have right now. Your written testimony, you're still committed to that. So I don't anticipate changes your mind with eloquence. But I would like to point out that we're different.

All three of you have talked about how difficult the budget circumstances we find ourselves in, sequestration, cutting spending, top-line budgets, I notice, have been going down. All of that's different from when I -- on the supply side, on the security side, dramatic increases of oil (ph) production during that timeframe.

I'm anticipating, quite frankly, 2009, that that's now -- that's now on the reality that our best domestic production is going up. And so from a national security standpoint, there's stealing (ph) fuels that might fit that gap if we couldn't get at anything else might make some sense.

But clearly, biofuels are not in that category. In your written testimony, you announced that you've signed a contract with four different contractors to provide 160 million gallons per year of biojet fuel at \$4 a gallon, which is at or near the commercial cost.

Can you tell us when that will be delivered?

And can you tell us, does that amortize the -- rather the invest that the Department of Defense, Ag Department and Energy Department have paid and why do you think that effort will be any more successful than, say, Solyndra or any of the other efforts that the administration has made at juicing (ph) this market?

MABUS:

I appreciate the opportunity to talk to you about this and you may -- we may have more things in common than you think.

The reason we're doing this is so that we won't have to cut ships. The reason that we're doing this is so we won't have to cut training or steaming or flight hours. And I'm really happy that oil and gas production has gone up in the United States, as virtually all Americans are.

But even if we produce all the oil or the petroleum that we could possibly use, in the military, we go to the front of the line, no matter what. Oil is a global commodity. And it is traded globally. We have been presented in Navy with \$2 billion in unbudgeted, unanticipated fuel bills in F.Y. '11, F.Y. '12, in the most recent complete numbers that we have.

What we're looking for is some competition for petroleum. What we're look for to go along -- you and I have the same notion. The -- if you replace one thing with another, it's got to be a drop-in fuel. And it's got to be competitively priced. And as you pointed out, that 160 million gallons of both aviation and also marine diesel will come online in 2016. That monies, those monies and those gallons coming to the fleet, will give us the ability to mitigate some of those price...

(CROSSTALK)

CONAWAY:

OK.

MABUS:

... some of that security premium that oil traders talk about. You don't have to look any further than the last couple of weeks.

(CROSSTALK)

MABUS:

The price of oil goes up...

CONAWAY:

(inaudible) that, but I do need to get to one other point that we do agree on. You've mentioned that for every dollar increase in the price of a barrel of oil that it costs you \$30 million.

Would you provide the committee that -- those -- that computation for how that works?

MABUS:

Sure.

CONAWAY:

And then the remaining time, General Amos, I need to get you on the hook for bragging on the Marine Corps, for their audit that they've recently got and also I'd like to head back to the other gentleman about continued commitment to getting the Department of Defense folks in an auditable condition before 2017.

And I hope, Secretary, I have your commitment with that as well as General -- Admiral Greenert.

But I'd like for General Amos to talk about his Marine Corps efforts in that regard.

GREENERT:

Congressman, thank you. It was painful, took longer than we hoped. It was actually an F.Y. '12 audit that just reported out as you're aware, just here late this past fall.

But with the first service that had gone through, it's over a breaking trail, so to speak, on it. And I'm very proud of it. Now we are involved right now in the next year's audit. And so we're back into it again. But I'm proud of the effort because it was when you track -- and you imagine trying to track every single dollar that goes from operations, maintenance, training, ammunition, procurement, so thanks for the kind words. You have my word that now that we've done it once and we know it's possible, we're going to continue to do it because this actually give us visibility inside the Corps to be able to figure out where the money's going.

And we're -- and we can track it now. We have mechanisms that we track, where our money's going and how it's being spent.

So thank you, Congressman.

CONAWAY:

Secretary, real quickly?

MABUS:

As a former state auditor, you and I sure agree on this. And I -- number one, the Navy is on track to meet its audit requirements and you and I can go back and forth in private on some of these technical things. But we're on track to do that.

And the Marines, as Marines do, are leading as always.

MCKEON:

Thank you.

Mr. Courtney?

COURTNEY:

Thank you, Mr. Chairman.

I want to thank the witnesses for being here today.

General Amos, I just want to let you know that wounded warrior from Ellington (ph), Connecticut, Corporal Caron (ph), appreciated your good wishes when I saw you at the shipbuilding breakfast. And again, I want to thank you for your interest in his amazing recovery and your great career.

And also it's suddenly sort of Mr. Conaway and auditability perform committee, kudos to the Marines for getting us to that point. I mean, this is something that is a must now, obviously, with all the budget challenges that we're talking about. We have to see how the money's being spent. So congratulations on that great achievement.

Secretary Mabus and Admiral Greenert, very strong bipartisan support for getting a 300-ship Navy -- again, I want to just follow up some of the comments earlier that during your tenure, as your testimony points out, you have put 60 ships under contract. I've been around here long enough to know that we were not even close to that pace in the preceding four years. And again, I think that -- something people have to be mindful of. Your commitment to getting us there is based on real results. It's not a talking point for you. You're getting it done. And I think, you know, people need to remember that as we sort of discuss the challenges that face us.

What I would like spend a minute with you with is a question that came up with Secretary Hagel last week. And you started the -- this discussion by saying that, again, all the reasons why we have to get SSPN online, on time, is proceeding smartly. But the fact is, is that we're going to hit a point where we've got to start paying for building them. And the impact on that 300-ship Navy is going to be quite dramatic.

And as you point out, the other day, a national conversation really has to take place here. If we're 70 percent of the triad, the Navy's budget can't be treated as a one-third commitment in terms of this security requirement.

So, again, I was wondering if how we get that to an -- the next level, so that we sort of move it out of the realm of just sort of pundit talk?

MABUS (?):

Well, first, thank you so much for what you said. We are on track with the Ohio-class replacements Admiral Greenert said we're on track with the engineering, with the R&D that's going on now. We're on track to do the advance procurement. We're on track to begin building and we're on track in terms of the common missile compartment without our British allies.

But as you rightly pointed out, when we are building Ohio class replacement submarines, it will take up at least a third every year of the Navy's normal shipbuilding budget. We are the most survivable part of the nuclear triad, of the nuclear deterrents. And it..

As I said, and as you just said, there needs to be a decision after a full debate and full conversation on -- that shouldn't be the trade because it will -- it will have a dramatic and not good impact on all of our other shipbuilding programs, including our attack submarine programs which is one of the places we have a very large technological tactical edge right now. And into the future.

So I think that just making people aware of the start numbers of what will happen to the rest of the fleet if this entire shipbuilding for the Ohio class replacement is taken out of normal Navy shipbuilding, number one, it is a national program.

But number two, we also don't replace these things very often at all. They last for decades and the ships that we're building now, the boats for the Ohio class replacement will last into the 2080s. And so we ought to view it through that lens, and we ought to have that conversation.

