

**HEARING TO RECEIVE TESTIMONY ON THE
DEPARTMENT OF THE NAVY IN REVIEW OF
THE DEFENSE AUTHORIZATION REQUEST
FOR FISCAL YEAR 2010 AND THE FUTURE
YEARS DEFENSE PROGRAM**

THURSDAY, JUNE 4, 2009

U.S. SENATE.
COMMITTEE ON ARMED SERVICES.
Washington, DC.

The committee met, pursuant to notice, at 9:35 a.m., in room SH-216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Akaka, Nelson, Webb, McCaskill, Hagan, Burris, McCain, Inhofe, Thune, Martinez, Wicker, and Collins.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Creighton Greene, professional staff member; Jessica L. Kingston, research assistant; Thomas K. McConnell, professional staff member; and Russell L. Shaffer, counsel.

Minority staff members present: Joseph W. Bowab, Republican staff director; Daniel A. Lerner, professional staff member; David M. Morriss, minority counsel; Lucian L. Niemeyer, professional staff member; Christopher J. Paul, professional staff member; and Richard F. Walsh, minority counsel.

Staff assistants present: Kevin A. Cronin, Mary C. Holloway, and Brian F. Sebold.

Committee members' assistants present: Jay Maroney, assistant to Senator Kennedy; Christopher Griffin, assistant to Senator Lieberman; Nick Ikeda, assistant to Senator Akaka; Christopher Caple and Yariv Pierce, assistants to Senator Bill Nelson; Jon Davey and Dahlia Reed, assistants to Senator Bayh; Gordon I. Peterson, assistant to Senator Webb; Roger Pena, assistant to Senator Hagan; David Ramseur, assistant to Senator Begich; Vera Baker-Merlini, assistant to Senator Burris; Anthony J. Lazarski, assistant to Senator Inhofe; Lenwood Landrum and Sandra Luff, assistants to Senator Sessions; Clyde A. Taylor IV, assistant to Senator Chambliss; Brian W. Walsh, assistant to Senator Martinez; Erskine W. Wells, III assistant to Senator Wicker; Kevin Kane, assistant to Senator Burr; and Chip Kenneth, assistant to Senator Collins.

OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN

Chairman LEVIN. Good morning, everybody. We want to welcome today Secretary Mabus, Admiral Roughead, General Conway to the committee to testify on the plans and programs of the Department of the Navy and our Review of the fiscal year 2010 Annual Budget and Overseas Contingency Operations Request.

This is Secretary Mabus's first testimony before this committee since he was confirmed, so we'll give you a special welcome. Congratulations, Secretary.

We're grateful to each of you for your service to this country and for your various services, for your very professional services over the years to the men and women of this country and particularly the men and women under your command, Admiral and General. We're grateful also to your families for the support that they give you.

Our witnesses this morning are faced with a number of critical issues that confront the Department of the Navy in the budget, such as balancing modernization needs against the cost of supporting ongoing operations in Iraq and Afghanistan.

In one notable case, the Nation is calling on the Marines to surge additional forces to Afghanistan which wouldn't be necessary if our allies supported operations there more adequately.

The Navy has been contributing directly to the war effort in CENTCOM, as well. In addition to the normal deployments of ships and aircraft in support of these operations, the Navy currently has deployed more than 13,000 individual augmentees or IAs to support these missions on the ground in Iraq and Afghanistan. That is not what many men and women joined the Navy for. They serve, however, without complaint. They're doing their duty brilliantly but these activities do further stress our troops and represent challenges to our service members and their families.

I must express on behalf of the committee our thanks for how well and ably the men and women of the Department of the Navy and their families are responding to these challenges.

Secretary Gates has made a number of announcements on April 6 affecting the Department of the Navy programs, including program delays, like some of the ships for Maritime Pre-Positioning Force Program, Program Reductions, such as buying nine fewer FA-18E/Fs than had been planned, Program Terminations with substitutes, the DDF-1000 Destroyer to be replaced by restarting the DDG-51 Aegis Destroyer Production Line, and Program Terminations with no obvious replacement program, like the VH-71 Presidential Helicopter Replacement Program.

We're going to need to hear from our witnesses clear explanations of how these proposed weapon systems changes are the product of the new strategy, the strategies espoused by the Secretary of Defense on April 6th, and at our hearing with him and the Chairman of the Joint Chiefs of Staff in May. We need to hear how the Navy's plans for each of the mission areas impacted by these proposed changes.

Many of the challenges facing the Department of the Navy center on acquisition programs. There are great concerns about the cost problems in the shipbuilding arena, the most notable example being the Littoral Combat Ship or LCS Program.

Since last year the Navy has awarded contracts to the two LCS vessels approved in the 2009 budget with one ship awarded to each of the two LCS contractors. Since the LCS Program is operating under a legislative cost cap of \$460 million, it applies to the ship beginning with the fiscal year 2010. We will need to hear from witnesses about whether the Navy is on track to achieve that limit next year.

Changing requirements, poor cost estimates, inexperienced program managers and poor supervision of the contractors? performance are among the causes of the cost overruns. We have been worried that the Navy had not learned those hard lessons, despite having claimed to have learned them many times before.

If the Department of the Navy is unable to get control of its acquisition programs and cost growth, the Navy will be unable to afford the fleet of 313 ships that Admiral Roughead says that we need and it is obvious that other capabilities would suffer, as well.

I cannot over-stress the importance that the whole Navy Department shoulder its responsibility to correct these past problems in acquisition programs. The future strength of the Navy depends on it.

The president recently signed the Weapons Systems Acquisition Reform Act of 2009 and while this legislation will help correct past problems, I also know that we will succeed only through concerted efforts within the Executive Branch to implement the spirit of that legislation and improve past behavior within the department. We in Congress cannot legislate a culture change.

Another concern surrounds future ship and aircraft force levels. We are facing the prospect that the current Navy program will lead to potentially large gaps between the forces that the CNO has said he needs and the forces that will be available to his successors.

For instance, under current plans for tactical aircraft acquisition, the Navy is facing a shortfall of as many as 250 tactical fighters needed to outfit our 10 aircraft carrier Air Wings and three Marine Corps Air Wings. With shortfalls that large, we could be faced with drastically reducing the number of aircraft available on short notice to the combatant commanders either because we have deployed under-strength Air Wings or because we did not deploy the carrier at all because of these aircraft shortages.

We look forward to your testimony today on these and other issues that are facing the Department of the Navy and we again thank you for all you're doing to address the challenges that face us.

And I call on Senator McCain.

STATEMENT OF SENATOR JOHN MCCAIN

Senator MCCAIN. Mr. Chairman, I join you in welcoming our witnesses here today to discuss the President's budget request for fiscal year 2010 and for the Department of the Navy.

I support the priorities outlined in the Navy's 2010 budget request, totaling a \$156.4 billion in base funding. Obviously there are a number of issues that we need to discuss with our witnesses and will be the subject of oversight and consideration by this committee in the weeks ahead.

The committee looks forward to being briefed on the full range of all the issues and how they will affect future budget decisions.

The 2010 budget submission represents a snapshot of the overall requirements. It also raises a number of questions about the Navy's future force. For the past few years the Navy has justified to Congress the need for 313 ships. I'd be very interested in the witnesses' view as to whether this budget would be able to continue that level of force, given the funding and the issue of the cost overruns that unfortunately have plagued shipbuilding throughout in previous years and is still going on.

I'm very interested in hearing about the so-called Fighter Gap that's putting a looming shortfall of fighter planes at 243 aircraft by 2018, and does the Navy have the ability to maintain aircraft carrier, adequate carrier Air Wings to satisfy the needs of 11 aircraft carriers?

I'm very interested in hearing about the progress of the F-35 Joint Strike Fighter as we are obviously planning on acquiring and accelerating the production—larger numbers and accelerating the production of the F-35 Joint Strike Fighter.

I'd also be interested, Admiral Roughead, in your view of the readiness situation that we have seen some signs, like the engineering problems on the LPD-17 Class Ships and malfunctions on the Ronald Reagan, et. cetera.

The Marine Corps has achieved its end strength growth of 202,000 more than two years earlier than originally forecasted. It's a remarkable job done by the Marine Corps and I'd be interested in General Conway's assessment as to why they've been able to show such significant improvement both in retention and recruiting.

I think it's a remarkable job, particularly when you look at the predictions made by many so-called military experts about the strain, and it is great, on military and their families as due to the incredible effort that needs to be made both in Iraq and Afghanistan, and yet we have such significant retention and recruiting.

