

Stenographic Transcript  
Before the

Subcommittee on  
Readiness and Management Support

COMMITTEE ON  
ARMED SERVICES

## **UNITED STATES SENATE**

HEARING TO RECEIVE TESTIMONY ON THE HEALTH OF THE  
DEPARTMENT OF DEFENSE INDUSTRIAL BASE AND  
ITS ROLE IN PROVIDING READINESS TO THE WARFIGHTER

Wednesday, March 29, 2017

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1155 CONNECTICUT AVE NW  
SUITE 200  
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1 HEARING TO RECEIVE TESTIMONY ON THE HEALTH OF THE DEPARTMENT  
2 OF DEFENSE INDUSTRIAL BASE AND  
3 ITS ROLE IN PROVIDING READINESS TO THE WARFIGHTER  
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6

7 U.S. Senate  
8 Subcommittee on Readiness and  
9 Management Support  
10 Committee on Armed Services  
11 Washington, D.C.  
12

13 The subcommittee met, pursuant to notice, at 2:15 p.m.,  
14 in Room SR-232A, Russell Senate Office Building, Hon. James  
15 Inhofe, chairman of the subcommittee, presiding.

16 Subcommittee Members Present: Senators Inhofe  
17 [presiding], Rounds, Ernst, Perdue, Kaine, and Hirono.  
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1           OPENING STATEMENT OF HON. JAMES INHOFE, U.S. SENATOR  
2 FROM OKLAHOMA

3           Senator Inhofe: Senator Kaine and I have a policy  
4 where we start on time. If everybody does that, then  
5 everybody shows up. If they do not, they will not show up.  
6 So we are going to go ahead and do that.

7           I will have an opening statement, and you will have an  
8 opening statement, and then we will get ready to hear the  
9 presentations. This is going to be very, very significant,  
10 this hearing.

11           Today, we are joined this afternoon by Lieutenant  
12 General Larry Wyche -- I am sure that you been around to see  
13 most of these members; Vice Admiral Grosklags; Vice Admiral  
14 Thomas Moore; Lieutenant General Michael Dana; the Deputy  
15 Commander of the Marine Corps, Lieutenant General Lee Levy,  
16 who is out in my State of Oklahoma at Tinker Air Force Base.

17           I thank the witnesses for agreeing to testify today,  
18 and I also thank Ranking Member Senator Kaine for his  
19 leadership and partnership on this issue. We work very well  
20 together. We are old friends.

21           Just last month, the subcommittee received testimony  
22 from the service Vice Chiefs on the current readiness of  
23 Armed Forces. Now that is what we heard the last time in  
24 the first committee hearing that we had, and I remember one  
25 of the witnesses was reflecting back in the 1970s when we

1 had a hollow force.

2 And I think, even though it is not all that well-  
3 defined, I think we have a hollow force today. I am very  
4 much concerned about it.

5 I think this is a very significant hearing to hear from  
6 you folks, and I look forward to your testimony.

7 Senator Kaine?

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1           STATEMENT OF HON. TIM Kaine, U.S. SENATOR FROM  
2 VIRGINIA

3           Senator Kaine: Thank you, Mr. Chairman.

4           Thanks to all the witnesses. I do appreciate your  
5 service and appreciate you being here today as we take  
6 testimony that will help us as we start to work on the  
7 fiscal year 2018 NDAA. We want to do it in such a way that  
8 we can restore full spectrum readiness as soon as we can.

9           As my chair mentioned, we do work well. We had a  
10 hearing last month, and the Vice Chiefs laid out how the DOD  
11 continues to suffer from unacceptable levels of full  
12 spectrum readiness, and we heard a mantra worth repeating  
13 today, that DOD needs more predictable and stable funding.  
14 Readiness is a function of many things. Predictability is  
15 one of the key ingredients.

16           The five witnesses today are going to help us  
17 understand the direct correlation between the readiness of  
18 maintenance facilities and the degraded operational  
19 readiness measured in terms of decreased training, flying,  
20 and steaming days.

21           Specifically, I am hoping to hear from witnesses about  
22 the impact that unpredictable funding has on workload  
23 planning and how the condition of a degraded shipyard or  
24 depot impacts the ability to retain skilled employees,  
25 engineers, and workers.

1           We have recruiting and retention bonuses for men and  
2 women in uniform, and for good reason. We need to make sure  
3 that we find ways to better retain and reward those serving  
4 at home and abroad.

5           We often hear about how military platforms need  
6 modernization, and yet so does the infrastructure that  
7 maintains those platforms. So the deferred maintenance  
8 backlogs at shipyards, ammunition plants, air logistics  
9 centers, arsenals, and depots continues to grow and has been  
10 left unaddressed for a very long time.

11           We have technology challenges as we hope to modernize  
12 our organic industrial base. I think we should pay more  
13 attention to key enablers, this important set of  
14 institutions, work force, and technology.

15           This subcommittee and the DOD should work together to  
16 explore news ways for the shipyards and depots to recruit  
17 and retain the highly skilled work force they need now and  
18 in the future.

19           Some of the models that we are using to support  
20 cybersecurity and laboratory R&D work force can be used here  
21 as well. For example, apprenticeships, internships, the  
22 scholarship for service program for civilian service in the  
23 DOD, and exchanges with private industry all have a place to  
24 play in getting us that work force.

25           We need to make better use of our innovative partners

1 like DOD labs, universities, industry, and even places like  
2 DARPA to develop the new technologies to improve efficiency.

3 I had a great meeting, Mr. Chair, with General Dana  
4 yesterday. We talked about the growth of 3D printing as  
5 something that is really changing some of our functions in a  
6 good way.

7 One of the first directives that the new administration  
8 put out that has concerned me was the Federal hiring freeze,  
9 making a difficult problem worse, and I will ask about that  
10 today. There were some exemptions, yet even with  
11 exemptions, the hiring freeze impacts and even flies in the  
12 face of common sense, whether it is a child care worker in  
13 Germany, or a commissary worker stocking shelves in  
14 Virginia, or an engineer who does not have direct touch with  
15 platforms but nevertheless is critical to the development of  
16 platforms, some of this impact has been felt.

17 The hiring freeze, in my view, is an unnecessary layer  
18 of red tape at a time when we should be encouraging the next  
19 generation of Americans to weld holes at shipyards,  
20 manufacture gun tubes at an arsenal, write software code for  
21 the most advanced fighter aircraft on the planet.

22 So we have to put ourselves in the shoes of high school  
23 grads and college undergrads. The hiring freeze that was  
24 announced was 90 days with TBD to follow, but if you are a  
25 youngster with a lot of talent and you are thinking about

1 what you want to do, when you look at a Federal work force  
2 that is going to be dramatically affected by hiring freezes,  
3 you would probably be smart to think about other lines of  
4 work.

5 The bottom line is that the civilian work force is just  
6 as dedicated to men and women in uniform. Many of them wore  
7 combat helmets before they were part of the civilian work  
8 force, and we rely on them, as many in the defense  
9 industrial and production facilities, to help us succeed.

10 Finally, I would just suggest again what I have been  
11 suggesting since I came to the Senate in January 2013. One  
12 of the first votes I cast in February was to turn off the  
13 sequester. It was originally a deal to force us to find a  
14 budget deal, and it was sort of an interesting philosophy.  
15 In order to force ourselves to do something smart, we will  
16 agree, if we do not, to do something stupid.

17 I never really thought that was a good management  
18 technique, and when I came into the Senate, I said, let's  
19 turn it off and let's just make our budgets about advocating  
20 for priorities. And then when we decide upon priorities, we  
21 will do budgets based on priorities rather than priorities  
22 based on budgets or, worse, priorities based on budgetary  
23 uncertainty.

24 I think especially it is kind of an interesting time, a  
25 new administration, all levers of power, executive and both

1 Houses, in the control of one party. We could get rid of  
2 the sequester caps on both defense and nondefense and then  
3 just make our case about what we think the Nation should  
4 spend in these areas. And I would hope that we might have  
5 that discussion in the full committee.

6 But for purposes of today, we are going to hear good  
7 testimony that will go into the record and help us as we get  
8 into the NDAA process.

9 And I am glad my chair has called this committee, and I  
10 look forward to your testimony.

11 Senator Inhofe: Good. Thank you, Senator Kaine, just  
12 so it will be in the record, when we first heard about the  
13 hiring freeze, of course, the exception being the military,  
14 we immediately got that corrected.

15 Just take our depot in Oklahoma that General Levy is  
16 very familiar with. They only have one uniformed officer in  
17 the whole place. They have a couple thousand employees.  
18 You cannot make ordnance. You cannot fight a war if you are  
19 not making ordnance.

20 So those areas had to be corrected immediately and were  
21 corrected immediately.

22 Now, we are going to hear from each one of you guys,  
23 and we will ask you to try to confine your statements to 5  
24 minutes, and your entire statements will be made a part of  
25 the record.

1           So we will start with Lieutenant General Larry Wyche, a  
2 deputy commanding general of the United States Army Materiel  
3 Command.

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1           STATEMENT OF LIEUTENANT GENERAL LARRY D. WYCHE, USA,  
2 DEPUTY COMMANDING GENERAL, UNITED STATES ARMY MATERIEL  
3 COMMAND

4           General Wyche: Senator Inhofe, Ranking Member Kaine,  
5 and distinguished members of the subcommittee, thank you for  
6 the opportunity to testify on the readiness of the Army's  
7 organic industrial base. On behalf of our Acting Secretary,  
8 the Honorable Robert Speer, and our Chief of Staff, General  
9 Mark Milley, thank you for your support and demonstrated  
10 commitment to our soldiers, our Army civilians, families,  
11 and veterans.