COURTNEY:

All right.

Admiral, did you want to...?

GREENERT:

Well, sir, the day -- the year of reckoning is 2021; it's right around the corner. And that's about a \$9 billion to \$10 billion -- it's the procurement of the first boat. It's high. They're always high in the first -- that does a lot of R&D, as you well know.

Two years ago, by where you'd -- we don't procure is we build the first and then we build one and then it's every year. It's about \$6 billion in those years' dollars. It is as the Secretary said, that's about a half and maybe just a little less than half of the budget. It will clobber the budget. And our priority, of course, is sea-based strategic deterrent. But it's also the undersea domain. That's right behind it.

So where do we get the money? Submarines, destroyers, P-8s. They're all contributors to the undersea domain. So, sir, we need relief is what we need from this burden...

(CROSSTALK)

COURTNEY:

The defense bill this year, we can start working on some language to start really get -- making this again more than just a talking point in the hallway. We -- you know, we care about 300- ship Navy; we've got to deal with it.

And I yield back.

MCKEON:

Thank you.

Mr. Wittman?

WITTMAN:

Thank you, Mr. Chairman.

Secretary Mabus, Admiral Greenert, General Amos, thank you again for joining us today and thank you for your service to our nation.

General Amos, thank you for 44 years of service to our nation as a Marine and thanks so much for your leadership. You've led our Marines through 13 years of conflict and we appreciate that. Please thank Bonnie, too, for the great job she's done in supporting our Marines and their families.

Thank you.

And thank you.

I'm going to begin, Admiral Greenert, with you, to look at where we are from a Navy perspective concerning our L class ships.

And General Amos, I also want you to be part of this discussion.

WITTMAN:

We're looking at the next generation replacing the LSD.

General Amos, you've spoke very eloquently and passionately about saying that the LPD-17 hull form is the way to go for a variety for reasons. And in answering Mr. Palazzo's question, you laid out a lot of those.

But I do want to get your perspective on -- from both of you gentlemen -- about why you believe the LPD-17 hull form, or that class of ships, is the best way going forward to meet the Marine Corps needs and to make sure, too, that we have a platform that's functional and is in the fleet in a timely manner.

GREENERT:

I'll start, sir. The -- if it is the most cost feasible for the capability, I'm very sensitive -- Jim Amos is my customer. So, I have to understand that. We need to bring the Marines the capability they need.

We already have the infrastructure in place to repair it, to maintain it, to train people to it, to buy stuff that goes in it -- you know, from air conditioners, diesels (ph) -- you name it. You know, I'm saying -- to weapon systems.

So, that would be very nice if that moved in there very -- very eloquently and we could afford it.

So, I turn to -- as I was kind of talking to Mr. Palazzo earlier, if we could get a transitional piece -- you know a seed money or something -- we did this with the Virginia-class -- hey, that might work, and we've done it before.

So, anyway, it is all of those that makes it -- and, you know what, that's a pretty successful class now.

MABUS:

If -- just a follow-up, just for one second...

WITTMAN:

Sure.

MABUS:

LPD-17, the first of that class, had -- as the first of the class, had some issues.

WITTMAN:

Right.

MABUS:

And it got a lot of press -- a lot of press. Are we going down the right road? Are we doing the right thing here in the Navy?

The last two LPDs -- 24 and 25 -- have had no starred cards (ph) and no major defects during their sea trials.

WITTMAN:

Very good. Thanks, Secretary Mabus.

AMOS:

Congressman, the -- the hull form issue is -- is simply simplifying the acquisition process and the development costs of any kind of platform; it just makes -- you know, that's when it makes sense.

WITTMAN:

Sure.

AMOS:

Developmental -- developing something brand new costs more money than we think, takes longer than we think and -- and it's fraught with more danger than we think. Doesn't mean we can't develop; doesn't mean we shouldn't; doesn't -- you know.

But that's -- that's really the -- the -- the hull form of that -- of that planned (ph) ship, which has been so -- so successful to this point -- to the -- to the point of everybody else.

And I -- I'm going to step a little bit out of my lane here. But -- but I tell you what; the truth of the matter is everything -- when you start talking United States Navy and -- and capital investments, they cost a lot of money.

WITTMAN:

Yeah.

AMOS:

This is not like buying a Humvee for 250,000 -- this is buying a ship for \$2.3 billion. We're buying an Ohio-class replacement submarine that's going to -- that's going to consume this (ph) entire -- the bulk of this entire shipbuilding plan for when it finally comes in.

The truth is is that -- my personal opinion, write a balance in the budget.

WITTMAN:

Sure.

AMOS:

Not -- not so much Congress, but within our Department of the Defense. The -- the Department of the Navy and the Navy Shipbuilding Program needs more money. This is not a proportional solution set...

WITTMAN:

Right.

AMOS:

Because the ships are expensive -- and they are. And they're capital investments -- and by the way, they'll ask for 40-plus years.

WITTMAN:

Let me ask this -- I want to lead right from your answer to a broader question. Where we are proposing to go with our Navy -- and as a component of that, our amphibious ships -- looking at the world we're in today, being more dangerous with more need to be able to project power, to respond to humanitarian needs and the overall effort that this nation needs to place, if we don't have a Navy that has those 11 aircraft carriers; that has the next generation L-class ship; that has the SSBN-X -- two questions.

Will our men and women that we ask to go in harm's way -- will they be put at greater risk, i.e., will more of them be killed on the battlefield, and will there be an increased possibility that if we're in a conflict, that we would lose that conflict?

And I'd like each of you gentlemen to answer that. And you can do -- quickly do a yes -- yes or no.

GREENERT:

I'll answer the second one first. Yes, we -- we -- we have risk in our ability to take on an -- an advanced adversary. As I spoke to -- and -- and I'm -- I'm concerned about that.

But in your first question, my job is to make sure that our people that go forward have the finest equipment and they're organized training equipped. And so, for me, I would -- I would also come to Secretary Mabus and say, "Boss, our budget has to have the right readiness."

I cannot send forward -- I'll get smaller to be good and to make sure they're good and that they're safe.

MABUS:

I'll just echo what the CNO said. We're over time, but we will make sure that people that go in harm's way -- and that's what we're trying to do with the budget; have the right equipment, but also the right training; the right things they need, all across the board. We should never go into a fair fight.

WITTMAN:

Got you.

AMOS:

Congressman, the fewer the ships -- the fewer number of ships, less capable they are means the longer it takes to build up combat power when it's needed -- not if it's needed, but when it's needed.

The longer it takes to build combat power puts our young men and women at risk; there's -- it's a -- it is a complimentary equation.

WITTMAN:

Thank you, Mr. Chairman. I yield back.

MCKEON:

Thank you.

Mr. Peters?

PETERS:

Thank you, Mr. Chairman.