I also think, General Conway, that from what I'm hearing, there is still shortfalls in re-enlistment at the captain and major level and sergeant, qualified and experienced NCO level, but I'd be very interested in that.

And I also wonder whether the fact that victory in Iraq has had an effect on the morale, retention and recruiting in the United States Marine Corps, despite the dire predictions of catastrophic failure and loss of the conflict, of the war in Iraq.

And also, I'd be interested whether the current Marine Corps end strength is adequate to meet the dwell time goals. Is there more relief needed for the men and women who are serving in the Marine Corps, given the fact that we are basically shifting from Iraq to Afghanistan, not bringing them home?

As we know, personnel is the most important part of any military, and I'd be also interested in Admiral Roughead's views in that area, as well.

I thank the witnesses. I look forward to the testimony, and I thank you, Mr. Chairman.

[The prepared statement of Senator McCain follows:]

[COMMITTEE INSERT]

Chairman LEVIN. Thank you very much, Senator McCain.
Secretary Mabus.

**STATEMENT OF HON. RAYMOND E. MABUS, JR., SECRETARY
OF THE NAVY**

Secretary MABUS. Mr. Chairman, Senator McCain, Distinguished Members of the Committee, it's a real honor to be here today with Admiral Roughead, General Conway, on behalf of our sailors, Marines, civilians, their families.

Two weeks ago I assumed the responsibilities as Secretary of the Navy. In this very short period of time it's been my privilege to gain firsthand insight into our Nation's exceptional Navy and Marine Corps.

This naval force serves today around the world providing a wide range of missions in support of our Nation's interests.

I'm here today to discuss with you the fiscal year 2010 Budget, the various missions of the Navy and Marine Corps and some priorities of the department.

The department's fiscal year 2010 Budget reflects commitment to our people, shaping our force, providing adequate infrastructure, and sustaining and developing the right capabilities for the future.

The ongoing Quadrennial Defense Review will also aid in shaping the department's contributions to the national effort in the future.

As I have taken on these new duties, my first priority is to ensure that we take care of our people, sailors, Marines, civilians, and their families. Thousands of brave Marines and sailors are currently engaged in Iraq and Afghanistan and thousands more carry out other hazardous duties around the world. These inspirational Americans volunteer to serve and they're protecting us and our way of life with unwavering commitment. We have to show them the same level of commitment when providing for their health and welfare and that of their families.

Last week I made a visit to the National Naval Medical Center, Bethesda, and visited with our wounded. This was both a humbling and inspirational experience. It reinforced the enduring commitment we owe to them in terms of treatment, transition, and support. Programs like the Marine Corps Wounded Warrior Regiment, the Navy's Safe Harbor Program, advances in treatment of traumatic brain injury, and programs that offer training for stress control have to continue to be our priorities.

Today our sailors and Marines are serving and responding to a wide variety of missions, from combat operations to humanitarian assistance and maritime interdiction.

The Navy has 13,000 sailors ashore and 9,500 sailors at sea and Central Command is their responsibility. More than 25,000 Marines are employed in Iraq and Afghanistan. Our civilian force is also heavily engaged in supporting these operational efforts. We have to ensure that the Department of the Navy will continue to meet these missions while investing in capabilities to provide the right naval force for our future challenges.

Real acquisition reform, too, has to be a priority. The Department of the Navy has begun to implement the Weapons Systems Acquisition Reform Act and is ready to use this act and other tools

to try to ensure that we get the right capabilities on time and at an affordable cost.

I look forward to working together with you in our shared commitment to our Nation and the Marines, sailors, civilians and their families. On behalf of all of them, thank you for your unwavering support to them.

I look forward to your questions.

[The prepared statement of Secretary Mabus follows:]

Chairman LEVIN. Thank you, Mr. Secretary.

Admiral Roughead.

STATEMENT OF ADMIRAL GARY ROUGHEAD, USN, CHIEF OF NAVAL OPERATIONS

Admiral ROUGHEAD. Mr. Chairman and Senator McCain, distinguished members of this committee, 67 years ago today our brave Navy forefathers fought at the Battle of Midway and changed the course of a world war.

Today I am privileged to report to you that our young sailors at war again continue to live up to the standards of courage and service that were set in that pivotal battle, whether it be in a conventional battle that we might anticipate or in the irregular fight in which we are engaged in.

On their behalf, I thank you for your continued support and for the opportunity to represent our Navy's sailors, civilians and their families.

Today we have 40,000 sailors on station around the world making a difference. We are more versatile and agile than we have ever been with more than 13,000 sailors on the ground in the Central Command area of operation, to include Seals, Explosive Ordnance Disposal Technicians, Seabees, and Individual Augmentees.

The 2010 Budget balances the needs of those sailors around the world, our current operations and the needs for our future fleet in accordance with our maritime strategy. However, we are progressing at an adjusted pace. Our risk is moderate today, trending towards significant because of challenges posed by our fleet capacity, operational requirements, manpower, maintenance, and infrastructure costs.

Our Navy is operating at its highest levels in recent years and while we remain ready and capable, we are stretched in our ability to meet additional operational demands while balancing our obligation to our people and to building the future fleet.

We require additional capacity to meet combatant commander demands and to meet our operational tempo. A fleet of at least 313 ships is needed, along with capabilities that include more ballistic missile defense, irregular warfare and open ocean antisubmarine warfare capabilities.

These needs drove the decision to truncate DDG-1000 and restart DDG-51 with its Blue Water ASW capability and integrated air and missile defense and also to move forward in procuring three Littoral combat ships this year.

As I articulated last year, our Navy must have a stable shipbuilding program that provides the right capability and capacity while preserving our Nation's industrial base. The balance among

capability, capacity, affordability and executability in our procurement plans, however, is not optimal.

I continue to focus on the control of requirements, integration of total ownership costs into our decision-making, maturing new ship designs before production and pursuing proven designs. The use of common hull forms and components are also important and longer production runs to control costs as we build the future fleet are imperative.

To best maintain the ships we have, we reinstated an engineering-based approach to maintenance for our surface ships through the Surface Ship Life Cycle Management Activity. Meanwhile, our Board of Inspection and Survey Teams will continue to use our internal insurv process to conduct rigorous self-assessments on the condition of our ships and submarines.

All that we do is made possible by our dedicated sailors and Navy civilians. I am committed to providing the necessary resources and shaping our personnel policies to ensure our people and their families are properly supported.

We are stabilizing our force this year by seeking authorization and funding for an end strength of 328,800 sailors, including overseas contingency operations funding for 4,400 individual augmentees who are in today's fight.

We continue to provide a continuum of care that covers all aspects of individual medical, physical, psychological and family readiness to our returning warriors and sailors.

In 2008 we added a 170 care managers to our military treatment facilities and ambulatory care clinics for our 1,800 wounded warriors and their families. In addition, we continue to move mental health providers closer to the battlefield and are actively working against the stigma of post-traumatic stress disorder.

Achieving the right balance within and across my three priorities of the future fleet, current operations and people is critical today and for the future. I ask Congress to fully support our 2010 Budget and identified priorities.

Thank you for your continued support and commitment to our Navy and for all you do to make the United States Navy a force for good around the world today and in the future.

I look forward to your questions.

[The prepared statement of Admiral Roughead follows:]

Chairman LEVIN. Thank you very much, Admiral.

General Conway.

**STATEMENT OF GENERAL JAMES T. CONWAY, USMC,
COMMANDANT OF THE MARINE CORPS**

General CONWAY. Mr. Chairman, Senator McCain, Distinguished Members of the Committee, thank you for the opportunity to report to you on the posture of your Marine Corps.

My pledge, as always, is to provide you with a candid and honest assessment and it's in that spirit that I appear before you today.

My Number 1 priority remains your Marines in combat. Since testimony before your committee last year, progress in the Anbar Province of Iraq continues to be significant. Indeed, our Marines are in the early stages of the most long-awaited phase of operations: redeployment of the force and the reset of our equipment.

Having recently returned from a trip to theater, I'm pleased to report to you that the magnificent performance of our Marines and sailors in Anbar continues across a whole spectrum of tasks and responsibilities.

In Afghanistan, we have substantially another story, as thus far in 2009 the Taliban have again increased their activity. The 2nd Marine Expeditionary Brigade and Air-Ground Task Force, numbering more than 10,000 Marines and sailors, has just assumed responsibility for its battle space under Regional Command South.

They're operating primarily in the Helmand Province where 93 percent of the country's opium is harvested and where the Taliban have been most active.