12           It is an honor for me to appear today along with my  
13 distinguished colleagues from the Navy, Marine Corps, and  
14 Air Force.

15           Since the War of 1812, our Nation has reaped the  
16 rewards of the unique capabilities that reside in our  
17 organic industrial base. Today, 23 ammunition plants,  
18 depots, and arsenals produce combat readiness by  
19 manufacturing, repairing, and resetting our military's  
20 equipment.

21           Our organic industrial base directly employs a skilled  
22 work force of more than 22,000 people. Many of them are  
23 highly skilled artisans and craftsmen who deliver readiness  
24 while supporting operations impacting all 50 States.

25           The organic industrial base is often referred to as

1 America's national security insurance policy. As with all  
2 insurance policies, there must be sufficient coverage in  
3 advance of crises and the confidence that the policy will be  
4 delivered and honored.

5 The organic industrial base represents the very best  
6 protection, paying dividends in the form of readiness now  
7 while providing the capabilities to regenerate equipment and  
8 unit readiness at the offset of future crises.

9 The Army's organic industrial base serves to mitigate  
10 risks by providing strategic depth and scalable response  
11 during times of crises by producing materiel, which include  
12 ammunition, explosives, trucks, artillery tubes, tanks,  
13 helicopters, and much more. Our manufacturing base has  
14 always delivered state-of-the-art technology and equipment  
15 to our globally engaged forces.

16 The two greatest challenges that we face today in our  
17 organic industrial base are budget caps mandated by the  
18 Budget Control Act of 2011 and the lack of consistent and  
19 predictable funding, as evident by repeated continuing  
20 resolutions. The longer the Army operates under the budget  
21 cap in an unpredictable fiscal environment, the more  
22 difficult it is to sustain production and retain a skilled  
23 work force.

24 We recognize the commitment and steadfast support by  
25 the committee over the last 16 years. Without your support,

1 the organic industrial base could not have surged when  
2 called upon in support of Operations Iraqi Freedom and  
3 Enduring Freedom.

4 I would like to thank each distinguished member of this  
5 committee for allowing me to offer this testimony today.  
6 Your continued steadfast support enables us to maintain and  
7 modernize our organic industrial base while simultaneously  
8 preserving and developing the work force required to provide  
9 value to our Nation in the form of readiness.

10 General Milley states it so succinctly. The number one  
11 priority for the Army is readiness. The foundation of Army  
12 readiness is a responsive industrial base.

13 Thank you.

14 [The prepared statement of General Wyche follows:]

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1           Senator Inhofe: Thank you, General Wyche.

2           We will now hear from Vice Admiral Grosklags,  
3 Commander, United States Naval Air Systems Command.

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1           STATEMENT OF VICE ADMIRAL PAUL A. GROSKLAGS, USN,  
2           COMMANDER, UNITED STATES NAVAL AIR SYSTEMS COMMAND

3           Admiral Grosklags: Thank you, Mr. Chairman, Ranking  
4           Member Kaine, distinguished members of the subcommittee.

5           I appreciate the opportunity to be here with you today  
6           to discuss specifically, in my case, naval aviation and some  
7           of the readiness challenges that we face. I know those  
8           challenges, as you mentioned in your opening statement, are  
9           no surprise to this subcommittee, as both the Vice Chief and  
10          the Assistant Commandant testified to that effect about a  
11          month ago.

12          About our aviation depots specifically -- and we call  
13          them fleet readiness centers, so I might use those terms  
14          interchangeably. They are a critical element in our overall  
15          readiness recovery plan. They are continuing a steady  
16          recovery from fiscal year 2013 primarily and the impacts of  
17          furloughs and hiring freezes associated with sequestration,  
18          to your point, Senator Kaine. But also, they are recovering  
19          from years of limited and uncertain funding.

20          Today, they are also increasing their workload. The  
21          demand on them actually has never been higher. Sixteen  
22          years of wartime activity, the challenging material  
23          condition of the aircraft that are coming in the front door  
24          as well as the extension of our aircraft service lives well  
25          beyond what we had originally planned to utilize them to. A

1 case in point that I think most of you are familiar with are  
2 our F-18 A through D models.

3 While we will always remain challenged as long as we  
4 are flying with our F-18 A through D models in terms of  
5 keeping them ready, we have stabilized that particular depot  
6 production line. We have become predictable in our delivery  
7 of those assets back to the fleet. And by the end of this  
8 year, beginning of next calendar year, we will have met the  
9 fleet's requirement for in-service or in-reporting F-18s.

10 So while we are turning the corner there on F-18s, as I  
11 mentioned earlier, the overall workload continues to  
12 increase, as we see increasing demand signals for V-22s, H-  
13 1s, other type model series, as well as component repair VR  
14 supply system.

15 But it is also important that we all recognize that  
16 getting our depots back up on step really only addresses one  
17 piece of the readiness equation. We have to be equally  
18 focused on our supply support, our maintenance planning, our  
19 maintenance publications, our support equipment, the  
20 training and qualifications of our sailors and marines who  
21 maintain these aircraft, and I could go on.

22 But those things are just as important as our depot  
23 capability. And the funding for those efforts is through a  
24 variety of individual line items. We collectively tend to  
25 call those our enabler accounts. And as the department has

1 struggled to balance our competing requirements and limited  
2 resources for the last number of years, funding in these  
3 accounts has been severely constrained, and I can tell you  
4 that readiness has suffered as a direct result of that lack  
5 of funding.

6 In our fiscal year 2017 request, the department has  
7 taken a major step forward toward addressing the required  
8 funding for these enabler accounts. The request for  
9 additional appropriations further augments that request and  
10 our recovery efforts. Because of that, if we end up  
11 operating under a full-year continuing resolution, there  
12 will be a significant negative impact to our ability to  
13 continue our overall naval aviation readiness recovery  
14 efforts.

15 As you said, Senator Kaine, in your opening, stable,  
16 predictable, and sufficient funding is absolutely critical  
17 to our readiness recovery efforts. So I look forward to  
18 working with the subcommittee to that end, and I look  
19 forward to your questions.

20 Thank you.

21 [The prepared statement of Admiral Grosklags follows:]

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1           Senator Inhofe: Thank you, Admiral Grosklags.

2           We will now hear from Vice Admiral Thomas Moore, United  
3 States Navy, Commander United States Naval Sea Systems  
4 Command.

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1           STATEMENT OF VICE ADMIRAL THOMAS J. MOORE, USN,  
2           COMMANDER, UNITED STATES NAVAL SEA SYSTEMS COMMAND

3           Admiral Moore: Thank you, Mr. Chairman. Mr. Chairman,  
4           ranking member, distinguished members of the subcommittee,  
5           on behalf of the 73,000 men and women in the Naval Sea  
6           Systems Command, I thank you for the opportunity to discuss  
7           the health of the industrial base and its critical role in  
8           maintaining the readiness of our fleet.

9           The Naval Sea System Command's number one priority is  
10          the on-time delivery of ships and submarines to the fleet.  
11          At any given time, about one-third of the Navy's fleet is  
12          undergoing either a major depot maintenance availability in  
13          one of our four naval shipyards and private sector surface  
14          ship repair shipyards or conducting pier-side intermediate  
15          maintenance.

16          Our naval shipyards and our private sector partners are  
17          the cornerstone of that effort to deliver our ships and  
18          submarines on time. And the 33,850 men and women who work  
19          in our naval shipyards and the workers in our private sector  
20          partners today are true national assets.

21          The high operational tempo in the post-9/11 era  
22          combined with reduced readiness funding and consistent  
23          uncertainty about when these reduced budgets would be  
24          approved have created a large mismatch between the capacity  
25          of our public shipyards today and their required work. This

1 mismatch has resulted in a large maintenance backlog which  
2 has grown from 4.7 million man days to 5.3 million man days  
3 between 2011 and 2017.

4 Today, despite hiring 16,500 new workers since 2012,  
5 the naval shipyards are more than 2,000 people short of the  
6 capacity required to execute the projected workload,  
7 stabilize the growth and the maintenance backlog, and  
8 eventually eliminate that backlog.

9 This man day shortfall coupled with reduced work force  
10 experience levels -- and today, half of my work force has  
11 been in naval shipyards for less than 5 years -- and  
12 shipyard productivity issues have all impacted fleet  
13 readiness through the late delivery of ships and submarines.

14 However, although we face many challenges, the  
15 challenges are not insurmountable. Years of sustained  
16 deployments and uncertain funding have created a readiness  
17 debt that we must begin to address today.

18 In our naval shipyards and private sector, that begins  
19 with defining the full maintenance requirement, matching the  
20 budget to that requirement, ensuring the capacity to perform  
21 work matches that workload, and improving the productivity  
22 of our work force through improved training and  
23 infrastructure investments that must be made to modernize  
24 our naval shipyards.

25 We can and we must tackle each of these issues today

1 and sustain that focus into the future. Only then will our  
2 industrial base be able to provide the readiness required of  
3 our Navy today and into the future.

4 I look forward to your questions.

5 [The prepared statement of Admiral Moore follows:]

6 [SUBCOMMITTEE INSERT]

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1           Senator Inhofe: Thank you, Admiral Moore.

2           We will now hear from Lieutenant General Michael Dana,  
3 U.S. Marine Corps and Deputy Commandant Installations and  
4 Logistics for the Marine Corps.