Thank you, gentlemen, for being here and for your service. I would -- I want to talk a little bit about energy, as well, specifically -- and have a question about specifically how it affects the rebalance.

But the Navy's demonstrated its commitment to -- to energy security and efficiency through goal setting its program initiatives that -- the stated strategy is to -- is that energy security is critical to mission success and that energy efficiency minimizes operational risks while saving time, money and lives. And I want to say I thank you for that.

And specifically, at MCAS Miramar, I know that you're doing some methane powered generators, solar panels, working on a microgrid; interested to see how the microgrid work comes out when it's completed.

And I -- want I wanted to ask, though -- and -- and this is a little bit broader than biofuels, which I've raised in the past -- is in -- in the context of the rebalance to the Pacific, how does that affect Navy energy security?

And they've got the huge expansive region and the geographically fragmented energy infrastructure. Now we -- we want to emphasize our presence there. How does the Navy intend to ensure that it can meet the operational energy requirements to carry out its missions and reduce fueling vulnerabilities in that region?

MABUS:

Well, you just gave the best rationale for -- for what we're doing; number one is energy efficiency so that we don't have to have as much energy. And we're doing stuff ranging from things like voyage planning to hull coatings to stern flaps to changing the light bulbs in ships -- all of which save pretty significant amounts of energy on -- onboard that ship.

We're looking, as -- as you pointed out, at Miramar, we're looking at alternative energy. If you look at some of the places across the Pacific -- at Guam, at Hawaii, at Japan, at Diego Garcia where we -- all of which where we have significant infrastructure; very high energy rates there.

So, if we can move to a -- a renewable energy, lower costs so that we don't have to have that vulnerability of shipping oil and gas to -- to some of those places, that will also help in that -- within that energy security.

PETERS:

Is that affecting acquisition and procurement?

MABUS:

Well, we -- we are -- we are well on our way to the 50 percent alternative fuels for Navy, both ashore and afloat.

PETERS:

OK.

MABUS:

And so, in that sense, yes; it is. But it's -- in many ways, the new normal. That's what we're -- we're going after. And, on the other side of the coin, for far more efficiency in whatever we do.

PETERS:

OK.

Admiral?

GREENERT:

We're -- if -- maybe I can quantify a little bit. The Secretary eloquently laid it all out in simple sailor terms.

You know, when -- when a Hornet pilot takes off from the carrier, the first thing they do is say, "Good, I'm -- I'm in the air." The second one is, "OK, where's the tanker?"

And -- and a -- and a more efficient Hornet engine, that's -- that's less -- other Hornets -- these are strike fighters that we have to use to be tankers. So, I mean, that's real warfighting eventually...

PETERS:

Right.

GREENERT:

So, 5, 6, 7 percent -- that's -- that's other aircraft that we put back into the flight.

The secretary mentioned stern flap. That will get you five days -- additional days at sea that you don't have to look for an oiler.

That's the unique part of being a -- a sailor; when am I getting food because you ain't going to fish for it, it's other -- it's going to run out. And secondly, we have an engine that'll get us 10 days.

PETERS:

Right.

GREENERT:

So, it becomes real stuff pretty soon.

PETERS:

Well, I want to commend the Navy and -- and the Marines for thinking about both insulation and fuel in terms of alternatives and security. It's a -- it's a -- it's heartening, and I think it's smart in this budget context, too.

Also, Admiral, I just did want to thank you on the recent visit to San Diego that you made and you're welcome back any time.

I think you were the one who coined the term "solar vortex," which we've gotten a lot of mileage out of. I appreciate that. Thank you.

Mr. Chairman, I yield back.

MCKEON:

Thank you.

Mr. Scott?

SCOTT:

Thank you, Mr. Chairman.

Secretary Mabus, you -- you brought up earlier one of my primary concerns, which is that -- that as we cancel multiyear contracts, we pay more per item and -- and get -- get fewer out (ph) and it's recognizing budget constraints.

I'm concerned that, you know, some of the decisions we're being forced to make are -- are penny-wise and pound-foolish, as -- as we would say. And that brings me to the MH-60.

And Admiral Greenert, I understand that you're considering reducing the purchase by 29 aircraft if I'm -- if I'm correct with that. And my question is what is the cost of -- of terminating that procurement, versus the cost of actually continuing to purchase the 29 helicopters, and what type of negative impact do you expect with the reduction in the equipment?

GREENERT:

Well, sir, if we get a good outcome on the aircraft carrier, I need to continue because I need the - I need the helicopters for the airway (ph). We would continue purchasing at least another year on that. So, I'll just state that upfront.

But I'll have to get you the precise numbers on shutdown; but I'm pretty sure it's about the same to shut down and terminate and -- and those costs as it does; because it struck me, and I remember talking to my guys about it.

SCOTT:

And -- and that's -- that's what we've seen, as well. But I would appreciate those numbers.

And it -- and it just doesn't make sense to me that -- that we would pay the same thing to terminate a contract as we could get the -- the 29 additional aircraft for, even -- even if we -- if we didn't have a need for them, certainly we've got allies out there that -- that would need them.

SCOTT:

General Amos, thank you for your service. And as you know, I've had the opportunity to do a Wounded Warrior hunt (ph) with several Marines and they -- they wanted me to make sure that I spoke up for a couple of things, one being the A-10 -- and they sure would like to have a .45 instead of a 9 millimeter.

But with that said, the JSTARS fly out of Robins Air Force Base. We're very proud of them.

We have -- the Air Force has proposed to recapitalize them, which would give you more information, more accurate information, and hopefully improve that battle-management platform. And if you could just speak to the benefit to the Marines of that JSTAR battle-management platform, I would appreciate it.

AMOS:

Congressman, first of all, I'd like the .45 instead of a 9 millimeter, too. But it's for another budget, another time.

But it's been -- it's a combat-proven platform back to the JSTARS battle-management airplane you're talking about.

It's done well in combat. It's served us well all through the march up into Baghdad, going all the way north, and then settling in that area afterwards when we came back in.

So it has been a battle-tested platform. Gives us the situational awareness while we're on the ground of what it's seeing in the air, moving target indicator, a few other things, that's very critical. So it is a battle-tested program.

I can't speak to programmatic decisions being made by the Air Force. The chief of staff of the Air Force is starting with a budget exactly the same way we are, while we're trying to all figure out how we can pay our bills to provide the best combat readiness our nation needs.

SCOTT:

Well, thank you. And the beauty of the JSTARS obviously is the radar can see such a large area. It's a big world out there. Gentlemen, Secretary Mabus, thank you for your service. And with that, I'll yield the remainder of my time, Mr. Chairman.

MCKEON:

Thank you. Mr. Kilmer?

KILMER:

Thank you, Mr. Chairman. Thanks to each of you for being here, and for your -- for your service. Before I ask a question, I actually just wanted to lob a comment of -- we're hearing a good amount of interest from folks in my neck of the woods around reauthorization of overtime payments for Navy civilians who are working on the forward-deployed carrier in Japan. Was hoping the Navy would be supportive of that reauthorization.