We are maintaining an effort to get every Marine through the fight and today more than 70 percent of your Marine Corps has done so. Yet, our force remains resilient in spite an average deployment that is slightly better than 1:1 in most occupational specialties.

We believe retention is a great indicator of the morale of the force and the support of our families. By the halfway point of this fiscal year, we have already met our re-enlistment goals for our first term Marines and for our career force.

Our growth in the Active component by 27,000 Marines has proceeded two and a half years ahead of schedule with no change to our standards. We have reached the level of 202,000 Marines and have found it necessary to throttle back our recruiting efforts. We attribute our accelerated growth to four factors: quality recruiting, exceptional retention levels, reduced attrition and, not least, a great young generation of Americans who wish to serve their country in war time.

Our Corps is deeply committed to the care and welfare of our wounded and their families. The Wounded Warrior Regiment reflects this commitment. We seek through all phases of recovery to assist in the rehabilitation and transition of our wounded, injured or ill and their families. I would also like to thank those of you on the committee who have set aside your personal time to visit with our wounded warriors.

Secretary Gates seeks to create a balanced U.S. military through the efforts of a Quadrennial Defense Review. We have always believed that the Marine Corps has to be able to play both ways, to be a two-fisted fighter. Our equipment and major programs reflect our commitment to be flexible in the face of uncertainty. That is to say, 100 percent of Marine Corps procurement can be employed in either a hybrid conflict or in major combat.

If this nation decides through the QDR that it still needs a forcible entry capability, and we tend to think that it does, and we believe, based on the threat and the risk to the ships of the United States Navy, that the requirement for a platform with the capabilities of the Expeditionary Fighting Vehicle is absolutely essential.

The future posture of our Corps includes a realignment of Marine forces in the Pacific. As part of the agreement between Tokyo and Washington, we are planning the movement of 8,000 Marines off Okinawa to Guam. We support this move.

However, we believe the development of training areas and ranges on Guam and the adjoining islands of the Marianas are key

prerequisites for the realignment of our forces. We're actively working within the Department of Defense to align Marine Corps requirements with ongoing environmental assessments and political agreements.

On behalf of your Marine Corps, I extend my gratitude for the support that we have received to date. Our great young patriots have performed magnificently and have written their own page in history. They know, as they go into harm's way, that their fellow Americans are behind them.

On their behalf, I thank you for your enduring support.

We pledge to spend wisely every dollar you generously provide in ways that contribute to the defense of this great land.

Thank you once again for the opportunity to report to you today and I also look forward to your questions.

[The prepared statement of General Conway follows:]

Chairman LEVIN. Thank you very much, General.

Let's try an 8-minute first round. Secretary, let me address my first question to you.

The Littoral Combat Ship Program has seen significant cost growth. That was driven in part by the changing requirements that the Navy has placed on it after the design and construction contracts were signed.

There's a question as to whether or not the Navy and the contractors can build the fiscal year 2010 ships within the legislative cost cap of \$460 million per ship.

Is the Navy going to be able to buy these ships within that cost cap?

Secretary MABUS. Mr. Chairman, as you pointed out, the lead ships for both classes of the LCS, because they were the lead ships and because, frankly, a lot of requirements were added during the construction phase, are expensive.

The follow-on ships that are now in the queue, the costs are being driven down. They're being driven down because Admiral Roughhead and the Navy have frozen the requirements, not adding requirements to the LCS where the technology is mature, and we're moving forward with both variants.

We're committed to competition between the variants. We're committed to fixed price contracts, and we are very aware of the \$460 million legislative cap and that is the goal that we are driving toward.

Whether or not we will be able to meet that goal, I cannot tell you today, but it is a focus of ours and we are doing everything that we can in terms of freezing commitments, in terms of competition, in terms of contracting practices, to make sure that we do.

Chairman LEVIN. Is there a realistic prospect that you're going to be able to do it?

Secretary MABUS. I think there's a realistic prospect that we can drive toward that goal. There, as you know, was no escalators built into that cap and things outside of our control and the contractors' control escalating cost of materiel, escalating labor costs, have frankly made that less realistic.

Chairman LEVIN. When will you know whether you can keep within that cap? Is it a matter of weeks, months? When will you know that?

Secretary MABUS. My best guess is we will know by the early fall, but—

Chairman LEVIN. All right.

Secretary MABUS.—that's what I said is a guess.

Chairman LEVIN. You're going to let us know as soon as you know because—

Secretary MABUS. Yes, sir.

Chairman LEVIN.—that can affect our decision on our authorization bill.

Secretary MABUS. Absolutely.

Chairman LEVIN. Admiral, you've talked about and I in my opening statement talked about these individual augmentees, the IAs, the sailors who are doing—performing outside of their normal trained military specialties and I know that you're rightfully proud, we all are, of the campaign and the way in which the Navy's put in their part, more than their part sometimes of the effort, but sometimes you've had to pull individuals away from organizations where they are needed.

As I understand it, the supervisor of shipbuilding that was monitoring the Littoral Combat Ship Program, the program that was already in trouble, was one of those who was pulled off to be an individual augmentee.

How are you assessing the impact of this program? Is it true that that supervisor was one of the IAs?

Admiral ROUGHEAD. Senator, thank you, and you're absolutely correct when you said I could not be more proud of the contributions our sailors are making in roles that are not normally part of the traditional Navy mission.

We have done a great deal of work in realigning the process that we use to select and prepare and train those sailors to take care of their families. As we make assignments and selections for those sailors who are going forward, we not only look at what the requirement is in theater, we look at what the impact is going to be on the command where they leave and we work to make that balance optimal.

I would say that, quite frankly, we have sailors who are volunteering to go but can't because of the impact they would have on their current command.

With regard to a specific sailor assigned from a supervisor of shipbuilding, I would say that that has likely occurred. I do not have any specifics on that, but I would say that with regard to the ships manning, particularly as applied to LCS, when I made my first visit to the shipyard building, one of the LCSs, it was apparent to me that we did not have enough. IAs had nothing to do with it.

Our Commander of Naval Sea Systems Command has reassessed that. We're getting more people into the oversight function of LCS, but with respect to IAs doing great work, we monitor it very carefully and our IAs promote at a higher rate than those who do not go.

Chairman LEVIN. It may not have been the cause of the problem with the Littoral Combat Ships but if in fact such a supervisor was taken away from that capacity, it could surely worsen the problem.

Will you just check that one issue out—

Admiral ROUGHEAD. Yes, sir, we will.

Chairman LEVIN.—as an example of the problem?

I'd like, Admiral, to talk to you about some of the piracy issues which have arisen. Some have suggested that the maritime industry do more to protect against pirate attacks, but there have been some suggestions that the Navy has an obligation to protect all U.S. flag vessels that transit the problem area.

Is it your view—give us your view as to whether or not the Navy has the capacity and whether it's appropriate to put military security teams on all U.S. flag commercial vessels that travel in that problem area.

Admiral ROUGHEAD. Yes, sir. With regard to the mission and activity since the 7th of May, there has not been a successful act of piracy in and around Somalia. I attribute that to the effort not just of our sailors but of the coalition, if you will, a very informal coalition that has formed.

I believe that one of the reasons that we're seeing some progress is the fact that the ships and the shippers are taking more aggressive action to avoid being taken by pirates and also it's helped significantly by our patrols.

I believe that at the end of the day, the shipping companies need to look at their security requirements and provide for those security requirements. We, in cooperation with our allies and partners there, will provide the maritime security environment in which the ships can pass, but there has to be a willingness on the part of shippers to adjust procedures. They are often driven by the business in which they are engaged in, but I believe we're seeing very positive trends.

The problem of piracy will not go away until the problem ashore is addressed. We are patrolling an area four times the size of Texas but the lawlessness ashore, the lack of governance ashore, the lack of any attempt to get control of how the money moves and how this criminal business propagates, until there's a shore component to it, we're going to continue to chase pirates at sea.

Chairman LEVIN. And on the question of whether or not we should place military security teams on all U.S. flag commercial vehicles, have you been asked to do that? Have you considered that? Is it appropriate? Is it doable?

Admiral ROUGHEAD. I have not been asked to do that. I believe that the responsibilities for the security of ships also lies with the shippers. We will provide the security environment at sea, but I personally believe that the shipping companies bear responsibility for protection of ships.

Chairman LEVIN. Thank you.

Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman.

I want to thank the witnesses again. Secretary Mabus and Admiral Roughead, the Secretary of Defense, as we all know, made a decision to reduce the purchases of the F-22 with the commitment for increased procurement of the F-35 and the services, as I understand it, are planning on purchasing around 2,450 F-35s at a cost of about 300 billion. That's a cost increase of 47 percent beyond the original 2002 estimates.