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1           STATEMENT OF LIEUTENANT GENERAL MICHAEL G. DANA, USMC,  
2 DEPUTY COMMANDANT, INSTALLATIONS AND LOGISTICS, UNITED  
3 STATES MARINE CORPS

4           General Dana: Thank you, Chairman Inhofe, Ranking  
5 Member Kaine, distinguished Senators.

6           The first thing I would like to start off with is a  
7 thank you. I have Master Gunnery Sergeant Baughman here.  
8 That is 25 years of Marine Corps experience. I have 36  
9 years.

10          What I want to pass to you is, in this entire time I  
11 have been in the Marine Corps, the American people and  
12 Congress have taken care of us. Everything from Desert  
13 Storm to Somalia, to Iraq and Afghanistan, we have gotten  
14 everything we need, and we greatly appreciate the support.

15          So I wanted to preface my comments by saying that,  
16 because we do have a few asks. We are combat ready to go.  
17 We are the fight tonight force. But there are four things I  
18 would like to cover quickly.

19          First, the accelerated aging of our equipment set. I  
20 said to Senator Kaine yesterday, normally vehicles, MTRVs,  
21 trucks that would go 1,200 to 1,500 miles in a peacetime  
22 environment, we were racking up 15,000 to 18,000 miles per  
23 vehicle, so that accelerated aging induces a cost.

24          Good news for the depot. Senator Perdue, sir, thanks  
25 for the great support there. But it generates work.

1           Second is the complexity of today's systems. If you  
2 look at when I came in, in 1982, an M151 jeep, very simple,  
3 four cylinders, 16 to 18 miles a gallon. The problem was it  
4 was not very survivable, so we came up with the MRAP.

5           But the MRAP is a system of systems, and many of the  
6 combat platforms we have today are systems of systems, so  
7 you need more maintenance, more technicians, more money to  
8 keep those systems moving.

9           Next is the gradual decline in depot funding. And we  
10 appreciate, we greatly appreciate, the 80 percent that we  
11 get, in some cases 84 or 88. But we are very confident in  
12 our requirements. So when we generate 100 percent  
13 requirement for our equipment set, anything less than that  
14 leads to a gradual decline in readiness for that year.

15           And last is the decline of our facilities. We have  
16 29,000 facilities in the Marine Corps; 4,300 of those are in  
17 poor or fair condition.

18           Like the Commandant, because he is the Commandant, he  
19 has a plan, and we are executing that plan. It is an  
20 installation reset strategy, which I talk to you more in  
21 detail more later, sir. But the bottom line is, he wants us  
22 to help ourselves before we ask you for help. So when we  
23 come to you for requirements, sir, it is a hard and fast,  
24 fact-based requirement.

25           So I look forward to the questions. Thanks for having

1 us here today.

2 [The prepared statement of General Dana follows:]

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1           Senator Inhofe: Thank you, General Dana.

2           Now Lieutenant General Lee Levy II, United States Air  
3 Force, Commander of the Air Force Sustainment Center, United  
4 States Air Force Materiel Command, and very busy at Tinker  
5 Air Force Base.

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1           STATEMENT OF LIEUTENANT GENERAL LEE K. LEVY II, USAF,  
2           COMMANDER, AIR FORCE SUSTAINMENT CENTER, UNITED STATES AIR  
3           FORCE MATERIEL COMMAND

4           General Levy: Good afternoon, Chairman Inhofe, Ranking  
5           Member Kaine, distinguished members of the subcommittee.  
6           Like General Dana and my colleagues to the right, thank you  
7           for allowing us this opportunity to testify before you on  
8           the readiness of our United States Air Force.

9           On behalf of our Acting Secretary, the Honorable Lisa  
10          Disbrow, and our Chief of Staff, Dave Goldfein, thanks for  
11          your support and demonstrated commitment to our airmen, our  
12          Air Force civilian families and veterans.

13          Without apology, your United States Air Force has  
14          delivered global vigilance, global reach, and global power  
15          for the Nation. We are always in demand, and we are always  
16          there. We supported joint and coalition forces throughout  
17          every operation, and we have secured the homeland through  
18          continuous surveillance and air defense.

19          And we have done all this with a force that is now 30  
20          percent smaller than at the outset of Desert Storm and  
21          aircraft and infrastructure that continues to age and  
22          present new challenges. Literally, we are finding ways to  
23          do more with less.

24          Your total force airmen, Active Duty, National Guard,  
25          Air Force Reserve, and our dedicated civil servants, are

1 amazing, and they continue to seek new and innovative ways  
2 to get the job done.

3 Make no mistake, your United States Air Force is ready  
4 to fight tonight. But I am concerned about our ability to  
5 sustain our Air Force to fight tomorrow.

6 Threats to the Nation and our vital national interests  
7 continue to evolve and adapt present formidable challenges  
8 that threaten us and our allies. And as we develop advanced  
9 airspace and cyber capability for tomorrow, we must continue  
10 to adapt our readiness, sustainment, and logistics  
11 enterprise as well.

12 As General Wyche said, the organic industrial base is  
13 the Nation's insurance policy. It underpins our readiness  
14 to fight not only tonight but be prepared to fight and  
15 sustain into the future. The Air Force Sustainment Center  
16 underwrites this for our Air Force joint partners and  
17 allies.

18 Our command has responsibility for nuclear sustainment  
19 and supply chain management for two-thirds of the Nation's  
20 nuclear triad. Nuclear deterrent operations are the bedrock  
21 of our national security.

22 Our command also has responsibility to set, open, and  
23 sustain theaters in times of peace and conflict, and we are  
24 doing this with weapons systems across our Air Force that  
25 are on average age 27 years old.

1           The defense industrial base is brittle. We find an  
2           ever-diminishing vendor base for sustaining our platforms  
3           and increasing challenges recruiting the kind of talent our  
4           Air Force simply must have for the future. A fifth-  
5           generation Air Force must have a fifth-generation work  
6           force.

7           From the logistics sustainment portfolio perspective,  
8           all of the service destinies are interconnected. This is  
9           not a zero-sum game. Our Nation's warfighting capabilities  
10          rise and fall together. We all must be fully functioning  
11          teammates. And when we enter the battlespace, we rely on  
12          one another.

13          For example, at Tinker Air Force Base, headquarters of  
14          the Air Force Sustainment Center, we are home for and  
15          sustain the Navy E-6B Mercury fleet. We are a critical link  
16          in our Nation's nuclear command-and-control architecture.  
17          We ship munitions from McAlester Army Ammunition Plant, from  
18          Tinker Air Force Base.

19          You may be familiar with the boneyard at Davis-Monthan  
20          Air Force Base in Arizona. While some call it that, I  
21          prefer to think of it as a national reservoir of aerospace  
22          capability.

23          To that end, they are regenerating their F-18s from  
24          long-term desert storage to help with the Department of  
25          Navy's TAC Air challenges that you heard about a moment ago,

1 while our team at Warner Robins Air Logistics Complex just  
2 outside of Macon, Georgia, are working hard making wing  
3 spars for that hard-to-replace-part for the F-18 in a  
4 public-private partnership to help the Department of Navy  
5 readiness.

6 I could offer dozens more examples. While logistics  
7 and sustainment by itself will not win a war, it will  
8 absolutely lose you a war.

9 The airmen of the Air Force Sustainment Center are  
10 predominantly civilian. Our ability to hire takes months  
11 due to an antiquated hiring system. In an era when software  
12 engineers are becoming as essential to weapons systems  
13 sustainment as jet engine technicians, we simply must have a  
14 better system for recruiting and hiring our total force  
15 airmen for tomorrow.

16 We compete with industry for a scarce commodity, STEM  
17 graduates that the Nation already does not produce enough  
18 of. This competition for talent has readiness implications  
19 for today and for tomorrow.

20 Our Nation needs to increase its investment in force  
21 structure, readiness, and modernization. We find when we do  
22 that, we have a full-spectrum ready airspace and cyber force  
23 to meet today's challenges and tomorrow's.

24 Our citizens expect this from us. Our combatant  
25 commanders require it of us. And with your continued

1 support, our airmen and your United States Air Force will  
2 continue to deliver it.

3 Thank you for having us today, and I very much look  
4 forward to your questions.

5 [The prepared statement of General Levy follows:]

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1 Senator Inhofe: Thank you, General Levy.

2 Let's start with you because I can remember, 30 years  
3 ago, we were talking about the core competencies and organic  
4 capability. At that time, I thought it was rather arbitrary  
5 to come up with a 50/50. Well, that was 30 years ago, and  
6 we still are 50/50, but it seems to have worked. And a lot  
7 of people have not stopped to think about why it is  
8 necessary to keep this core capability.

9 So, just briefly, anyone who wants to answer the  
10 question as to why it is significant that we have that core  
11 capability, feel free to respond.

12 General Wyche: Senator, I will start with talking  
13 about several one-of-a-kind capabilities within the organic  
14 industrial base that is unique to our organic industrial  
15 base, and that is Watervliet. Watervliet produces large  
16 caliber cannon tubes for the Navy, for the Marines. And at  
17 Fort Sill, Oklahoma, all of the houses there have these gun  
18 tubes. Those gun tubes are only made in this hemisphere.

19 So that is a very unique capability that you just  
20 cannot go and get out in industry, and that is why we need  
21 to reserve those unique core capabilities within the organic  
22 industrial base, Senator.

23 Senator Inhofe: That is good.

24 General Levy?

25 General Levy: Yes, sir. So we find 50/50 to be

1   extraordinarily useful, particularly when coupled with the  
2   core statute, because we think about what General Wyche said  
3   in his opening comments. The organic industrial base is the  
4   Nation's insurance policy.