For questions, let me start with Admiral Greenert. Can you talk about how much risk we are assuming by not fully funding the expected amount of depot-level work for our vessels? And, you know, what's the expected amount of savings that'll result out of that decision? And is there a reasonable expectation that we can pay for the cost of implementing that decision in the out-years?

GREENERT:

Well, the definition of "fully fund," there's the request. And then we would -- we would be our comptroller, and working with NAVSEA to say -- there are a number of programs -- you're probably aware of many of them -- we have in place to improve the efficiency of each of our depots.

So we ask them, "How is your program going? What is your goal for the year?"

We apply that to their budget request. And that becomes, if you will, the lesser (ph) funding. So we might fund the 97 percent, or whatever that number turns to be. I know the (inaudible) number, but each step, always different.

If we don't get that right, that's man days that -- that work that doesn't get done. Because we thought it would take 2,500 man days, it takes 2,650. So there's a little bit of risk in that, and you've got to come back around the next budget cycle and fix it.

And we've had to do that. But, sir, you know, we have to -- we've got to be efficient with the taxpayers' dollars, and be good stewards. So we -- and they've really responded. Depots have responded. They're much more efficient.

KILMER:

Are there specific alternatives that the committee ought to consider to fully fund that depot level maintenance to protect the investment that we're making in our maritime vessels?

GREENERT:

I wouldn't suggest it. What I mean by that is we -- I think you would ask us to say, "What have you assumed in those efficiencies," if you will, such that we would like -- I commit to you that what we've presented, and Secretary Mabus has approved on my behalf, is fairly closely scrubbed, sir.

KILMER:

Thank you. Secretary Mabus, the committee's currently undergoing a multi-year effort to review acquisition systems. And I wanted to hear from you about what you see as the biggest challenges to the Department of Navy, in terms of shipbuilding, in terms of non-major defense acquisition programs.

Are there specific considerations that we should be mindful of when considering requirements of the Navy and of the Marine Corps? And I guess in short, what can Congress do to help?

MABUS:

Well, the first part of that question, we have been getting I think our acquisition programs well under control; shipbuilding, the aircraft programs that we control. We've done it by competition, we've done it by multi-years, we've done it by block buys, we've done it by using some pretty basic business strategies.

But going forward from that, we are also looking. And I think that as you take this look, as Congress takes this look, we're looking, for example, at service contracts. We spend about \$40 billion a year on service contracts.

And what we've undertaken -- and we're absolutely confident that we can do it -- is we're going to take 10 percent of that to about \$4 billion a year, \$19 billion over the (inaudible) out of service contracting, without really having that much of an impact on what we get. And that's just by being able to follow money from the time it is -- it is appropriated, all the way through, to the time it comes out as a good or service that we get.

So I would ask you to not just look at the major acquisition programs, not just look at -- look at how we and everybody's structured. Look at where the growth has been. Look at what the benefit is that you get from that growth.

And as General Amos, who I've had the pleasure to serve with now for almost four years, said, we build very expensive things in the Navy. But they also amortize pretty well. We just retired the Enterprise after almost 52 years of service.

So if you break it down on that standpoint, you're getting a lot for your money. But it is a big, big upfront cost. And I think you should look at the service that those -- that those platforms give you.

KILMER:

Thank you. Thank you, Mr. Chairman. I yield back.

MCKEON:

Thank you. Mr. Bridenstine is recognized for five minutes.

BRIDENSTINE:

Thank you, Mr. Chairman. Just wanted to ask Admiral Greenert -- I have an interest in specifically the Growler. As a Navy pilot, I've been deployed on aircraft carriers.

And the EA-6B Prowler would become a national asset as soon as we got into theater. It would depart. We'd lose it as an organic asset to the aircraft carrier, to the air wing.

And I know right now we're slated to have five Growlers in each -- in each squadron in an air wing. And I was wondering, there's a concern I also have about not just -- just not having enough assets, but also a concern about the risk that is injected when we take the F-18 off production, given the F-35s had some risk.

My question, I saw that you put out a recent unfunded priority for additional Growlers following the release of the budget. And I was just wondering if you would talk about that priority and the unfunded piece of it?

GREENERT:

Sir, what we've done, is I submitted consultation with Secretary Mabus. I submitted, in responding to the chairman's request, to the chairman and secretary of defense, for their look at unfunded requirements for this. Yes, I put the Growlers on there.

The issue became -- you articulated some of it -- when you look at requirements, we are at minimum requirement as we know it. However, I look to the future. And to your point, electronic warfare, electronic attack, is critical. It gets us joint assured access.

I see a growing need, number one. Number two, there are a few studies going on looking at the joint requirement. Well, that's us. We're the provider.

So my view was for hedge and for risk reduction, I thought it would be appropriate to describe what I view as a need, a future need in (inaudible) requirement.

BRIDENSTINE:

Secretary Mabus?

MABUS:

We are -- we are the prime service now to do electronic attack, as you pointed out.

BRIDENSTINE:

Yes, sir.

MABUS:

And for that reason, and for what the CNO said, we're five planes in a squadron today. Looking at the future, we don't think electronic attack is going to get any smaller.

But also, very mindful of the industrial base. And if we buy the Growlers that we have in the budget, that line will continue through 2016. And I know that we are working on things like foreign military sales, things like that, to keep that line -- to keep that line in business.

But to the CNO's point, today we have the minimum numbers in each squadron. Looking out to the future, and to what electronic attack may or will become, it's an insurance policy. It's a hedge.

BRIDENSTINE:

Admiral Greenert and Secretary Mabus, what is the role of low-cost, autonomous service vessels in the fleet of the future? What steps is the Navy taking now to build autonomous surface vessels?

GREENERT:

I see them for -- you can use them for security, for sure. They would be surveillance if you go (ph) into harbor. We've done that already, by the way.

But this summer, we will be demonstrating autonomous, unmanned surface vehicles for mine (ph) warfare, where they go out and actually tow a sensor. We have it in the Fifth Fleet arena, the Arabian Gulf. And so I see that as a future, a pretty important element.

I'd like to move ahead to -- we'll develop a swarm concept of operation, do a lot of counter-swarm. I want to flip this. I want to do some swarm. And we have the technology and the means. Now we've got to put our efforts to it. That's my view.

MABUS:

We're the only service that does unmanned above the -- above the sea, on the sea, and under the sea. And surface, unmanned autonomous surface vehicles have to be a part of that future fleet.

And the one example CNO used, your seeing that with the -- particularly with the Littoral combat ship, sending out autonomous surface -- unmanned surface vehicles to hunt mines, to keep sailors out of the mine field, and to be way more efficient in hunting mines than we do -- we do today.

BRIDENSTINE:

Thank you, Mr. Chairman. I yield back.