The Navy is obviously relying on the F-35 to close the gap that is seen in Strike Fighter capability.

Now, the GAO recently issued a report on the F-35 or JSF Program that was critical of its past cost overruns and predicted that the development will cost more and take longer than what has been reported to Congress.

In 2008 a Pentagon Joint Estimating Team said that the JSF Program would require an additional two years of testing and would need another \$15 billion to cover new development costs.

Now, are we going to be able to keep these costs under control and procure the numbers that we have predicted or are we going to stick to unfortunately repeat the record that we've had on previous aircraft purchases where the price has gone up and up, so therefore the numbers procured are less? Are we not taking something of a gamble here?

Secretary Mabus or Admiral Roughead, either one of you or both.

Admiral ROUGHEAD. Senator, we are the last service to get the JSF. The Marine Corps will go first and then Air Force and then us, and in this budget we have provided for the four test articles that we need. The JSF is important to Naval Aviation as we move to another generation of airplane and also have a mix of airplanes on our carrier decks.

The on-time delivery of JSF is critical to Naval Aviation. We have committed to that in this budget, but we are going to continue to have to pay very, very close attention to this.

Senator MCCAIN. General Conway, since you, Marine Corps, get it sooner than the Navy, what's your estimate of the situation right now?

General CONWAY. Sir, right now we know that we're experiencing a seven-to-nine-month delay in first flight of the vertical variant, the 35B. We're told that it should fly this Fall.

We're also told, however, that that's slipped to the right of some several months and will not impact the 2012 initial operating capability that's been promised to us by the vendor. We anxiously await its arrival, sir. We have accepted risk for some time now by not buying the E&F variant of the F-18. So we're pretty adamant that it's got to stay on schedule at this point.

Senator MCCAIN. Well, Mr. Chairman, you know, there's a lot of controversy about the decision and I think that—and I support Secretary Gates' decision, but I think we need a good estimate as to whether actually the Joint Strike Fighter will be available at a reasonable cost so that we will have sufficient number of aircraft.

Admiral Roughead, my understanding is that you are going to be 240 aircraft short by 2018.

Admiral ROUGHEAD. Senator, as we move forward and into our Quadrennial Defense Review and address the issue of TACAIR, we have to look at what some of the options are to mitigate what will be a shortage of tactical aircraft.

Senator MCCAIN. But right now the tactical shortage, you can't man 11 carrier decks, is that right?

Admiral ROUGHEAD. As we move into around the 2017 time frame that shortage for us, depending on mitigation actions, could be as low as 70 airplanes, but we will be working on this in the QDR to determine whether it's life extension that will allow us to

close that gap down, but being able to keep the carrier decks full is very important to me and I look forward to the discussions in QDR.

Senator MCCAIN. Well, I'd like you to keep this committee informed because some of our decisions will be based on the realities of production cost overruns and delays and, frankly, the history of the development of new weapon systems has not been particularly impressive as far as staying on costs and on schedule.

General Conway, all of us are so proud of what the Army and Marine Corps and Air Force and Navy are doing and achieving, but isn't it true that our goal is one to two deployment to time back, and under the present, even though you've made your recruiting goals, it's closer to 1:1, is that correct? What effect does that have long term since it's pretty clear we're going to be in Afghanistan in large numbers for an extended period of time?

General CONWAY. Sir, you are correct in that the objective is 1:2. Seven months deployed for Marines and 14 months home. Right now our Infantry Battalions are experiencing 1 to 1.5. You have some units that are better than that, you have some units, some MOSs, Military Occupational Specialties, that are experiencing longer deployments to dwell, and, quite frankly, sir, 2009 is going to be tough year for us because we've got a foot in both camps.

It's our belief that we will not see more than 18,000 Marines deployed to Afghanistan, depending upon the decisions yet to be made by the Administration. If we can achieve that figure, that virtually gives us 1:2 across the—

Senator MCCAIN. Is that planning for the 10,000 increase that General McKiernan asked for?

General CONWAY. Yes, sir. That's our calculation. If General McKiernan's request for force is fully validated, that would raise the numbers of Marines there to something just short of 18,000 and again at 18, we're in pretty good shape with that objective goal of 1:2.

I might also add, sir, we look monthly at this resilience of the force I spoke to in the opening statement, and our force, because of our turnover and the relative youth of our force, the families and the efforts that we've devoted towards their quality of life while the Marine is deployed, are all in reasonably good shape, considering how long we've been at this and with the projections.

Senator MCCAIN. You still have a challenge at the captain and major level and senior NCO level?

General CONWAY. Sir, we do not, and I took a note when you commented. Our captains stay 91 percent beyond their original contracts.

Senator MCCAIN. And NCOs?

General CONWAY. No problem, sir. Again, we re-enlisted our career force which is our NCOs, staff NCOs, really.

Senator MCCAIN. How much has the economy impacted this?

General CONWAY. Sir, we say, I guess, with some parochialism that Marine Corps recruiting really doesn't vary much with the economy. We continue to get quality enlisted and officers almost regardless. Still, I think it has to have some positive impact right now but over time it runs a sine wave and it doesn't seem to matter with regard to our recruiting.

Senator MCCAIN. Admiral Roughead, are you concerned about the reports we have about the Chinese becoming a maritime power and also acquiring weapons, missiles that can go—that can attack an aircraft carrier as far away as 1,200 miles and apparently continued information that the Chinese will be—either will be or are constructing aircraft carriers?

Admiral ROUGHEAD. Yes, sir. I've been watching the Chinese Navy up close and personal for about 15 years now, and there's no question that they are stepping out on to the world stage. They're becoming a significant regional Navy with real capability.

But more than just what they are acquiring, I watch their operational patterns which have increased significantly over the past year and a half, simultaneous patrols, different patterns in North-east Asia and Southeast Asia. I believe that it is in our interests to continue to watch the Chinese, to engage the Chinese.

I do pay attention to naval developments around the world. There's no question that they're introducing an aircraft carrier that will take some time for them to be able to operate it with any degree of efficiency.

But I also see advances in ballistic missiles, as you have pointed out, and it was that development as well as developments in Iran and the proliferation of those missiles and sophisticated cruise missiles that was the basis for my decision to recommend that we truncate the DDG-1000 and invest more in our ability to conduct integrated air and missile defense Blue Water Antisubmarine Air Warfare.

So I do watch the Chinese, as I watch all other navies around the world, and this program in 2010 reflects the developments that I see and our ability as a Navy to continue to be able to influence events and have options.

Senator MCCAIN. I thank you, Mr. Chairman, and the Marines who will be going to Afghanistan. Thank you very much, Mr. Chairman. Thank the witnesses.

Chairman LEVIN. Thank you, Senator McCain.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman. Thanks to the three of you. Welcome, Secretary Mabus. It's great to have you assume this important position.

General Conway, I first want to indicate that—just to identify myself with the line of questioning of Senator McCain on the Tactical Air Programs. He had some very important questions that this committee really has to wrestle with and next Tuesday afternoon our Air-Land Subcommittee is holding a public hearing on these questions with representatives from the Navy, the Marines and the Air Force there. So we hope that we can generate some information that will enable the subcommittee to inform the Full Committee's judgments on these questions.

General Conway, I was going to ask you again along the lines of Senator McCain about the stress on personnel. The Navy and the Air Force has contributed greatly to our effort in Iraq and Afghanistan, but clearly it's our ground forces, the Marines and the Army, that are carrying the largest burden of the fight there and doing so brilliantly and bravely.

There's been a lot of focus in this committee about the stress on the Army and the inadequacy of the dwell time now, and I think there's going to be a significant effort here in this committee to increase the end strength authorized for the Army, to raise the dwell time, also to recognize what—you referred to something similar, that when you put together the wounded Army warriors and others in transit, you actually end up with not the full 547 that you're authorized now.

So my question to you, although I heard your answer to Senator McCain, shouldn't we also on this committee be considering increasing the end strength of the Marines? We're talking here in the short term. If all goes well—I mean near term. If all goes well in Iraq and hopefully Afghanistan, the pressure will be for the next year or two, but for that year or two, shouldn't we be looking at an end strength increase for the Marines?

General CONWAY. Senator, we are comfortable at 2002. When offered the opportunity for growth under the previous Administration and the previous Secretary, we submitted our requirements at about 27,000 additional Marines with the anticipations we had at that point of what the requirements would be, both for Iraq and for Afghanistan.