5           That logistics and sustainment infrastructure exists to  
6   provide for the Nation in times of war, to behave as that  
7   buffer and ability to surge. When we find there is a  
8   healthy relationship between industry and the organic  
9   industrial base, what we find is that both sides improve  
10  their performance, drive down overall sustainment costs, and  
11  deliver best-value capabilities for the warfighter while at  
12  the same time preserving that critical insurance policy, if  
13  you will, that ability to surge for the Nation.

14           It also drives -- and I mentioned in my remarks the  
15  brittleness of the defense industrial base. It also drives  
16  a certain level of what I like to sometimes refer to as  
17  coopetition, the healthy relationship between commercial  
18  firms and the government activities in parts of the  
19  marketplace where there might only be one vendor.

20           Senator Inhofe: Yes. That is a huge point there,  
21  because we went through a period of time when we experienced  
22  such things. This has been a moving target.

23           So I do appreciate that. It is an insurance policy, I  
24  think we will all agree.

25           For clarification, Admiral, when you were talking about

1 your F-18 program, you were talking about just the Navy and  
2 not the Marines. Is that correct?

3 Admiral Grosklags: Sir, actually, speaking of both.

4 Senator Inhofe: You were? Because our testimony that  
5 we heard when we had the other hearing, that I referred to  
6 in my opening statement, the Marines, 62 percent of their F-  
7 18s were down. What kind of percentage do you have, if you  
8 exclude those, out of the rest of the Navy?

9 Admiral Grosklags: I can tell you that I agree with  
10 that number for the Marine Corps. For the Navy, it is  
11 comparable.

12 What I was referring to specific on the comment I made  
13 about the depots and kind of reaching the peak of our depots  
14 throughput requirement was a difference between outer  
15 reporting aircraft, which are in our depots or long-term  
16 storage, versus those on the flight line, which is the  
17 number that you are referring to.

18 Of the flight-line aircraft, there are approximately 60  
19 percent of those today that are not --

20 Senator Inhofe: Yes, I think that is right.

21 You know, General Levy, Congress was skeptical about  
22 the creation of the Air Force Sustainment Center. I think  
23 the concerns that were expressed at that time are pretty  
24 much answered by this time, but you are the one who was in a  
25 good position to respond as to why it is necessary and its

1 success.

2 General Levy: Yes, sir. Thank you for the opportunity  
3 to address that.

4 So I will tell you that, from our view, the Air Force  
5 Sustainment Center creation has been a tremendous success.

6 Let's just talk money, for example. In the 4 years  
7 since the Air Force Sustainment Center was created and we  
8 have begun to operate Air Force logistics as one common  
9 enterprise, we been able to return \$2.4 billion back to our  
10 United States Air Force. That is validated by the Air Force  
11 audit agency. That is money that goes back to addressing  
12 readiness and critical modernization challenges that our Air  
13 Force has.

14 From a performance perspective, we have managed to cut  
15 flow days and improve safety and quality on all of our  
16 platforms. We now have B-1s at the shortest amount of flow  
17 days ever. We have now taken over the ability to do things,  
18 for example, when businesses go out of existence at Robins.  
19 There was a vendor that went out of business that makes  
20 critical parts for the C-5. The Air Force Sustainment  
21 Center team at the Warner Robins Air Logistics Complex was  
22 able to rapidly internalize that and keep the C-5 readiness  
23 at the level we need it to be at.

24 We were able to, for example, with the KC-135, the KC-  
25 135 MRO, go from three sources of repair, two commercial and

1 one organic, to one source of repair, organic. Now every  
2 KC-135 in the United States Air Force, about 76 a year,  
3 receive their program depot maintenance at the Air Force  
4 Sustainment Center at Tinker Air Force Base.

5 All three of those locations, at Hill Air Force Base,  
6 Tinker Air Force Base, and Robins Air Force Base, operate as  
7 an enterprise. So if an F-15 comes into Robins for repair,  
8 the engine comes to Tinker and the landing gear goes Hill.

9 By operating as an enterprise, we find efficiencies.  
10 We find synergies. We drive our performance. And as  
11 importantly, we drive down costs to our Air Force.

12 Senator Inhofe: Yes. It was different. I remember  
13 back when they had five ALCs and then we made the step down  
14 to three, so I think that is very significant. That is an  
15 excellent answer.

16 Senator Kaine?

17 Senator Kaine: Thank you, Mr. Chair.

18 A question for Admiral Moore about shipyard challenges.  
19 Shipyards are critical to maintaining fleet readiness and  
20 also supporting forward presence. And while there have been  
21 a number of success stories at our shipyards, there are also  
22 a lot of challenges that we have heard about: loss of  
23 experienced workers, lengthy periods required to rebuild,  
24 lost experience, aging infrastructure, and IT systems. So I  
25 have two questions.

1           First, what actions is the Navy taking to address long-  
2 term challenges at the shipyards that could affect our  
3 ability to complete maintenance on schedule? And second,  
4 how do we determine and measure the health of shipyard  
5 infrastructure? I have heard some of you guys use the term  
6 fester factor when describing how a ship is doing, but how  
7 do you measure how a shipyard is doing, in terms of being  
8 able to perform its maintenance tasks?

9           Admiral Moore: Yes, sir. Thank you for the question.

10           So to the first question, I think following the  
11 sequester in 2013, we have had a significant challenge, as  
12 you discussed, in getting our ships and submarines out on  
13 time.

14           And it is a combination of things. We certainly have  
15 run the ships hard since 9/11. We have had an inexperienced  
16 work force. To your second question, which I will get to,  
17 the infrastructure is really not a 21st century shipyard  
18 infrastructure.

19           And then, frankly, we just did not have enough people  
20 in the shipyards to do the work that was required to get  
21 done.

22           We have taken some significant action over the course  
23 of last year. There is more work to be done, and I think we  
24 are starting to see the loss days go down a little bit. So,  
25 first and foremost, we have to understand what work has to

1 be accomplished on our ships and submarines, so we really  
2 have worked hard to go back and look at our class  
3 maintenance plans, look at the work that is required, and  
4 define what that requirement is, and then go back to the  
5 Pentagon and explain to them what work needs to get done.

6 Then we have to be able to recognize that we just do  
7 not have enough work force in the naval shipyards. So it is  
8 not necessarily -- it is not just a matter of them working  
9 harder. They are great national assets to us, but if you do  
10 not have enough workers to get the work done, you are  
11 inevitably going to get the ships late.

12 So we have started to hire. We have hired 16,500 new  
13 workers over the last 5 years. We are still about 2,000  
14 people short, and I am working very hard with the CNO to get  
15 to that number, and we need to get there.

16 Along with that is a recognition, as you hire all these  
17 people, a young work force, that you have to get them  
18 trained. In the past, it would typically take 4 to 5 years  
19 to take a new shipyard worker and get them to kind of a  
20 journeyman level where you could trust them to go work on a  
21 nuclear submarine or carrier. Today, we have invested a lot  
22 of money in our training system so that a young worker  
23 coming in today, it takes them about 1 to 2 years, to the  
24 point that they can actually provide real wrench-turning on  
25 the ship. I think that is something that is really, really

1 important to us. So improved training and the hiring  
2 processes we have.

3 To your second question on the health of the  
4 infrastructure, across-the-board, we have a long list of  
5 things that need to get accomplished in the shipyards today.  
6 I have to be able to figure out how to go make the case to  
7 make the investments in the naval shipyards.

8 If I am at Newport News Shipbuilding, Newport News  
9 Shipbuilding, I incentivize them and they can incentivize  
10 themselves to go buy new welding equipment, new cranes, et  
11 cetera, because it helps them on the bottom line. It  
12 improves their cost performance.

13 In the naval shipyards, we do not have the same  
14 mechanisms. So if you were to go look at the shops and  
15 things, you know, I need new welding equipment. I need  
16 workflow processes that are better. I need improvements to  
17 the dry docks across-the-board.

18 And those investments in the naval shipyards are going  
19 to be an important component to our ability to get the work  
20 force to be more productive. It is pretty hard to demand a  
21 worker to get more productive when he is working with  
22 tooling that is 15 to 20 years old where his counterpart in  
23 the private sector is using something that is a lot more  
24 state-of-the-art.

25 So it is a holistic plan that we have to work across-

1 the-board on. And you have raised an important issue with  
2 the infrastructure piece. It is something that we have  
3 tended to ignore and just focus on getting the right number  
4 of people in naval shipyards. But I would argue just  
5 getting the right number of people in naval shipyards by  
6 itself is not enough. You have to give the workers the  
7 tools necessary to get the work done.

8 Senator Kaine: I just have a minute left. But others,  
9 could you weigh in on the work force challenge?

10 In other subcommittee hearings, we have heard about  
11 losing pilots to commercial aviation. In terms of hiring  
12 your own maintenance workers across your various portfolios,  
13 do you face increased competition from the private sector?  
14 Talk a little bit about the work force challenges that  
15 Admiral Morris just described.

16 General Dana: Sir, I would say for the Marine Corps,  
17 in our depots, we are blessed with a great work force.

18 You mentioned this in your opening statement. To keep  
19 them, what we are trying to do, and we are actually working  
20 on it, is in terms of giving them additional skillsets -- we  
21 talked a little bit about innovation in the workplace and at  
22 the depots with added manufacturing and 3D printing, being  
23 able to do CAD diagrams. We are partnering with local  
24 colleges in the Albany, Georgia, area -- we are going to do  
25 the same in Southern California, also at some of our bases

1 on coastal Carolina -- to provide these workers skillsets  
2 that they can use elsewhere.

3 I know that sounds somewhat counterintuitive, but we  
4 feel that if we are showing that we are taking care of that  
5 work force, giving them those additional skillsets to excel  
6 in the 21st century environment, then they will stay with us  
7 out of loyalty.