MCKEON:

Thank the gentleman.

The gentleman from Rhode Island is recognized.

LANGEVIN:

Thank you, Mr. Chairman.

Mr. Secretary, Admiral and General, I want to thank you for appearing before us today. And of course, we appreciate the benefit of your testimony.

General, since this is your last posture hearing before the committee, I just wanted to express especially my appreciation for your service. I enjoyed getting to know you, and working with you as -- in your -- in your position of commandant of the Marine Corps and wish you well in this next chapter of your life. Thank you General.

Gentleman, making predictions is obviously a dangerous business to be in, but I certainly think that one point we can all agree on is that as we look out into the future, there's going to be an ever-increasing reliance on key enabling technologies. Some are more obvious, like the tactical information networks that make possible many of the war-fighting concepts including cyber. Others are more nascent, such as the contributions of future aerial platforms like UCLASS, or future technologies such as directed energy, or rail guns, advanced hypersonics, persistent unmanned surface and undersea vehicles, as we were just discussing a moment ago.

Next generation E.W. and radars and future ships such as Zumwalt. Admiral if I could start with you, I'd appreciate your thoughts on what those investments, particularly in directed energy and rail guns mean to the future of the fleet? And the other question I'd like to get to, hopefully time permitting is, with the construction rate proposed in the Navy's 30-year ship building plan, the nuclear attack submarine inventory will slowly decline to 43 SSGNs in 2028. Assuming the global COCOM demand remains steadily -- fairly steady, how will the navy compensate for the

projected shortfall of attack submarines? And in particular, for undersea payload capacity as the SSGNs age out?

GREENERT:

The directed energy -- we're going to do a demonstration this summer. In fact, we're down to final certification. We will load a directed energy weapon, laser, on the Ponce, which is our full force staging base. It's an LPD. It's an amphibious ship. We've sized it, we've looked at it. We've already demonstrated this particular, if you will, laser gun -- laser weapons system. And what's -- the value of it is, it's persistence. It costs under \$1.00 for one round, if you will -- laser round. We've already proven it against a drone and against a small craft.

So the deal is, I want to get it out there and take a look at it and see, how does it perform in that sort of harsh environment? And then, we adjust. If -- imagine you have a laser. You don't have to have as much ammunition onboard and all that brings that. So, then you want to miniaturize it. And you have to have the power system to be able to produce the power repetitively. But I think we can overcome on that. We're -- we are on a track for that. And then you raise the energy level that it can deliver, and we're on track to do that.

LANGEVIN:

And I -- and I applaud the work that the navy is doing in that respect. I've met many times with Admiral Klunder at O&R and I'm very familiar with what's -- that weapons system on the Ponce and will be following on that closely.

GREENERT:

Secondly, I will comment on the rail gun. We have these vessels called, joint high-speed vessels. They are catamarans. And we have the ability to put the power system in and put a rail gun mounted on the back. And in the summer of 2016, late summer probably, we want to take that to sea and demonstrate it, and see, how can the rail gun perform? The issue with rail gun is the barrel. That high of energy that is generated through there can tend to melt the barrel. So, we have to get the right barrel and do that right. We're working that, and the engineers tell me, no we can do this.

And secondly, you've got to generate the power for that electrical mode of force. So, those are two right up front there. The future in submarines? We have to -- we have a few things up our sleeve to help look -- get through, what we call this trough, that you eluded to. One, we'll look at deployment lengths. They're six months now. Maybe extend a few and we would choose -- pick and choose those. Two, the maintenance. The time they are off service. Can we bring them -- you know, can we be more efficient in our maintenance, or kind of move that around differently?

And then we'll look at, where are our submarines forward-deployed/ Where are they stationed, to put it another way. As you know, we are moving one SSN to Guam here in this budget request. So, if we can continue to do that, we will -- we'll work on the trough, as you say.

LANGEVIN:

Thank you Admiral. With time permitting, we have obviously invested billions of dollars to ensure that our aircraft carriers can project power anywhere on the globe. It's critical that we continue to make the investments to ensure that we're leveraging our carriers, expensive -- impressive capabilities to the maximum extent possible. How do you envision unmanned carrier launch surveillance and strike enhancing the carrier air wing?

GREENERT:

Well, as a minimum, it will -- at the very minimum, it will provide a fueling capability. But that's not its primary purpose. That returns, as I was mentioning earlier, Super Hornets -- joint -- excuse me, strike fighters right to the air wing. So, immediately the air wing is better. They will be an integral part. But they can do refueling ISR. So they will go out and surveil. Our requirements are, you have to have a payload. So we can mount all kind of surveillance on there. And, it has to bring a weapon with it. Then I am convinced industry will evolve this thing, so that it's observability will get lower, and lower. And then you're talking about going into increasingly denied environments.

So frankly, it will become a platform with payloads, just like the Super Hornet, and like the Joint Strike Fighter B -- in the -- my view, in the carrier of the -- of the future -- air wing of the future.

LANGEVIN:

Thank you Admiral. Thank you Chairman. I yield back?

MCKEON:

I thank the gentleman. The gentleman from Alabama, Mr. Byrne is recognized for five minutes?

BYRNE:

Thank you very much gentleman. We appreciate you being here today. I'm sorry you're having to sit so long through this process, but we do appreciate it. It's helpful to us. Mr. Secretary, I'd like to talk to you about my favorite topic, the littoral combat ship. I have read the memo that the secretary of Defense sent you on 24, February, in which he tells you in essence, build it out to 32 ships, pause and over the next year he'd like you to consider three options and come back to him with your recommendations based upon those options. And the options and the options were for the procurement of a capable and lethal small service combatant.

And those three options are; a new design, an existing ship design including an LCS and a modified LCS. And I'd like to take you through those three options, if I could. Are you aware of an existing ship design that would meet the definition of a capable and lethal small service combatant, other than an LCS?

MABUS:

When you -- the rest of that requirement is that I have to look at cost, because we've got to get enough of these ships. And, I have to look at when -- when they could be delivered to the fleet. So, if you add those two requirements to it, I do not know of another -- of another design. But that's part of this look, Congressman, is to see if there is another design out there that -- that could meet those requirements.

BYRNE:

Yes, Sir. I -- I understand you've got some work to do, but I'm just trying to get what you know today. So, let's go to the second option, which is designing a new ship. Given your goal to have a 300 ship fleet by 2020, which is five fiscal years from now, and the cost as you mentioned before, what would be the timeline for developing a new ship -- a new ship design all together? And what would the cost be for that?

MABUS:

The -- the normal timeline, and the CNO and I both talked about this. A normal timeline of blank sheet of paper to -- to introduction into the fleet is about a decade. About 10 years. And I don't have any idea about what the cost would be, at - at this time.

BYRNE:

Well, we've -- we've gotten the cost for the LCS down to about \$350 million a ship now, is that right?

MABUS:

That's correct.