We think that this 1:2 is achievable and is reasonable for a war time kind of scenario. So my outright recommendation to you at this point, sir, is that I would not propose growth. I think that we are fine where we are.

Senator LIEBERMAN. That's an unusual response but I accept it with respect.

Admiral Roughead, Chairman Levin, I think, spoke in his opening statement directly about our concern about overruns, price overruns in various Navy programs, some quite significant, but I appreciated, and you'll forgive the parochialism here, but I think it has a broader application, the reference in your prepared statement that ?Virginia Class Submarine cost reduction efforts are a model for all our ships, submarines and aircraft.?

The Navy's been tough with the two submarine builders, one obviously existing in Connecticut, Electric Boat, but there's been quite a partnership formed that has now reduced the cost of the subs below what they were coming in for the companies. This is a benefit. Obviously it's a benefit for the Navy because you're paying less but for the companies, it's a benefit because you rewarded that by increasing the production rate.

Are there lessons to be learned here? I mean, in other words, as you look at this, why has this program worked in a cost-effective way and some of the others have not?

Admiral ROUGHEAD. Sir, I would say that—and you touched on it—it's the type of relationship that we have with the builder, the commitment on the part of the builder and the Navy to drive down to the two billion per unit cost, the commitment and the understanding that if we do that, we can realize the force structure that we've planned.

It's supplying smart engineering practices and openness on considering different approaches to coming at a problem and I would also say that, in addition to just bringing the procurement costs down, Virginia Class is one of the programs that we are using to

get our arms around total ownership costs over the life of the program because it's important that we can sustain those ships over the period which we expect them.

And I also believe it's how we invested in the R&D for those submarines and as you know in this budget request, we have a request for research and development funds for the replacement for the Ohio Class Submarine.

There are some who may say, well, we're beginning that process too early. We are right about where we have to be with the replacement for Ohio. Those funds will allow us to put in place and to do the work in a way that we don't get into this concurrent design and build.

So Virginia's a great model. In this budget we're requesting the funding for the Ohio replacement, and I'm hopeful that we can sustain that approach that we learned so well in Virginia and that will translate into the same type of results for the Ohio replacement.

Senator LIEBERMAN. I appreciate that answer and I appreciate the commitment to ramp up the investment in the new Ohio Class, the missile-carrying submarines. I think that's a very important decision for our country.

You referred earlier to China and the extent to which you're keeping an eye on China. I think submarines are part of that. I note that they're turning out submarines at a pretty good pace, maybe three and a half a year and that in some sense, we're not involved in a conflict with China and we hope we never are, but that we're involved, if I may put it this way and ask your response, in what seems to me to be a silent competition for territory, in some way, dominance in the Pacific.

It's silent for the most part, unless an event, such as the recent harassment of the USS *Impeccable* occurs when it becomes public, but give me your reaction to that and the role of the submarine in that competition.

Admiral ROUGHEAD. Yes, sir. As a former commander of the Pacific Fleet, submarines were, as I used to say, the most important arrow in my quiver.

Submarines are extraordinarily capable. They perform a variety of missions, not just against other submarines, but they can operate in areas where others can't, and particularly with our nuclear submarines, we can move them quickly and they are the ultimate stealth weapon compared to anything else.

The use of our submarines will be critical in any type of operation or engagement. We use them heavily and they are as relevant to our future as they have played such an important role in our past. That's why I'm an advocate for them and it's not just the PRC and the growth in their submarines. There are business predictions, albeit some that were—that preceded the current economic situation, global economic situation, but there are predictions that say in the next 20 years, the world submarine population will increase by 280 and these are very capable, very quiet conventional submarines and in some cases nuclear-powered submarines.

Senator LIEBERMAN. What kind of multiple is that? In other words, what—how much—what's the number out there now?

Admiral ROUGHEAD. I would say globally we're probably down in the—I'll get the exact number for you, but I'd say we're at around the upper 100s.

Senator LIEBERMAN. Okay.

Admiral ROUGHEAD. It's a significant increase.

Senator LIEBERMAN. That's more than a doubling. It's almost a tripling.

Admiral ROUGHEAD. And we're seeing countries that have not had submarine forces before wanting to acquire them and it becomes a very challenging naval problem because one submarine can disrupt an operation in ways that one ship cannot.

Senator LIEBERMAN. Are some of the countries that we worry most about today, like Iran, investing in submarines?

Admiral ROUGHEAD. Yes, sir, they are.

Senator LIEBERMAN. Thanks, Mr. Chairman. Thank you.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator WICKER.

Senator WICKER. Thank you very much.

Admiral Roughead, you've accepted an invitation to Mississippi in October to speak to the Salute to The Military. I can assure you that that is a well-attended, very important event on the Gulf Coast, and we appreciate you accepting that invitation early, and I think former Governor and Secretary Mabus can tell you what an important event that is going to be and how well you will be received by the civilians and the military on the Gulf Coast.

Admiral ROUGHEAD. Thank you, sir.

Senator WICKER. So thank you for that.

On Page 5 of your testimony, you say that "Our Navy's operational tempo over the past year reaffirms our need for a minimum of 313 ships." Further down you say, "American shipbuilding is not broken but improvements are needed. Since becoming CNO, I have focused on our need to address and control procurement and total ownership costs."

Shipbuilding costs have been increasing as a result of a number of factors, you said, but the first you listed is the reductions in the number of ships procured.

So let me ask you. My information is that we are decommissioning ships at a rate that has outpaced production. How will—we are we going to need to increase the current rate of production to allow the Navy to achieve this goal of 313 ships?

It seems there's a significant difference between the current and projected annual Navy shipbuilding budgets. A June 2008 CBO report on the Navy's 2009 30-year Shipbuilding Plan states that "CBO's analysis indicates executing the Navy's shipbuilding plan will cost an average of between 25 and 27 billion per year, more than double the 12.6 billion a year that the Navy has spent on average since fiscal year since 2003."

Could you address that?

Admiral ROUGHEAD. Yes, sir. First off, with regard to the comment about shipbuilding is not broken, that was a response that oftentimes I hear that comment, and you don't build ships like the *Virginia* class submarines or *Arleigh Burke* destroyers or LPDs that are built down on the Gulf Coast or aircraft carriers like the George Herbert Walker Bush with a broken industry. No one can

do what the United States shipbuilder does, but I do believe that there are certain things that we can do together: requirements control, commonality of hull forms to get away from starting new ship types too frequently but rather adapting the capability.

So all of those to include appropriate oversight and other cost reduction efforts, all of those combined to allow us to build to that 313 ship floor.

We must get some of the ships running in good production lines. LCS clearly is a driver for the number that we have, but, as you pointed out in the decommissioning aspect, we also have to be able to get the ships to their full service life and that's why this year, I instituted the Life Extension Program—not Life Extension Program but Life Cycle Management Program that allows us to better estimate on an engineering basis the type of work that has to be done to ships so we can get them to their life expectancy.

Senator WICKER. Thank you. I'm very interested in the common hull forms. Some of the advantages of the common hull form would be self-evident, but if you would speak to that specifically to the committee?

Also, could you be more specific about the amount of savings, based on the common hull form, and which specific future platforms you foresee being built with common hull or existing hull forms?

Admiral ROUGHEAD. Yes, sir. With regard to specific savings, because we rarely have gone into the common hull form approach, I do not have any good accurate numbers on what those savings would be, but I do know that if we can get good long production runs of ships that have a significant amount of commonality to them, ships that have common components in them that allows for more economic orders of quantity for their production but also for their maintenance, that that will pay off greatly.

We know, for example, that we're going to have to replace the LSDs, one of our amphibious ships. Our normal practice has been to start from scratch, blank sheet of paper, to redesign those ships. We have a good hull form in the LPD-17 and my thought is we should simply make a variant of that ship.

As we look to replace our command ships, of which we have two, there are a couple of options that we can look at there. An LPD, perhaps, or the TAKE that is one of our logistics ships that could be adapted, but again I come back to why do we pay to start from a blank sheet of paper?

We should take what we have, adapt what we have, and move forward and realize those efficiencies.

Senator WICKER. Okay. And one other thing about the Navy's recently-instituted series of cost reduction measures.

These include cutting at-sea time for non-deployed ships by about one-third and decreasing flight hours for carrier Air Wings, reducing or eliminating ships sent to promotional fleet weeks, delaying PCS or permanent change of station transfers for approximately 14,000 sailors who had expected to do it this summer, and eliminating many re-enlistment bonuses.