8 Admiral Grosklags: Sir, if I may really quickly, of  
9 our major three fleet readiness centers in North Carolina,  
10 Florida, and San Diego, San Diego is really the only one we  
11 have a challenge with in terms of hiring people. We have  
12 underexecuted our hiring plan there for several years in a  
13 row, and it is largely due to competition for the work force  
14 as well as the high cost-of-living out there.

15 So we have turned to basically hiring bonuses, which  
16 has had a significant impact, positive impact, over the last  
17 6 months.

18 The NDAA language this year in 2017 that is going to  
19 give us some direct hiring authority we believe will be very  
20 helpful once we fully implemented that.

21 And the other thing we are actually looking at trying  
22 to implement with OPM is some increase in locality pay.

23 So we are making progress. But in that type of high-  
24 cost environment where just up the road in the Los Angeles  
25 area you have a very competitive aerospace industry, that is

1 a challenge for us.

2 General Levy: Senator, I would also offer that it is  
3 the entire team. So we tend to talk about the depot  
4 artisans, the jet engine mechanics, or the shipyard workers.  
5 But, frankly, it is the entire team. It is the engineers.  
6 It is the firemen. It is the entire ecosystem. The  
7 quarterback without the rest of his or her team is simply  
8 not going to be effective.

9 So the challenge is hiring across the variety of  
10 skillsets. But I will tell you, while we talk about things  
11 such as pilot shortages and other critical skillsets, I  
12 mentioned in my opening remarks, we simply do not produce  
13 enough engineers in the Nation. We have a challenge hiring  
14 them and keeping them.

15 I have 3,600 engineers in the Air Force Sustainment  
16 Center. That is more than the Air Force Research  
17 Laboratory. And so we are in a close-in battle with  
18 industry to recruit and retain that kind of work force, and  
19 they are absolutely essential.

20 So it is really about the entire ecosystem for us.

21 We also find that much like we talk about pilot  
22 shortages, we see shortages in some of the aircraft skills -  
23 - avionics, electricians, jet engine mechanics -- because  
24 many of those men and women come to us from military  
25 service. With the military services being smaller,

1 producing fewer and fewer American youth going into those  
2 lines of work to begin with when they come out of high  
3 school or going through vo-tech, that presents some  
4 additional challenges for us.

5 But we partner very closely with all the colleges and  
6 universities and the vo-techs in the neighborhood of our  
7 primary installations. And actually, from an engineering  
8 perspective, we recruit nationwide to try to find the very  
9 best talent because in a software-driven Air Force, as we  
10 move to that Information Age Air Force from that Iron Age  
11 Air Force, we have to have that kind of talent.

12 Senator Kaine: Mr. Chairman, I am over my time, but  
13 could General Wyche just answer the question too?

14 Senator Inhofe: Sure.

15 Senator Kaine: Thank you.

16 General Wyche: Senator, in regards to the hiring  
17 freeze, it does create some challenges for us.

18 Now we are able to meet our mission requirements. If  
19 that hiring freeze is extended beyond 90 days, it will have  
20 an impact on us recruiting a work force, getting them in  
21 place, so they can continue to deliver those weapons  
22 systems.

23 Senator, you can recall back in 2013 when I was at Fort  
24 Lee when we went through sequestration. That was not a good  
25 time for our employees at Fort Lee and our Army.

1           With regards to the industrial base, we lost 7,000  
2 employees. And at McAlester alone, they lost 167 employees  
3 that never returned to McAlester because they went to other  
4 industries such as the oil industry. And we are at that  
5 point where we are just beginning to recover from that.

6           So we are working through those, but the hiring freeze  
7 does have some challenges that we are working through.

8           Senator Inhofe: Thank you, Senator Kaine.

9           Senator Ernst?

10          Senator Ernst: Thank you, Mr. Chair.

11          And thank you, gentlemen, for being here and testifying  
12 today on our industrial base and the critical role that it  
13 plays in our military readiness. I recently visited Iowa  
14 Army Ammunition Plant, which is a government-owned,  
15 contractor-operated facility in my home State, and their  
16 ability to rapidly increase workload and provide a stable  
17 supply of ammunition is a key part to our national security.

18          However, due to their dependence on the Army to  
19 modernize the facility, their techniques, the manufacturing  
20 techniques, are behind. This is not something I blame the  
21 contractor for. They have put forth a proposal for the Iowa  
22 ammunition plant that could save the Army and taxpayers \$18  
23 million per year, paying for itself in less than 5 years.

24          The cost-saving decisions currently sit with the Army,  
25 so, General Wyche, this is for you. What is the Army doing

1 to modernize its GOCOs in order to help drive down  
2 production costs and cut overhead?

3 General Wyche: Senator, we are doing a couple things.

4 First, we have identified the requirements, and we know  
5 that, to maintain the facilities, just to keep them from  
6 being degraded, it would cost us approximately \$100,000 a  
7 year and to get them at an acceptable level with the  
8 modernized capabilities, it would cost us another \$300  
9 million for the next 10 years.

10 Senator Ernst: Okay.

11 General Dana: Ma'am, if I could help out my Army  
12 brother on this, because they help us with ammo.

13 Senator Ernst: Yes, sir.

14 General Dana: I made a trip to Lake City, which is one  
15 of the large ammunition plants in the Midwest. What is just  
16 fascinating about that facility is half the facility had  
17 equipment from 1942. I own a lot of weapons, not in D.C.,  
18 by the way, but I blowup my own ammo.

19 Senator Ernst: Do not admit that now. Right.

20 General Dana: But if you look at how they work in the  
21 plant, it is just like they did in 1942 with the primers and  
22 the primer powder. It is very dangerous work.

23 But then the other half, because the Army's great  
24 initiative is they went to automated in the plant, so they  
25 retrained that work force to go for the guys and gals doing

1 it for 30 years one way to where they are doing automated  
2 machinery, and they are doubling the output.

3 One of the questions was, how can the industrial base  
4 meet that requirement for ammunition? Well, I think the  
5 Army is doing a great job at that.

6 Senator Ernst: Yes. And hopefully we can modernize  
7 and get to that point where we are not losing that work  
8 force but we are stabilizing the supply as well as growing  
9 that supply with demand as necessary. So I appreciate that.

10 In 2015, the GAO came forward with three  
11 recommendations to ensure we sustain the critical  
12 capabilities found at our arsenals. The first issue is  
13 implementing guidance for make-or-buy analysis when it comes  
14 to DOD procurement. The second was to identify fundamental  
15 elements of a strategic plan for the arsenals. And the  
16 third is to develop and implement a process for identifying  
17 critical capabilities at arsenals and the workload needed to  
18 sustain those capabilities.

19 The department has concurred with all of those  
20 recommendations, but as of this morning, they have not  
21 followed through with any of those recommendations or  
22 produced the reports necessary.

23 So I have been through the Rock Island Arsenal, and I  
24 really witnessed what the men and women are doing at that  
25 arsenal to contribute to our national security. This is

1 taking a long time.

2 And, General Wyche, again, when will we see the reports  
3 that have been required, specifically the critical  
4 capabilities assessment and the guidance on make or buy?

5 General Wyche: Senator, that particular area of make  
6 or buy, I would have to come back to you on the record with  
7 that particular answer, because I am not prepared to answer  
8 that question.

9 Senator Ernst: Okay. I would appreciate that, because  
10 that is very concerning, especially to the folks at the  
11 arsenals.

12 General Wyche: Yes.

13 Senator Ernst: They would like to see those reports as  
14 soon as possible.

15 Thank you.

16 Thank you, gentlemen.

17 Senator Inhofe: Thank you, Senator Ernst.

18 Senator Hirono?

19 Senator Hirono: Thank you, Mr. Chairman.

20 Thank you very much for testifying. I feel as though,  
21 with the sequester and with the budget caps, et cetera, that  
22 we are just doing a lot of catch-up, so I thank you for what  
23 you are doing with what we have provided to you.

24 Many of you have mentioned how hard it is to recruit or  
25 retain our work force, that is a critical part of our

1 industrial base, and at the same time how important it is  
2 that the men and women who do the work have modern  
3 equipment.

4 So, of course, at Pearl Harbor Naval Shipyard, I am  
5 always concerned about whether or not they have the tools  
6 with which to do the job. So I am just thankful that you  
7 continue to emphasize those aspects.

8 General Levy, you were one of the people who mentioned  
9 about recruiting and retaining. I am just wondering, the  
10 people with STEM backgrounds, are you doing anything special  
11 to recruit women?

12 You can start, and then any of the rest of you, because  
13 women drop out of the STEM fields at every point of the  
14 continuum, and unless we do something very specific  
15 targeting women and girls and minorities in these areas, it  
16 is just not going to change very much.

17 So are you doing anything in particular recruiting  
18 women?

19 General Levy: Yes, ma'am. Thank you for asking that  
20 question.

21 So I often tell people, how long does it take to grow a  
22 STEM worker for an air logistics complex? About 21 years,  
23 from about here all the way until he or she graduates from  
24 university and is ready to come be one of our civilian  
25 airmen.

1           So we have a variety of programs where we do outreach  
2           to females and to minority or disadvantaged areas. In fact,  
3           last year alone, my engineering community did 60,000 hours'  
4           worth of community outreach to try to develop interest in  
5           STEM curriculum throughout different parts of the  
6           communities where our bases are located. Obviously, it  
7           tends to be in the area where our facilities are located.

8           Senator Hirono: Did you say you are starting at an  
9           early age as in middle school, elementary school?