BYRNE:

Could you produce a new ship for anywhere near \$350 million over the time horizon you are looking at, by 2020 for a 300 ship fleet?

MABUS:

The LCS is the only ship that we are currently producing anywhere close to that -- to that cost, any warship. And again, that's the purpose of this look is to see. But I am very proud of how much the cost has been driven down working with our partners in the industry. Because as you know, the first ship -- ships of the LCS, of both versions, cost more than \$750 million. And now we've got -- we've gotten that down to \$350 million, more or less and perhaps a little less, going forward. That's very hard to do. And it has been a -- it's been a -- a real effort, but it's been a real partnership between Navy and industry to do that.

And -- and so, we will -- we will certainly, as the secretary directed, look to see what the cost would be while continuing to build the LCS, on building the -- building a -- a variant of the LCS,

or a completely new design. And -- and he has explicitly instructed me to look at -- look at cost, and delivery as well.

BYRNE:

Well what -- when I look at the LCS, I'm reminded of my favorite boxer of all time, Mohammed Ali. Now he didn't win his fights by sitting there and just taking punches. He always said that he liked to float like a butterfly and sting like a bee. It seems to me when I look at the LCS and what it was designed to do, it's a Mohammed Ali. It floats like a butterfly, a very fast butterfly as you know, and stings like a bee. Isn't that what you're looking for?

MABUS:

Well, as you know, both the CNO and I are proponents of the LCS. We believe that we need this ship in the fleet, and appreciate very much the fact that we are going to continue to build these through the FYDP to get to -- to 32. And as you said, the only pause here is a pause in contract negotiations on ships past 32. So that's several years from now. And I think that very frankly, it is a good idea to -- to take a look at capabilities, to take a look at requirements, to take a look at how ships meet these. Because we do that on a very routine basis. We do it, as I pointed out earlier, on the DDG-51. We're about to start flight three, which is actually the fourth flight of this destroyer.

We're moving to flight four of the Virginia class submarine. We tend to -- we don't tend to, we actually do look at every different ship type as technology changes, as requirements change, as missions change. And the -- the beauty of the LCS or a ship like the LCS is it's modular, so that you don't have to build a new hull. You don't have to build a new ship as technology improves, as technology changes, as requirements change, you simply change out the modules.

BYRNE:

Thank you, Mr. Secretary.

Thank you, Mr. Chairman.

MCKEON:

I thank the gentleman.

The gentlelady from California, Ms. Speier, is recognized.

SPEIER:

Mr. Chairman, thank you.

And thank you to each of our great leaders who are at the witness table.

My first question is to General Amos. First of all, congratulations on your clean audit. The first service to have one. That's good news, I think, for all of us. I -- I want to ask you though about a letter that -- or a request made by Secretary Hagel last May, which he ordered all of the services to look at their positions of trust, soldiers who are in positions of trust, for any previous criminal or unethical behavior.

The Army disqualified 588 as sexual assault counselors, recruiters, or drill sergeants after discovering that they had records of either sexual assault, child abuse, or drunk driving. The Marine Corps has disqualified no one. Zero. And I find that remarkable, particularly since every other service has had at least a few. I have sent a letter today to the secretary asking that he ask the services to go back and take a relook, because you can't have 588 in one and zero in another of the services, particularly when the Army has -- or the Marine Corps has, you know, had some problems in the past. Can you respond to that?

AMOS:

Congresswoman, I'd be happy to. Thanks for the opportunity. The -- the two communities that -- that we call -- that you've described as those that -- that we need to pay particular attention to when it comes to dealing with sexual assault and the victims of sexual assault are recruiters. That's where it begins for us. And recruiting, I think you know this, from your -- you know, seeing them out in California, our recruiting is -- is a -- is a primo job for our Marines. And so, we go through in that community -- we go through a recruiter screening team, we go through their records, we do a federal law enforcement screening on every one of them. They're -- they're screened by their commanding officers, so -- so, their recruiters, that part of that community is screened more so than I think any other -- I think I can say this, any other service's recruiting team.

SPEIER:

General, I don't want to interrupt you necessarily, but I've got a very short amount of time, and I have another question to ask. So, are you going to take another look, is the question that I asked, because it just seems at great disparity that there's not one soldier who was in a position of trust that did not meet that review and be recognized as not being appropriately placed?

AMOS:

Congresswoman, I will do that, you have my word. And I'll get back to you on this. We have, just to comment on our sexual assault team, I mean our civilians and our Marines, they go through an enormous screening by the time -- before they even are eligible to even be considered for employment. I mean, background checks and everything, so the fact that we have had none is not necessarily an indication that we haven't looked. We've actually taken...

SPEIER:

All right. I'm gonna -- thank you.

AMOS:

OK.

SPEIER:

I'm sorry, but I do want to get one more question in. I have a minute and 45 seconds. All right, Admiral Greenert, thank you for arranging for the opportunity for both Congressman Garamendi and myself to visit the U.S.S. Coronado when it was in Cartagena. It was a very edifying experience. I have been critical of the LCS. I still have great concerns, but I must tell you, one of my biggest concerns right now is that, you know, in private conversations with some on the ship, and I will say that your commander there did an outstanding job, he was an incredible cheerleader, loves the ship.

But in some private conversations I had with others on the ship: the electronics on the ship are not working. And my concern is that when the warranty is out, General Dynamics is going to start charging us, and they have never presented us with a ship that was fully functional to begin with. And we should not be paying for that.

So, that's number one. Number two, one of the criticisms is that you can't see out of the side of the ship. And, he said, "Well, we probably won't be able to get that fixed until it goes into dry dock. That's two years away." I mean, I think that's a big problem. They left Cartagena, went through the Panama Canal, and what happened? The ship got scraped on the side of the Panama Canal. So, we've got a problem here, and I'm wondering what you're going to do about those two issues.

GREENERT:

Well, the first one, we're reasonably aware of, the electronics piece, and there's a couple of things. Number one, how well does it intercept signals, process it, and use it to be functional? Number two, the internal electronics, and when we ordered the ship, we wanted to address that after delivery. But -- but it's a valid comment. We'll look into it, and I want to make sure I understand specifically, when we say electronics, what it is. So, I got that, and we'll take a look at.

The second one, it is a paradigm to say the least, the -- to ask people not to be able to go out on a bridge, a wind wall. The other folks are doing reasonably well on that, but we are -- we are revisiting that aspect of it. You know, the ability to, if you will, see around, rather than just saying, "check out the cameras or rig up rear view mirrors," so what we're going to do about that is we're going to go back in and say, "what's the basis of this, and how do we continue to do it?"

SPEIER:

Thank you. My time has expired.

MCKEON:

Thank the gentlelady. The gentlelady from Illinois is recognized.