Now, does the re-enlistment bonus, following up on Senator McCain's question, does that have something to do with the current economy? Is it less needed? And we're doing this to help close a

projected \$417 million shortfall in ship maintenance. Are we asking the Navy to do too much with too little?

Admiral ROUGHHEAD. As I mentioned, Senator, we are a very busy Navy and what we have done as we've moved into the latter part of this year, we've been using the Navy extensively and as we await the passage of the Overseas Contingency Operation Funding, it became apparent to me that absent that money, we would be not managing to our budget.

So in the area of operations, in order to sustain our forward war-fighting ops that we have going on, we did throttle back on those operations of non-deployed ships. However, we still are continuing to invest in those who are preparing to go forward to maintain that combat capability forward.

With regard to the manpower reductions and permanent change of station orders, that really is a function of extraordinary retention that we're seeing and low attrition which has taken my manpower count significantly over what any projections would have been.

With regard to the re-enlistment bonuses, we are seeing, similar to the Marine Corps, re-enlistment behavior the likes of which we have not seen before and those bonuses are there to incentivize re-enlistment and we're seeing great re-enlistment and we have the opportunity to throttle back on those.

Senator WICKER. Thank you.

Chairman LEVIN. Thank you very much, Senator Wicker.

Senator Reed.

Senator REED. Thank you very much, gentlemen.

Admiral Roughead, there's always a debate about the right number of ships in the Navy, but I want you, if you could, to comment on the ability of employing unmanned aerial vehicles, unmanned undersea vehicles as a way to sort of bring that number down. Is that being considered actively and consciously by the Navy?

Admiral ROUGHHEAD. Absolutely, sir. In fact, a couple of events in the last few weeks that I think show how the Navy is leaning forward.

We've signed a contract for a large unmanned aerial vehicle, the Broad Area Maritime Surveillance System. Fortunately, it's the same program that the Air Force has. I think there's going to be some great opportunities there.

When we rescued Captain Phillips from the pirates, it was a Navy unmanned aerial vehicle flying off a guided missile destroyer, I might add not a program of record, that provided the intelligence surveillance reconnaissance that the decision-makers could use as they successfully rescued Captain Phillips.

A couple of weeks ago, for the first time in history, an unmanned aerial vehicle, vertical take-off and landing aerial vehicle, at night took off autonomously from a Navy ship and landed back on the Navy ship and the tests for that are going very, very well. So we are moving in that direction.

I do think it is important, as we move into the world of unmanned vehicles—I often say that there's no such thing as one. There may be a pilotless aircraft. There may be an uncrewed submarine, but there are always people associated with it and the costs of those people are something that we have to figure in to

that capability as we go forward, but we're seeing some very good progress in our UAV Program.

Senator REED. That raises the other side of the issue, not just the number of ships but the ability to use this type of technology and other technology to lower your manpower requirements over time, and again is that a conscious sort of deliberate process you're undertaking?

Admiral ROUGHEAD. Absolutely, Senator, and as I tell my team when they come in to brief me on something, a program or a policy, that they don't come in and talk about it without being able to talk about the manpower and the total ownership costs. But we have to keep our eye on that ball.

Senator REED. The decision by the Secretary of Defense to limit the Zumwalt production to three and then to renew production of the Arleigh Burke Destroyer, based on your recommendation, is something that I think has received general approval and support, but there is an issue that is inherent in this sort of what happens after Zumwalt, which is one of the aspects of Zumwalt was it was going to be a transformational technology, that the next surface combatant would eventually take the systems and the sophisticated processes and also the concentration of limiting personnel.

Where are we in sort of thinking through that next surface combatant and actually being able to benefit from the significant investment that we will make in Zumwalt?

Admiral ROUGHEAD. Yes, sir. I think what we are doing with the truncation and the restart of the DDG-51 and advancing the integrated air and missile defense capability in the DDG-51 is that we can bring what we learned from the DDG-1000, advances that we make in DDG-51 and as we put together the plan for the replacement for the cruiser fleet that we have, that's where we can bring that together.

It will also be important for us nationally to understand the nature of the architecture that integrated air and missile defense will fit into and we have to have that architecture before we can thoughtfully design the cruisers.

So I think all of this comes together with a more thoughtful design for the replacement for the Ticonderoga Class cruisers.

Senator REED. Thank you. General Conway, if I could, we've mentioned the strain on your Marines and they've done a magnificent job.

What about your equipment? You're deploying Marines into some of the most hostile terrain in the world in Afghanistan. They'll need MRAPs. They'll need significant protection for IEDs and major weapons being deployed.

Can you comment on the status of your equipment?

General CONWAY. Sir, we were able to get equipment from all over the world really to satisfy the Afghan requirement. There's a strain on equipment, I think it goes without saying. Our units that are home are operating off training sets, not entire tables of equipment, that represent all that would be assigned, and yet we're getting by.

We're in the process of rehabilitating our three MPS squadrons. The last one is at work right now down at Guant Island and so in that context, our equipment is in pretty good shape.

We are concerned about the IED threat in Afghanistan and we're moving forward in advance of developmental efforts with the new model of MRAP to reconfigure our CAT-1 MRAPs with off-road suspension taken from our 7-ton vehicle.

Our initial experimentation with this has been pretty successful. We're going to be doing some more tests this month, but if they prove equally successful, we're going to plug those to theater rapidly. Less expensive, more readily available, heavier really than the updated version which will still work for us in the South and will give our Marines the protection against what is the major battle-field weapon system being deployed against us.

Senator REED. And you have the funding authorized appropriate to carry that out?

General CONWAY. We came back to your committee, sir, and got the reprogramming authority to be able to do that. Yes, sir.

Senator REED. All right. Admiral, one other question.

We talked about common hull forms previously.

There's discussion of the next class of the cruiser. Is there discussion of a common hull form for that?

Admiral ROUGHEAD. There are some hull forms that have been considered in some of the preliminary work that we have done. I think the fundamental questions that need to be informed by what architecture is it going to fit in will determine the size of the ship.

I believe there's a very significant decision that has to be made as to the type of propulsion for that ship and those will come into play in deciding the size and type of ship it should be.

Senator REED. Mr. Secretary, again we're very pleased that you have now taken over the, I think the term would be, helm, and we also—I would note, we have talked before, you began your career at Newport and we have a very proud tradition in Newport of the Navy and we're awfully grateful you're going to be up there shortly to say some words to the students. So thank you, Mr. Secretary.

Secretary MABUS. Thank you, Senator.

Senator REED. Thank you, gentlemen.

Chairman LEVIN. Thank you, Senator Reed.

Senator COLLINS.

Senator COLLINS. Thank you, Mr. Chairman.

Admiral Roughead, to follow up on Senator Reed's questions, is the Navy considering the DDG-1000 hull design as a candidate for the future surface combatant?

Admiral ROUGHEAD. Senator, I'm very interested in the hull design of the DDG-1000. We've never attempted or designed a hull form like that. I think that it will be important that we get the ship out and assess it and see what that hull form does for us. It's a fairly radical departure, but as we look to the cruiser replacement, I believe that that's going to inform us significantly.

Senator COLLINS. The staff said the Navy did not submit its 30-year shipbuilding plan along with its budget this year was very unusual and it's raised a lot of concerns. It's also raised questions about whether the Navy is backing off from your previous endorsement of a 313-ship fleet as a floor, as the minimum.

Are you still supporting a 313-ship fleet?

Admiral ROUGHEAD. Yes, ma'am. What I have seen operationally, the demands on the fleet, I still see that as a floor from which we would work.

With respect to not submitting the 30-year shipbuilding plan, in order to put a plan that really has some merit to it, we have to work our way through the Quadrennial Defense Review and take the inputs from that review as to the balance and the types of mission that we'll have and then from that put it into a plan that's fiscally executable and responsible and so not submitting a 30-year plan this year just based on the 2010 budget, awaiting the QDR, I really believe is the right way to go and that after the QDR, we will be able to provide to the Congress a plan that has merit to it.

Senator COLLINS. Is this budget adequate to keep us moving toward the goal of a 313-ship fleet?

Admiral ROUGHEAD. I believe that this budget positions us very well. We have the eight ships that we've requested in 2010. In addition to those eight ships, there are seven ships where there's advanced procurement in there.

It represents the start of—really the start of significant production in the Littoral Combat Ship which is the number driver. It includes the Joint High-Speed Vessel, the first one is in this budget.

So I believe all of the steps are there that allow us to be well positioned. We'll go into QDR and then move forward from there.