10          General Levy: No, ma'am, as in elementary school.

11          Senator Hirono: That is great.

12          General Levy: Because if you do not imbue them with  
13          that desire for STEM early, and if you do not give them the  
14          passion for learning and the intellectual curiosity, and,  
15          also, if the state educational systems do not have the  
16          ecosystem that delivers things like high school physics and  
17          calculus and that sort of thing, then they are certainly  
18          never going to go to university and be an engineering  
19          graduate.

20          We also financially support as well as support with  
21          volunteer time the STARBASE program at all three of our  
22          primary installations, which is another science and  
23          technology -- I would sort of refer to it as a learning camp  
24          for young boys and girls, to get them interested in STEM  
25          career fields and hopefully spark that interest.

1           Senator Hirono: Are you doing similar kinds of  
2 outreach for the Army and the Navy?

3           Admiral Grosklags: Senator, if I could, our program  
4 with NAVIAR is very similar to what General Levy just  
5 described. The other thing I would add is, through our  
6 Executive Diversity Council at NAVAIR, we have separate  
7 advisory groups, one for women, one for Hispanics, one for  
8 African-Americans, one for Asian-Pacific islanders, and on.  
9 Part of those advisory groups' major focus is exactly on  
10 recruiting within either those ethnic or gender groups. And  
11 we have had very good success in doing that.

12           As somebody alluded to earlier, then we have to keep  
13 them. One of our challenges is keeping them because it is a  
14 very competitive marketplace.

15           Senator Hirono: Yes. I realize that.

16           Anybody else?

17           General Wyche: Yes, Senator. We have several outreach  
18 programs at each one of our 23 arsenals where the commanders  
19 are personally engaged. They are visiting colleges,  
20 identifying those potential students who would like to come  
21 work at our arsenal.

22           One program that we are really excited about is the AMC  
23 1,000 program. That is a program where we set a goal to  
24 hire 1,000 summer interns, 1,000 per year for the next 5  
25 years. In the last 2 years, we have been able to reach that

1 goal, so we are very excited about that program.

2 Senator Hirono: So your summer intern program, are  
3 they targeted to minorities and women?

4 General Wyche: Yes, they are. Yes, they are.

5 Senator Hirono: I congratulate you for your efforts.  
6 And because I know this is such a needed area not just of  
7 course for our military but across the country, we have a  
8 need for hundreds of thousands of people with STEM  
9 backgrounds, so I do have a couple of bills that I have  
10 introduced. I will send you copies. The focus is on  
11 supporting more minority and women in these fields.

12 In the few seconds that I have left, Mr. Chairman, the  
13 President has called for a significant increase in the  
14 number of ships, so I wanted to ask, this is for Admiral  
15 Moore, how would a Navy of 355 ships impact the current  
16 capacity of our public shipyards?

17 Admiral Moore: Thank you, Senator, for the question.  
18 We have already started to look at what that would take.  
19 The plan to get to 355 that we have laid out in our force  
20 structure assessment gets us there in the mid-2030s, and so  
21 we will need to grow the size of our naval shipyards. We  
22 will have to grow the size of our private sector that is  
23 building the equipment today.

24 And we are also going to have to remember, up at the  
25 headquarters level, where we are providing technical support

1 and oversight and technical manuals, et cetera, we are going  
2 to have to grow all those. So the time frame between now  
3 and 2035, as long as there is a stable and predictable  
4 budget that goes along with that, we can manage to grow the  
5 work force.

6 The Navy has been at that size before, and we were able  
7 to maintain the force back then. If it is done in a  
8 sustained way, we can certainly grow the work force to get  
9 there. We have already taken the steps to make those plans  
10 as we start to grow the force.

11 Senator Hirono: So if you already have these kinds of  
12 plans and what it would take to get to this number, could  
13 you share those with our committee?

14 Admiral Moore: Sure. Yes, ma'am.

15 Senator Hirono: Thank you, Mr. Chairman.

16 Senator Inhofe: Senator Rounds?

17 Senator Rounds: Thank you, Mr. Chairman.

18 Gentlemen, thank you for your service to our country.  
19 I think sometimes we get in the middle of a discussion on  
20 everything else and we forget that it is gentlemen like you  
21 that make this whole thing work, and we appreciate what you  
22 do and we appreciate what your teams do.

23 One of our challenges is that we need to be in a  
24 position to supply you with the materials and equipment that  
25 you need. When you make reports back to us indicating that

1 there are times in which you need equipment that you have  
2 right now that you are not able to maintain appropriately  
3 because the funding is not there, it is something that we  
4 have to highlight.

5 I would like to begin with talking about the USS Boise.

6 I know that in your opening statements for the record,  
7 Admiral Moore, you had based the fact that you had to make a  
8 determination as to whether or not a nuclear-powered  
9 submarine would basically remain at dock because we did not  
10 have the dollars available to get it in and to get it up to  
11 speed to actually be able to dive again.

12 Can you share with us just exactly what is going on  
13 with that, why would we have that kind of problem with a  
14 nuclear submarine? And how in the world would we ever  
15 justify having an asset of that value sitting at dock and  
16 not having the resources available to maintain it in a  
17 seaworthy condition?

18 Admiral Moore: Yes, sir. Thanks for the question,  
19 Senator.

20 So, in the Boise situation, what happened is -- and  
21 this issue is with the naval shipyards. It is we did not  
22 have enough work force to go to get the work done. Our  
23 typical behavior in the past -- and there are a couple  
24 submarines in the yards right now, USS Asheville, USS  
25 Hawaii, and USS Albany, who is also in Norfolk.

1           An availability that would have typically taken 22  
2 months, we inducted them into the shipyards anyway knowing  
3 that we did not really have the work force to work on the  
4 availability. So the net result was that the submarine  
5 would stay in the shipyard for 48, 49 months.

6           And so, if you are the crew of the Asheville or the  
7 Albany and you have been told, hey, this is 22-month  
8 availability, and you are in that naval shipyard for 4 years  
9 plus, you can imagine what it does to morale and retention.

10           So in the case of the USS Boise, we were faced with a  
11 similar situation. We did not have the capacity at Norfolk  
12 Naval Shipyard to do the work.

13           And when I came in as the Naval Sea Systems Commander,  
14 one of the things that I talked with Navy leadership about  
15 was, hey, look, we have to be realistic that we do not have  
16 the capacity to get the work done. And when we face  
17 something like Boise, we have to recognize that sticking it  
18 in and just letting it sit there pier-side for 4 to 5 years  
19 is really not the way to do it.

20           And so in the Boise case, we made a decision to not put  
21 it in the shipyard because I did not want it to sit there  
22 for 4 to 5 years. The downside of that is nuclear  
23 submarines have very specific maintenance that has to be  
24 done on them in order for me to certify that the ship is  
25 safe to submerge.

1           So you are exactly right. We have taken a submarine,  
2 even though it is an Active Duty submarine, to essentially  
3 it is not available for the Nation's use.

4           We have to be able to get out in front of this. We  
5 have to be more predictive about the --

6           Senator Rounds: Admiral, I appreciate your comment,  
7 but what I am curious about is why did we find ourselves in  
8 that position? Is it a matter that we did not have the  
9 money to pay the bills to get it done?

10          Admiral Moore: Yes, it is --

11          Senator Rounds: Or is it a matter that we did not have  
12 the capabilities, and we just did not see it far enough in  
13 advance?

14          Admiral Moore: We did not have the capacities, so  
15 there are two things.

16          One, we should have been more forward-looking and  
17 anticipate -- we know when these submarines are going to  
18 come in -- and be able to say, hey, I do not have the work  
19 force necessary to get that work done, because it takes me 2  
20 years -- from the time you give me a dollar to go hire a  
21 worker, it takes me 2 years to get that person --

22          Senator Rounds: So does that mean we did not get the  
23 money to you in time?

24          Admiral Moore: No, I think it is not a matter of you  
25 not getting the money to us in time. It is a matter of

1 competing resources within the Navy and the Navy's decision  
2 on what was going to be in the budget at the time.

3 So, in particular, when we submitted the budget for  
4 fiscal year 2014, that is probably when we would have needed  
5 the resources, the money, in order for me to go hire up to  
6 where I needed to be at Norfolk Naval Shipyard in 2016.

7 So it is a terrible situation on Boise, and we need to  
8 make sure that, going forward, we get the capacity in the  
9 shipyards right and we work with our private sector partners  
10 at Electric Boat and Newport News Shipbuilding in a one  
11 shipyard concept so that if we know we are not going to have  
12 the capacity to get it done, we work with them so that, in  
13 fact, if they have the capacity, they can do the work.

14 In this particular case, Electric Boat is going to do  
15 the work probably on the boat, but it is going to be in  
16 2019. So we are going to take a submarine and set it pier-  
17 side for about 3 years.

18 Senator Rounds: So that means then that the captain  
19 who was perhaps on his way through a process in which he  
20 spends time someplace besides at sea, it impacts not only  
21 his ability to move forward with his career but everybody on  
22 that ship is now delayed as well. Is that a fair  
23 assessment?

24 Admiral Moore: Yes, sir. Absolutely.

25 You know, going beyond just to the personnel level of

1 the ship and crew itself, we are going to take a submarine,  
2 if you are assigned to that submarine for the next 3 years,  
3 you are not going to go out to do what we have trained you  
4 and what you love to go do. So that is something we have to  
5 go work on, and we cannot let the Boise example happen  
6 again.