DUCKWORTH:

Thank you, Mr. Chairman. General Amos, I join my colleagues in expressing my admiration for your service. My daddy was a Marine NCO in World War II for just a few years, and was an Army officer for about 16 years, and I think his greatest regret, despite his pride in my service, was that I was not ever a Marine, so hopefully he's impressed now that I get to talk to the commandant.

I do have a question that pertains to where we're moving forward, back with the dwell time issues and the reset of Marines as you're drawing down the active duty force, and how that reset is going to with the Marine Reserves. Specifically, how sustainable is this one to two dwell-time? I mean, this is a pretty intense pace that you're going to be putting people on, and is that sustainable five years, two years, are you -- we going to be relooking at this, and what does that -- are the Reserves doing the same thing?

AMOS:

The Reserves, Congresswoman, as you know, are a little bit more mature. They've already finished at least one enlistment in the fleet. They've already, for the most part, have had one tour as an officer out in the fleet marine force, so they're a little bit more mature. We're going to maintain them on a one to five, which is the standard Reserve, Guard ratio, deployment to dwell. So there's no (inaudible) to change that.

We are though, going to capitalize on their experience and try to draw them in as often as we can. We're making plans. In fact, we just upped in the '15 budget, upped the Reserve's budget by -- by a significant amount of money just so that we can bring them into our unit deployment. It's good for them. It's good for us. So, we're going to continue using, we're not going to wear their dwell out.

Inside of us, we're a young service. We're the youngest, not age-wise, like 238 and a half years, but we're with the youngest of all the services. 62 percent of the Marine Corps are on their very first enlistment.

DUCKWORTH:

Mm-hmm.

AMOS:

You know, I've got almost 20,000 teenagers in the Marine Corps. So, when I travel around and (inaudible) major and I, we visit Marines in Afghanistan. They're deployed. And the only questions we get is -- is not, "hey sir, I'm too tired, this is too hard," I get the questions, "sir, when am I gonna get to deploy again?" Now that we're coming out of Afghanistan, where are we going to go next.

So, we're a young force. They signed up to deploy, so the -- the pressure on the one to two dwell, I mean, I'm not naive. We'll be on what we call the career force.

DUCKWORTH:

Mm-hmm.

AMOS:

And that's 27 percent of the Marine Corps. The bulk of the Marine Corps comes in and leaves and does not retire. But the career force stays on. That's the captains, the lieutenants, the master sergeants, the gunnery sergeants. And it will be harder on them.

The decision to go to 1:2 dwell was simply a function of budget. It's a function of you have a Marine Corps to respond to today's crisis with today's force today, not a month from now, but today.

And the only way we could do that is pull money into readiness, keep the units fully manned, fully trained and fully equipped, so that they can deploy and be ready, and to do that, to shrink the force down, it results in a 1:2.

I'm actually pretty optimistic. I'm not getting any -- of course, we're not in it yet. But we've been in a 1:2 dwell, actually, for five of the last seven -- six to seven years. So I'm optimistic that our Marine Corps is going to be able to sustain itself at this.

Is it ideal? Absolutely not. America needs a Marine Corps of 186,800, which is a 1:3 dwell.

DUCKWORTH:

It's certainly a heavy load that we're asking your Marines to shoulder going on into the future. And I just want you to know that there are many of us here who certainly appreciate that burden that you're carrying for our nation.

I want to talk, also, about equipment. You talked about the equipment and specifically, the return of the vehicles from Afghanistan and looking forward with the JLTVs. And we're gonna slow down the procurement of the JLTVs along with the Army slowing down the procurement, but you're going to try to increase the amount, the number of up-armor Humvees to make up the difference.

And, again, you know, ideally, looking forward, how does that balance come out? And does that also affect the reserve, the equipment in the reserves, as well?

AMOS:

The -- we haven't sorted it out yet with the reserves the JLTV. We're still in the program of record for it. We're the lead service into it, in that we get the vehicles first. We're teamed up with the Army. We get 5,500 vehicles.

We slid it to the right one year, just because of budgetary issues. We're still gonna get that.

What we have done, though, inside the -- what we call the Ground Vehicle Strategy (ph) in the Marine Corps, because of money, we've had to look and ask ourselves the question, what's good enough?

And we had 20,000-plus Humvees. A bunch of them were new. They were the ones that we got in 2006, 2008. We're gonna refurbish those. Probably about 13,000 of those. JLTVs will fit in there. We're gonna put more MRAPs back in the inventory than we had originally planned.

So it's a balance right now between modernization, paying our bills, and being able to be a ready force. We're trying to cut Solomon's baby in a -- in a variety of different ways. But hopefully we're doing it the right way. It's a balance.

DUCKWORTH:

Thank you.

I yield back, Mr. Chairman .

MCKEON:

Thank the gentlelady.

The chair now recognizes himself for some questions.

First, let me say, sun's out, guns out. That's right. My sleeves are actually rolled right now under my suit. You can't tell.

I think that's the best decision the Marine Corps made in a long time.

Commandant, let me say thanks to you and Bonnie (ph) for your -- for your time, for your service. It's not always easy to reconcile warfare with, let's say, the political class. It's tough.

And you've had to do that I think during the last couple of years, simply because of the ideology that's been in place. It's hard to reconcile combat and the elite political class. I mean, it's a fine line to walk.

And I want to thank you both for doing it. And for your -- just your time and your effort and your love for the Marine Corps and your Marines. You love your Marines. We can tell that. We can see it.

So thank you.

And I think this will be the last time that you're -- that you're sitting down there, and you're probably like, thank God, but thank you very much. Thanks for what you've -- what you've done, for your service and for your love of the Marine Corps and this country and your Marines.

But thank you.

AMOS:

Thank you, sir.

You know this better than most sitting in this room. So thank you.

MCKEON:

And to Bonnie (ph), is she here right now?

AMOS:

Sir, she is not. She states she's afraid to come in here.

MCKEON:

All right. Yeah. Same here.

Well, thanks to her, too.

So, yeah, she's probably gone through a lot more than you have, because she doesn't get to come out here and talk about it.

So let me say, first, I guess the question is, now that -- now that you've taken -- the Marine Corps has taken on the role of responding to the Benghazi-like attacks, remember, the Marine Corps stepped up and said, hey, we're gonna take this one, right? And you've done that. You have a unit in Spain. You're doing -- you're doing special purpose MAGTFs. You're responding to that.

So you've now stepped up. So I guess the question is, does your budget request match what you are now responsible for?

Because if it happens again, the Marine Corps is on the hook because you've stepped up and said we're gonna make sure it doesn't happen again.

So are we able to make it not happen again, basically?

AMOS:

Congressman, thank you.

We have budgeted for that special purpose MAGTF we currently have in Moron, Spain, and that right now that works out of Africa. You're well aware of its -- of its success stories and its relevance.

We've also budgeted for a second one in -- in another area of operations. So we actually have two in our budget, in the FYDP, we've planned for that.