Senator COLLINS. General, there are press reports that the costs of moving some 8,000 Marines from Japan to Guam are far higher, some \$5 billion higher than the Department of Defense had anticipated.

In addition, the GAO has put out a report saying that it's going to cost \$88 million more per year to have these Marines stationed in Guam rather than Japan.

On top of the cost factors, we have the recent provocations by North Korea. Should we be reconsidering the plan of moving some 8,000 Marines from Japan to Guam?

General CONWAY. Ma'am, I think it's safe to say that the Quadrennial Defense Review will have that move as well as other overseas infrastructure adjustments and costs under their consideration before they report out. I know there are special groups that are formed to discuss that.

So our recommendation would be to await the results and the recommendation coming out of the QDR. They're aware of these increased projections in costs associated with the move. They're also aware of some other problems that we have associated with the move with regard to training, with regard to the quality of the Fatima Replacement Facility and all those things.

I think it will be duly considered and there will be a recommendation coming out of the QDR on the moves.

Senator COLLINS. Are you going to recommend a change in the plan?

General CONWAY. We have some modifications we think are worthy of consideration and we have some keystone areas, if you will. Again, this Fatima Replacement Facility has to be, indeed, a fully capable replacement for what we're giving up on Okinawa.

We are concerned about training opportunities on Guam and the nearby islands as well as the rest of the Asia Pacific Basin. So

there are some things like that that we certainly want to see considered and negotiated as need be with the Japanese before we slap the table.

Senator COLLINS. Mr. Secretary, year after year the Portsmouth Naval Shipyard in Kittery, Maine, as well as the other three public naval shipyards have had to rely on congressional plus-ups to meet the infrastructure needs that are outlined in the POMs in the out-year budgets.

Have you taken a look yet at how we can get the needed infrastructure improvements moved up so that they're actually budgeted for by the Navy rather than the Navy relying on Congress doing plus-ups?

Secretary MABUS. Well, as a general rule, Senator, we are trying to move from additional budget items to putting things in the base budget, so that the base budget represents that we need, and Admiral Roughead has been very diligent in terms of the infrastructure requirements of the Navy, in terms of repair and maintenance facilities for the fleet, and I think, as you move ahead, that you will see an emphasis on these sorts of things.

Senator COLLINS. Thank you. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Collins.

Senator Burris.

Senator BURRIS. Thank you, Mr. Chairman.

I'd just like to congratulate Admiral Roughead for christening the SS Gravely. Sam Gravely was the first black admiral.

Secretary Mabus, it's really an honor for the Navy to make that recognition of an African American, our first Vice Admiral in the Navy.

General Conway, you mentioned the fact that you have recruitment at 91 percent of your captains. The question was asked by Senator Wicker, what did the—did you pay a lot of bonuses to those captains? Did those bonuses have something to do with their retention of that number?

General CONWAY. Sir, I don't think so. Again to clarify, 91 percent of our captains stayed beyond their initial contractual obligation. I think they're doing so because of the fact that the Marine Corps is at war, the country needs their services, and I think they like what they're doing right now. They realize we're trying to put the best materials in their hands to fight for this nation and at the same time we're taking care of their families while they're deployed.

We were able to gainsay from the Congress last year a \$4,000 bonus for our captains who offered to extend one year beyond their initial obligation, if you will. Frankly, it was in an attempt to recognize that dedication to service and country more so than it was to get them to stay because we already knew 91 percent were staying beyond that EAS.

Senator BURRIS. And, Admiral and Captain, I was just concerned about your minority officer status. Could you give me kind of an assessment of how the minority officers are in the rank and file of the Navy and, General, in the Marines?

Admiral ROUGHEAD. Yes, sir. As the Chief of Naval Operations, diversity has been at the top of my list because it is important for the Nation to have a Navy where the leadership reflects the face

of that nation and we have done several things in the past year to enhance our minority outreach recruiting.

We have expanded the number of ROTC units. I've expanded the number of Navy Junior ROTC units to make more young people aware of the opportunities that exist, and—

Senator BURRIS. I have not seen any Navy ROTC units. I'm glad to hear that. I go to all these schools and I see the Air Force and the Army. I haven't seen any Navy ROTC units.

Admiral ROUGHEAD. Senator, we have some great ROTC units around the country, but, for example, this year we've expanded to Arizona State, University of Texas, El Paso, because I believe it's important to reach out to the Hispanic community.

We are also working with Tuskegee for an ROTC unit at Tuskegee. We have the largest percentage of minority midshipmen entering the Naval Academy this year, the same increase in ROTC units for minority midshipmen in ROTC.

We have had more takers, minority takers of our scholarships for ROTC. I require each community leader within the Navy to come in and what I do is sit down with them and I have what I call a diversity review. This is not a quota check or anything like that. It is for the leaders of these communities to talk to me about how they are mentoring and how they are moving officers from under-represented communities through the Navy and giving them the opportunities to compete fairly for the types of assignments that we all know will allow some young man or woman to rise to the heights like Admiral Gravely did.

Senator BURRIS. General Conway?

General CONWAY. Sir, we have the same objectives, not quotas, that we're endeavoring for. Our percentages right now put us slightly below the National average, if you will, of minorities, both Hispanic and black.

I would highlight some very good coordination with Congressional Black Caucus that we've had. We've met now on three different occasions to try to ensure that we're attacking the problem in a coordinated fashion and I would salute the CBC for their efforts in making sure that there are qualified minorities taking advantage of both the Naval Academy as well as the ROTC Programs.

Senator BURRIS. Following up on a question that Senator Collins raised, I was at Great Lakes which is a very much improved facility, but in touring that facility, Admiral, they have buildings there that are hundreds—over a hundred years old and they're just hard to keep up.

Is there a facility check on these facilities that would give costs to go in the budget, either the tearing down of these buildings or I don't even think they can be retrofitted to be of any service. They might need new structures. So is there anything being specifically done with Great Lakes?

Admiral ROUGHEAD. Yes, sir. As you saw up there, we, on the recruit side, we have done a significant number of taskings.

Senator BURRIS. It's a tremendous disgrace.

Admiral ROUGHEAD. We are in the process of moving to take the same approach with what we call our service school commands where many of those old buildings are and in one of the things that

we do is to try to remove excess infrastructure and that will be part of the plan that we engage in at Great Lakes.

I would add, however, that many times, many times it is difficult to take some of that old infrastructure out of service and demolish it because of historic interests that exist in those buildings and I believe that we have to continue to work with historic organizations to perhaps look more toward representative elements of a particular historic period than trying to preserve everything that is there.

Senator BURRIS. The report I got from the command there is it's costly—

Admiral ROUGHEAD. It is extraordinarily costly. Yes, sir.

Senator BURRIS.—to try to keep those up.

Now, let's switch from costly to this F-18, the Super Hornet. I understand you ordered nine of those. That's half what you had planned and that there are 22 of the plane, the electronic versions, called the Growler which can jam signals.

Now, a recently-released House Appropriations Committee report stated that the Department of Defense and Congress must seriously consider and come to grips with the looming shortfall of fighters and a multiyear F-18 deal is the most cost-effective approach. Likewise, the Senate Appropriations Committee said that the multiyear F-18 purchase is needed to ensure that the Navy has sufficient aircraft on the fleet.

What are your thoughts on that, Admiral and Mr. Secretary? Where are we with reference to that F-18 situation which would certainly, I understand, replace three or four of those other old planes that are on the decks because of the technology and improvement on that F-18?

Secretary MABUS. As you pointed out, Senator, there's a request in the fiscal year 2010 Budget for 31 of the new FA-18s, 22 Growlers. You know, that is sufficient to keep that line going, to keep the workforce stable, to make sure that that plane is available, and one of the big areas in the QDR, in the Quadrennial Defense Review, is to look at the TACAIR requirements for not only Navy and Marines but also all services and having this request in that will keep this line open maintains all options for the QDR.

Senator BURRIS. I was at Boeing and they're complaining about that's just not enough to keep the line going because we ordered some—I guess it was a higher number than what we really—the initial demand was for, but now we've cut back on them and they're concerned about keeping that line up.

So you're saying that they will be able to keep that line going?

Secretary MABUS. That is my understanding, sir. That, plus some purchases from other nations for the F-18 will keep that line going at a stable rate.

Senator BURRIS. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Burriss.

Senator Martinez.

Senator MARTINEZ. Thank you, Mr. Chairman, and welcome, gentlemen.

I wanted to take a moment to also welcome Mrs. Roughead who is here in the audience today. Not only do we thank you for serv-

ing, gentlemen, but we also know the families are so important and so we also welcome you, Mrs. Roughead. Nice to have you here.