7 Senator Rounds: Thank you, Mr. Chairman. My time has  
8 expired.

9 Senator Inhofe: Thank you, Senator Rounds.

10 Senator Perdue, you are now recognized.

11 And Senator Kaine is now presiding.

12 Senator Perdue: Thank you, Mr. Chairman.

13 Gentlemen, I want to echo what Senator Rounds has said.  
14 A lot of times we get to the problem without thanking you  
15 guys. I would like, just as importantly, for you to take it  
16 back to your teams as well, that it is not lost on us that  
17 we have lived in utter peace here in the homeland for quite  
18 a number of years, even though we have been deploying. We  
19 know what is involved in that.

20 So we thank you all for that.

21 I have two concerns. I am an old supply chain guy, so  
22 I have sat in your seat. I understand what you are up  
23 against. This did not just start in the last couple years.  
24 I mean, we have had three periods of disinvestment in the  
25 military in the last 50 years, the 1970s, the 1990s, and the

1 last decade. But this time, it is really serious because it  
2 comes on the back of the recaps that happened before then,  
3 each of those times. It actually started from a higher  
4 point.

5 So the disinvestment in the military this time actually  
6 started from a depleted point to start with. We burned up a  
7 lot of our equipment. Deployments were longer. And we  
8 ended up in a weaker position before this disinvestment  
9 started.

10 So I have two concerns. One is our organic work force,  
11 what I call your depot and your shipyard work forces. And  
12 two is the supply chain.

13 The supply chain is two things, I think. One is your  
14 ability and your shipyards and depots to turn around  
15 maintenance. But the bigger one, in my mind, is, as our  
16 platforms -- and this is true across-the-board, whether it  
17 is air, sea, or whatever. I mean, the assets that we have,  
18 the major platforms are all maturing at very similar times.  
19 And the startups have been delayed such that, if I look at  
20 it honestly, we do not talk about this much, but we have a  
21 gap in capacity that is anywhere from 1 to 2 years in some  
22 platforms to as much as 10 years in other platforms.

23 It is a major problem. The optempo that we were  
24 experiencing in the last decade contributes to that.

25 So I have two quick questions.

1           General Levy, I know you have talked about this last  
2 year in committee and in private about your work force. And  
3 because of those conversations, I think in the NDAA last  
4 year, there was a direct hire authority put in place.

5           So how long does it take you to hire a systems engineer  
6 or mechanic, a scientist, today?

7           General Levy: That is a great question. Thank you,  
8 Senator.

9           So, first, I would like to say thanks for the direct  
10 hire authority that was signed into law in the NDAA.

11          Senator Perdue: And where are we in implementing that?

12          General Levy: So the OSD draft policy or draft  
13 guidance was submitted to the services on the 20th of March,  
14 required back to them on the 3rd of April. Then once they  
15 approve that, then the services will begin implementing the  
16 direct hire authority. As you recall, there was a 2-year  
17 authorization.

18          And so we look forward to coming back to you all in the  
19 future, telling you how the direct hire piece of this is  
20 working. So we are not there yet, because that is recently  
21 enacted legislation.

22          Senator Perdue: These are policies inside the service,  
23 correct?

24          General Levy: Yes, sir. So enacted in the NDAA,  
25 signed in December.

1 Senator Perdue: Right.

2 General Levy: That is a new authority for all of us.

3 Senator Perdue: Right.

4 General Levy: So OPM had to write some guidance. They  
5 distributed it to OSD, who then has now created some  
6 guidance. They have asked the services to comment, with the  
7 comments being due on the 3rd of April. So I expect that we  
8 will be able to have the guidance to do the direct hire in  
9 the weeks ahead.

10 Senator Perdue: So how long does it take you to hire  
11 those guys today?

12 General Levy: So, today, it takes, on average, 148  
13 days to hire somebody. In fact, I pulled the numbers this  
14 morning because this is important to me, right? This is  
15 very much central. The human beings that work on these  
16 platforms, whether they are engineers or jet engine  
17 mechanics or firemen or somebody who works at a daycare  
18 center, they are all equally --

19 Senator Perdue: When you identify retaining somebody,  
20 and this is true in business as well as military, finding  
21 somebody and retaining them are two different things. You  
22 find somebody. If it takes 148 to onboard them, you lose a  
23 lot of candidates during that process.

24 General Levy: Yes, sir.

25 Senator Perdue: You have to. So you are perpetually

1 finding new candidates to start another clock of 148 days.

2 General Levy: Yes, sir.

3 Senator Perdue: That is a disaster waiting to happen.

4 General Levy: It is very difficult to close that  
5 circle.

6 Senator Perdue: So I will tell you, in business, to  
7 hire these people today is 30 to 45 days tops -- tops -- 90  
8 days for a CEO. Someone at your level in business today, if  
9 I started a search as a board member, it would be 90 days.  
10 If I did not have an answer in 90 days, I would be after  
11 somebody's job.

12 This is how far out we are in terms of being  
13 competitive. So tell us what we need to do. As you onboard  
14 that procedure, please keep us involved, because this is one  
15 where you have a great standard to look at, because these  
16 are the very places you are competing.

17 I am going to be out of time, but, Admiral Moore, I  
18 want to get it to one other question, and that is the supply  
19 chain. As these big platforms -- the reason I want to ask  
20 you, you have the aircraft carriers, you have the SSBNs,  
21 these are major, major platforms over long periods of time.

22 The Federal Government does not have a capital budget.  
23 We just do not. I do not know how we actually commit  
24 industries to build these huge platforms without a long-term  
25 plan.

1           So the inconsistent start-stop of these budget  
2           conversations that we have in Congress, tell us the impact  
3           that that is having on this domestic supply chain for these  
4           major platforms. You can talk about the air platforms too,  
5           the F-35, the F-22, and the follow-on maintenance that is  
6           required to keep those things going.

7           General Dana: Yes, thanks, Senator, for the question.

8           A lot of times, we focus most of our effort on when we  
9           have budget unpredictability at the tier 1 yards, the people  
10          who are actually building the ships and the submarines or  
11          who are doing the maintaining. And I would tell you, if you  
12          are a Northrop Grumman or an Electric Boat, then you have  
13          the cash reserves to kind of absorb a little bit of that.

14          But where it has the bigger impact is at the tier 2, at  
15          the supply chain, the people providing the cabling, the  
16          pumps, the valves.

17          So the unpredictability in the budgets absolutely has  
18          significant challenges for us in terms of being able to  
19          maintain somebody that is providing a pump or a valve or you  
20          name it to a ship or a submarine. And they do not wait  
21          around long. If it is unpredictable, they will go do  
22          something else, because they are running in a cash flow  
23          environment that does not allow them to absorb losses for  
24          very long.

25          So it is certainly a major concern to us, and it is

1 something I would like to focus on when we talk about the  
2 budget unpredictability, is that these are the people that  
3 really get impacted.

4 And then when they drop out of the business, it just  
5 means less competition, which it is kind of a vicious cycle.  
6 It drives our costs up in the end.

7 Senator Rounds: I thank all of you.

8 Thank you, Mr. Chairman.

9 Senator Kaine: [Presiding.] And I do have one second  
10 round question.

11 Do you have any other questions you wanted to ask?

12 Senator Perdue: We would be here all day, sir.

13 Senator Kaine: If you want to keep going, you can. I  
14 have one quick one that is kind of a wrap-up, but feel free,  
15 since I have to stay here.

16 [Laughter.]

17 Senator Perdue: Senator Kaine and I have closed plenty  
18 of these committee meetings together. He has a marine that  
19 is in harm's way today, and I know how serious he takes  
20 this.

21 I grew up at Robins Air Force Base, and I have been to  
22 Albany many times. I still have the mud from the Columbus  
23 area under my nails. So I know where you guys have had  
24 footprints.

25 I am very concerned about -- we have now moved into, it

1 looks to me like, a military position posture where  
2 deployment is going to be sort of the watchword of the day.  
3 We closed 15 bases in Europe in 2015. I think that number  
4 is correct. We have not had a major BRAC here, in terms of  
5 our facilities matching the requirement.

6 In your opinions, and I would welcome anybody to  
7 onboard this question, and that is, with regard to our  
8 footprint here in physical plants, General Dana, you said,  
9 and you summed it up best. You said, here are the problems:  
10 aging equipment, complexity of today's systems, decline in  
11 depot funding, and decline in our facilities.

12 So the question I have is, are our facilities in the  
13 United States and abroad matching this 4-plus-1 mission  
14 requirement it looks like you guys are geared up to try to  
15 deal with today that is so different than the 1-1 mission  
16 requirement we had over the last 50 years.

17 General Dana: Yes, sir. Thanks for that question. We  
18 have 33,000 marines forward-deployed right now, 22,500 west  
19 of the dateline and --

20 Senator Perdue: He has one of them.

21 General Dana: Yes, sir. We had that very discussion  
22 yesterday.

23 As you look at our infrastructure, I cannot speak for  
24 the other services, but in terms of the Marine Corps, we  
25 think we are in a good place in terms of the number of

1 facilities we have, especially if we go to an above 185  
2 force, to be determined by funding, of course.

3 But in terms of the infrastructure itself, I mentioned  
4 that we had many facilities that were in poor and failing  
5 condition. I just quickly want to talk about this, as we  
6 are looking very hard, sir, at the entire portfolio. We  
7 have one command, Marine Installation Command, that looks at  
8 all of our facilities and develops a consolidation,  
9 demolition, refurbishment, and new build plan that the  
10 Commandant makes a decision on how that goes.

11 So in the past, it was somewhat stovepiped. You talked  
12 about your command and your command. Same thing with us on  
13 the installation side. So we are making those dollars go  
14 the furthest when we create literally a master plan for the  
15 entire Marine Corps and how it beds down.