So the answer is yes. And that's just in recognition of the future security environment. Ideally, what Admiral Greenert and I would like to do is put those rascals on ships. And when we get ships, we will.

But for the time being, we're gonna put them in the areas of operation for the combatant commanders, so that they can be relevant.

MCKEON:

So when do you make the transition from land-based to amphib? Because that's what you just said, basically, we want to put them on amphib, and we...

(CROSSTALK)

AMOS:

Walt I'm saying is ideally in a perfect world, what we'd like to do is put them on -- for instance, we're looking on the west coast of Africa right now. It's hard to find a base that will -- or a country that will allow us to operate out of there. A ship of some kind, a float (ph) forward-staging base, some type of ship, an amphib would be perfect for that area.

And Admiral Greenert and the secretary and I are working on that right now.

So that would be an indication or an example of transition to that.

But we're probably down the road, quite honestly, with the number of amphib we have.

MCKEON:

Thank you, Commandant.

Admiral Greenert, a question about the dual-mode Brimstone missile, that we've been talking about this morning, the swarming boats, that's the -- that's the Hellfire-ish (ph) missile that has radar and I.R.

So I've seen a video where you have a bunch of swarming boats, and it takes out a whole bunch of them. And you can launch it off ships, you can launch it off UAVs.

The British have done all the R&D. It's a package deal. And you're very interested in this, I understand that. And I just want to know how the -- how's that going? Are we gonna actually do it? Are we gonna employ it? Are we gonna use it?

GREENERT:

As I sit here in front of you, I can't tell you, yes, we are. As I sit here in front of you, I'll tell you, this summer, early I was talking about we're gonna do a swarm demonstration, we swarm. And at the same time look at counter swarm.

During that, the next comes the lethality. What kind of guns, what kind of missiles, what kind of sensors are we gonna put on these?

So I guess I'd say, stay tuned. We'll keep you informed where we want to go with that.

I think we need to...

MCKEON:

Do you like the missile?

GREENERT:

Come again, sir?

MCKEON:

Do you like the missile?

GREENERT:

I do like the missile. The question is, how do you integrate it? How does it perform? How do I buy it?

And if I need to, I don't want to say get around, how do I get it through the system so it isn't another one of these -- you know the deal, program of record, long-term thing?

We need this thing out there soon, if we need it.

MCKEON:

So, because they've already done the investment, the Brits. They've already done the investment in it. It's a non-R&D product that actually packaged and ready to go, Secretary Mabus, is there a fast track for something like this?

The Navy says, "Hey, it's good to go; there's no R&D. We just want it."

MABUS:

There are fast tracks for urgent needs like this. And whether it's this missile or some alternative, we're already moving to meet the swarming things. We've got some money in this budget to put the Longbow Missile in the surface warfare component of the LCS.

So, yeah, the short answer is yes, there are. But the little bit longer answer is, you -- you've got to do what the -- what the CNO said first, and show that we can integrate it, that we can use it, that we -- that it can -- that it can do the job, as advertised.

MCKEON:

I thank you all. And I just want to say in the end -- I mean, you know, the Army's going to -- the Army's going to knot (ph) me for this, but in -- probably in the next 15-20 years, the Navy, Marine Corps and Air Force are going to be out there front and center. And when we -- everybody -- the last -- the last two or three (inaudible) said we're not going to get in a big land war again. It's all going to be pushing out, trying to reach out and touch people. And you all are going to be front and center.

I know you got a lot of planning to do. You got the F-35s. You got U -- U -- UCLASS. You have to be able to put everything together. You've got to be able to see it, and it's going to change the way we fight, with everything -- network is very complex and very complicated. And I wish you luck. We are here to help. And anything that we can do, let us know. Because you have your work cut out for you.

And I want to say, thanks for your service.

General Amos, congratulations, sir, on a beautiful career. And congratulations on getting out relatively unscathed.

And with that, I'd like to yield to the gentlelady from California, Ms. Shea-Porter -- or from New Hampshire -- I'm sorry, I get those confused. They're up on the coast, so...

SHEA-PORTER:

I'd say they're both on water. It works. So, thank you very much. And thank you gentlemen for being here. And congratulations to you, General. And thank you for your service.

My question here is for the secretary.

You said in your testimony that maintaining undersea dominance is vital to the U.S. Navy. And we continue to fund the Virginia class subs each year. Now, I have the Portsmouth Naval Shipyard in my district, and you know how famous they are for the great work they do. And they meet all of the challenges, including the sequester last year, which -- which had an impact. But they have been on the job, and their record is -- is absolutely wonderful. So, my question's very simple.

In considering a future BRAC -- and you know what the Congress had to say about that -- but considering a future BRAC, is the Portsmouth Naval Shipyard in that equation at all? I believe their work is essential, and my question is, do you and does the Navy?

MABUS:

I'm going to leave out whether -- because we haven't been authorized to do a BRAC. And so, I don't know what would be looked at. But I will say that all our naval shipyards, including Portsmouth, do incredibly good work. They do the work that we have to have to keep not only our submarines, but all our ships at sea maintained at the highest state of readiness. They do so under sometimes difficult conditions. And so, we value them very, very much. We value the workers.

And I think that one of the things -- when -- when we were first forced to furlough last year, one of the things that Navy exempted from furlough was the shipyard workers, to make sure that we -- or most of the shipyard workers, to make sure that we kept -- kept them on the job, because we couldn't make up that time if -- if they were not there. And I think that that speaks to the value that -- and the importance that we put on them. Not that we value any of our other civilians less, but just that their work is so time-sensitive. And if you lose a month or a few days, there's no place to make it up.

SHEA-PORTER:

Right. And as you know, they almost did go through the -- the full furlough, but -- but that was changed, fortunately. But my concern is that as we look forward, and we recognize there's dangers around the world -- and that's the reason that we continue to -- to make the Virginia class subs -- to -- we have to also make sure that we have the quality workers and that we have the facilities. And this is a public yard, as you know, that is open 24/7, and has been there. And the salt water runs in the bays in New England, so I just wanted to ask that question. I appreciate that you couldn't really answer that at this moment, but I just wanted that for the record.

MABUS:

Well, and -- and I will add that in previous BRACs, the Navy and Marine Corps have taken out a lot of unused capacity. Now, I do think that DOD-wide, we should take another look at what -- what we have. But -- but the Navy and Marine Corps, because of previous BRACs -- and I was governor of Mississippi during a BRAC when one of our bases was targeted. And so I know exactly what -- what you're going through.

But I -- I think that the quality of work and the necessity of work of all the shipyards speaks for themselves.

SHEA-PORTER:

Right. Well, we barely survived that -- that round of BRAC, as you know. And when you see the work that they're doing and recognize how essential it is for national security, you know, I hope that will give full measure of consideration.

Thank you very much, and I yield back.

MCKEON:

Thank the gentlelady.

And if there are no more questions, this hearing is adjourned.