16 Senator Perdue: Do you guys outsource to each other?

17 General Dana: Yes, sir, at Fort Leonard Wood, and  
18 other places. Yes, sir.

19 Senator Perdue: What I am asking, if you have depot  
20 limitations in certain places, certain depots, I mean, I  
21 look at the F-18s, for example. We have a lot waiting on  
22 major depot maintenance. But there are other depots that  
23 might have excess capacity.

24 I know you look at this all the time in terms of the  
25 cost of making that depot apply to another need, but is that

1 ongoing? Are those things you guys are always --

2 General Dana: Yes, sir. We do our tanks at Anniston.  
3 They do a great job.

4 General Levy: Our helicopters are done at Corpus  
5 Christi Army Depot. We do Marine F-35 and Navy F-35 work at  
6 Hill Air Force Base in Utah.

7 We talked earlier about the F-18 work that we are doing  
8 for the Navy not only at Davis-Monthan, at the boneyard, but  
9 also asked Robins Air Logistics Complex.

10 We do the Navy E-6 work at Tinker Air Force Base. We  
11 do Navy and Marine F-35 engines at Tinker Air Force Base.

12 So, yes, sir, there is a lot of crosspollination that  
13 occurs.

14 General Dana: Not only the physical part but we do a  
15 lot of sharing ideas. Lee invited me out to Tinker, and  
16 that is an absolutely 21st century depot, great processes,  
17 reduction in cycle time. We got a lot of lessons from that  
18 for Albany and Barstow.

19 Senator Perdue: Well, General Wyche and General Levy  
20 owe you two beers after today. You have been bragging on  
21 all these guys today.

22 Thank you, Senator Kaine.

23 Senator Kaine: Thank you, Senator Perdue.

24 Just really one last question, and it is a good closer.

25 So in your current lane, what is it that most keeps you

1 up at night? In any particular order, we would love to hear  
2 from you.

3 General Wyche: Senator Kaine, I will start with the  
4 lack of predictable, consistent funding, because when we do  
5 not get that, we not cannot plan our workload. We cannot  
6 plan our production schedules. And so that is very  
7 important to us. And equally as important, it creates  
8 concerns among our employees, because they want stability in  
9 their lives.

10 And, Senator, back to your comment on the supply chain,  
11 there is concern also in the supply chain. We monitor  
12 approximately 4,000 suppliers that we build with. In our  
13 analysis, we have identified 1,000 of those suppliers at  
14 medium- to high-risk to going bankrupt. That is a very  
15 important as we continue to provide the readiness for our  
16 Army.

17 Senator Kaine: Admiral Grosklags?

18 Admiral Grosklags: We will just go down the row here,  
19 sir. Two things, if I might, one on-topic and one perhaps  
20 slightly off-topic.

21 The readiness of the naval aviation forces is number  
22 one. We alluded to some numbers earlier --

23 Senator Kaine: We had some powerful testimony about  
24 that at the last hearing.

25 Admiral Grosklags: Yes, sir. So I will not go into a

1 lot of detail on that. You are well aware of it.

2 The challenge I mentioned in my opening statement and  
3 that General Wyche just mentioned is about stable funding  
4 and getting the funding up to the level we need. We have  
5 clear data that shows, as funding started to decline back in  
6 the 2009-2010 time frame, our readiness on the flight line,  
7 mission-capable aircraft, full mission-capable aircraft,  
8 dropped in exact correlation with that reduction in funding  
9 for those NAVAIR accounts that I mentioned earlier. So that  
10 is one.

11 The other one is also related to the other part of my  
12 business, which is the buying of new stuff, the acquisition  
13 piece. There, we are just too slow. And it continues to  
14 bother me that we cannot collectively accelerate that  
15 process. There are a number of initiatives that we are  
16 working on that I would be happy to share with you at  
17 another time.

18 Senator Kaine: Great. Thank you.

19 Admiral Moore?

20 Admiral Moore: Yes, Senator. I think the thing that  
21 keeps me up at night is not having another Boise. We have  
22 the smallest fleet we have had in a long time. Getting  
23 these ships and submarines back out to the fleet, out there  
24 in the operating force, is critical to the Navy's readiness,  
25 to the Nation's readiness.

1           And when we have something like Boise or we deliver  
2 George W. Bush late, 5 months late out of availability, the  
3 impact of that is that the young men and women out there  
4 wearing the uniform are having to deploy longer and stay on  
5 station longer.

6           So it is not lost on me that, at the end day, it is my  
7 job to get these things out on time. It really impacts our  
8 ability to keep these young men and women safe and get them  
9 back on deployed turnaround times that make sense.

10          Senator Kaine: Thank you.

11          General Dana?

12          General Dana: Sir, two quick things.

13                 First, we track 19 platforms in the Marine Corps,  
14 shoot, move, and communicate. Only one of those, an assault  
15 amphibian vehicle, is being replaced. Where I am going with  
16 this is deferred modernization, because we need new systems  
17 in the future because, as I talked about accelerated aging,  
18 these systems are going to wear out at some point.

19                 The second one, not exactly my lane, the gentlemen to  
20 my right have this lane, but as you look at the capability  
21 development system in the military, which is a Robert S.  
22 McNamara, very Ford Motor Company type system, it is not  
23 keeping up.

24                 I went to Singularity for a week, to the executive  
25 course. You look at those folks out there, they are turning

1 product in weeks and months and maybe 18 months. I  
2 mentioned yesterday Local Motors, a company here locally  
3 that literally, from idea to design to fielding of the  
4 equipment, they are doing it in anywhere from 3 to 13  
5 months.

6 That is the future, because the enemy in the future, we  
7 are coming out of an Industrial Age where it is all big  
8 iron. Now we are going into space and cyber five-dimension  
9 fight instead of a three-dimension fight. We are going to  
10 need to be able to manufacture capabilities a lot faster.

11 Thanks for the opportunity to comment.

12 Senator Kaine: Thank you.

13 General Levy?

14 General Levy: Thank you, Senator.

15 To General Dana's point, our adversaries also iterate  
16 that fast, in terms modernization. Our adversaries can go  
17 from concept to hardware on the ramp in 18 to 24 months. So  
18 from a modernization perspective, we all have a pretty  
19 considerable need for modernization, but it is not just the  
20 new platforms. It is the speed at which we field them.

21 To your direct question, Senator, about what keeps me  
22 awake at night, it is stable and predictable funding. Since  
23 I manage the supply chain for the United States Air Force,  
24 when I do not know when I am going to get my money, I cannot  
25 tell suppliers when I am going to spend that money.

1           And to General Wyche's point, we drive businesses out  
2 of business. That is not what we are here for. But when  
3 the average fleet age of the United States' platforms is 27  
4 years old, and 21 of 39 fleets could qualify for antique  
5 plates in your State, sir, that tells me that the supply  
6 chain and the ability to have that available to us to  
7 sustain those older platforms is absolutely essential. The  
8 funding that drives the human beings, the infrastructure,  
9 the milcon, all of the components that it takes to generate  
10 that readiness, that all stems from a stable and predictable  
11 funding stream.

12           So that coupled with the modernization challenges for  
13 our Air Force are the two things that really give me pause.

14           Senator Kaine: Senator Perdue has heard me give this  
15 lecture in Budget, and he and I are kind of on the same page  
16 about this. On budgets, I am a real certainty -- having  
17 been a mayor and governor, I learned that anybody can adjust  
18 to a number more than they can adjust to a question mark.  
19 And even if they do not like the number, they can adjust to  
20 a number. But a question mark is tough, especially if the  
21 question mark is not only a question mark about the amount  
22 but about when I may know when the question mark is going to  
23 be filled in with an amount.

24           I continue to believe we made an enormous mistake at  
25 the end of the last calendar year. We were very close to

1 having an omnibus bill done that would have been,  
2 essentially, a 10-year full appropriation not only in the  
3 defense category but in everything else.

4 The incoming administration -- I can understand why  
5 they did this, they are about to take the helm, and they  
6 want their thumbprint on it rather than somebody else's.  
7 But they said do not do it, go ahead and adjourn on the 10th  
8 of December even though you have the time to do an omnibus,  
9 and do a CR through April 27.

10 Well, what that did is it put them in a box where, when  
11 they came in, they had to then turn around and do a budget  
12 for the rest of fiscal year 2017 and work on a 2018 budget.  
13 A new administration working on just a fiscal year 2018  
14 budget is plenty to take on their shoulders, but they  
15 complicated the work by telling us to recess and go home on  
16 the 10th of December when we could have gotten an omnibus  
17 bill done and still had plenty of a fine Christmas vacation.

18 So we made a big mistake, and what we ended up doing  
19 was not giving you certainty. So we have this CR that goes  
20 through the 27th, and we are sitting here, Senator, I do not  
21 really know exactly what is going to happen come the 27th of  
22 April. And we are in the middle of the discussion about the  
23 fiscal year 2018 budget too.

24 So we ought to be giving you and giving everybody more  
25 certainty. And even if you do not like it, even if you wish

1 the number was different than the number we give you, at  
2 least we can give you something that you can plan and adjust  
3 around.

4 That really has been on us. This is something that I  
5 know Senator Perdue shares my views about this, being both  
6 on Budget and Armed Services. We owe you better than what  
7 we are giving you on the predictability score. And hearings  
8 like this kind of have a way of reminding us that we have to  
9 step up our game a little bit.

10 So thank you so much for what you do, for your  
11 testimony, and we will look forward to taking this into  
12 account as we are working on the NDAA.

13 The hearing is adjourned.

14 [Whereupon, at 3:31 p.m., the hearing was adjourned.]

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