There's another young lady next to her that I do not know, have not met. Would you mind introducing her to the committee?

Admiral ROUGHEAD. That is our daughter Elizabeth who graduated from college a week ago, a little over a week ago. She had never been to a hearing, so this is a little bit of a civics class late in her life.

Senator MARTINEZ. I thought that might be the case and welcome, Elizabeth. Glad to have you.

Admiral Roughead, in a discussion we had in my office a few days ago, we were discussing the importance to the Navy of the United States Naval Base at Guantanamo, and I wanted to touch on that because so often we hear these days about the closing of Guantanamo and the whole debate about the detention facility within that naval base.

Irrespective of what occurs with that detention facility in the future, I know that the naval presence at Gitmo has been there for over a hundred years and over that time it has had a great significance and importance to the Navy mission, and I wonder if you might touch upon that and the importance not only of continuing the mission there, aside from the detention facility, but also the importance to continue to upgrade and do the things that are necessary to maintain that as the viable naval base that it is.

Admiral ROUGHEAD. Yes, sir, Senator. Thank you for that question because oftentimes when Guantanamo Bay is discussed, it is always in terms of the detention facility that is there, but as you pointed out, Guantanamo Bay has served the Navy and the Nation for decades.

It is an important location and base for us strategically and operationally. The ability for us to more effectively conduct counter-narcotics patrols is greatly facilitated by Guantanamo Bay. At times when there have been flows of migrants that come across the waters north of Cuba and from Haiti, the ability to more effectively operate is made possible by Guantanamo Bay, not simply for efficiency of the operations but I would also submit but by having that capability down there, you also save lives as those who are fleeing their land are—sometimes take great risks.

So it is also a terrific place to operate in the Caribbean and out into the approaches in the Atlantic Ocean, and I believe, as we look more toward Africa in the future, the sea lanes coming across the South Atlantic will become more important and having the type of capability that we have in Guantanamo Bay where you can conduct great logistics operations and simply being able to put in there from time to time facilitates operations that I think will become increasingly important to the country.

Senator MARTINEZ. It also provides us the only existing base in the 4th Fleet AOR, if I'm not mistake.

Admiral ROUGHEAD. Yes, sir. The only base that we have control over in the 4th Fleet Area of Operations.

Senator MARTINEZ. May I ask about the tragic Air France Flight 447 which was lost on June 1st? I wonder if the Navy is providing any support or assistance in that operation.

Admiral ROUGHEAD. Yes, sir. Indeed, a tragedy of significant proportion. We have one of our Maritime Patrol planes that had been conducting counter-narcotics operations on the West Coast of South America has moved over and it is operating in the search area as we speak. We moved it over there very quickly.

We have also prepared for movement some unique capabilities that we have that are capable of being towed at higher speeds to locate the pingers that are going to be very important.

Yesterday I spoke with my French counterpart offering my condolences but also any support that they may need and later today my Brazilian counterpart and I will also be talking and I would just like to add that that's the power of the Navy to Navy relationships that we have and the way that our Navies work together to be able to pick up the phone and to be able to support one another in tragedies like this is very important, but we're standing by to do whatever we might be able to do.

Senator MARTINEZ. Moving on to another area, obviously the shipbuilding has been touched upon, very important, and I think maintaining the goal, Secretary Mabus, of the 313-ship Navy, I believe, is essential and I think we've all spoken of that, I think fairly well, through the course of the hearing.

But I want to also ask about the situation with the frigates, and I wondered next year, the McInerney will be decommissioned as the first of 13 frigates in Mayport scheduled for decommissioning, and I was just wondering whether there was any intent to introduce a service life extension plan for the frigates.

It seems to me that these are valuable assets and inexpensive hulls in the water which can be used in a variety of missions to support the 4th Fleet and SOUTHCOM, as well, and also to maintain us on that goal to a 313-ship fleet.

Would you both comment on that, please?

Admiral ROUGHEAD. Yes, sir. The frigates have served our Navy and nation very well. I was a young officer when we first introduced those into the fleet and they are great utility players, but they're, as you mentioned, getting on in years.

We are programming in improvements to their hull, mechanical and electrical. However, we are not making any investments in advancing the combat system to those ships. The replacement for the frigates will be the full combat ships which is why it's so important that we get those introduced, but we are making investments so that the ships can continue to operate safely.

But we also will be taking them out of service as they are replaced by the Littoral Combat Ships and several foreign Navies are very interested in those frigates when we take them out of service.

Senator MARTINEZ. I know there was a lot covered on the LCS which I think again is so vital to the future of the Navy, but I know we've run into some problems obviously in that procurement.

Secretary Mabus, do you have any recommendations to the shipbuilding plan? Obviously the cost situation with all of our military procurements seems to be an issue, and can we get the LCS forward in a timely fashion and in a cost-effective fashion?

Secretary MABUS. Senator, as you know, we've got the first LCS undergoing tests now. It's in the water. The second one is undergoing shipyard tests on both its engines. The two follow-on ships

have been contracted for and in this budget we're asking for three more LCSs.

As the numbers increase, as we continue to keep requirements stable, as the contractors with this stable flow through their shipyards are able to make the investments to drive some of the costs down, as we look at common elements for the two variants to further allow us to get costs down, I think in the two follow-on ships already you're seeing costs being driven down and certainly in the three that we're asking for in the fiscal year 2010 Budget, you're going to see costs go down even further.

One of the great benefits of POCS is its modularity and as you have technological advances, particularly in weapons systems, you don't have to have a whole new hull. You don't have to have a whole new platform. You can put those advances in future modules and so to keep the costs down, to keep the number of ships progressing to where we want it to be, I think that it's imperative that we make sure that the costs are kept within control and also that schedules are met so that as frigates retire, as the Navy's needs are increasing, that we do have the ships there at a reasonable cost but also on time.

Senator MARTINEZ. Thank you, gentlemen, very much.

Chairman LEVIN. Thank you, Senator Martinez.

Senator McCaskill.

Senator MCCASKILL. Thank you, Mr. Chairman.

I know that you all have probably had enough of F-18 for today, but as you well know, it's pretty darn important to the people where I live in St. Louis and so I need to go through a couple of things with you on that.

First of all, I think we need to put on the record that our manufacturing base in this country is incredibly important to who we are and, second, we've spent a lot of time around these buildings talking about stimulus over the last six months and clearly we have relied—typically defense spending is very stimulant and obviously this year is no exception and may be very important because of that.

I understand that earlier in the testimony, Admiral Roughead, you indicated that the shortage on the F-18s on our carriers, on our 11 carriers, is the low number is 70. I believe that's the first time I've heard that number.

Would you, could you, and I would like for you to give what the high number is? If you think the low number is 70, what is the high number?

Admiral ROUGHEAD. Senator, the predictions of past analysis have indicated that that number could be up in about the 250 range but that's for Department of the Navy because, as you know, both the Marines and us fly the older A through Ds which would be part of a solution, would be life extension of—we think in the case of Navy Aviation, we believe that there would be about 300 A through Ds that could be extended, but as I always say, you simply don't extend them, you buy more life and that's something that we're going to be getting into the Quadrennial Defense Review.

Senator MCCASKILL. I understand the Quadrennial is important, but, you know, I'm sitting here with my common sense hat on. I know we have this shortage. I know in your testimony you said the

F-18, I believe you said, was the back bone to project power ashore. We all know how strategically important the F-18 is. In Iraq and Afghanistan and as far as the eye can see, it's incredibly important to our efforts.

What I'm trying to figure out as an auditor, if we are waiting for the Quadrennial in terms of getting back into a multiyear, aren't we purposely denying the taxpayers a savings that we know would occur if we did the multiyear and does that make sense if we—I mean, you know, I don't want to be pessimistic about the Joint Strike Fighter, you know. I want to be optimistic. I understand we've made a commitment there and I understand that nothing's going to move that commitment.

But when we've got one plane that if we do multiyear we get it to 50 million. We've got an estimate right now on the JSF that is as high as a 133 million a copy. We still haven't had it proven. We've spent an incredible amount of money. We've talked about in Senator Levin's bill. We've talked about procurement on things without flight testing. We are going to have 273 aircraft we've procured costing an estimated 42 billion before we have completed flight testing.

It just seems to me—I mean, I hope I'm wrong, but if we don't do multiyear, aren't I going to be here in three years saying I told you so? We could have saved almost a billion dollars by doing the 5-year multiyear procurement to fill in this gap with this plane that is in fact this fighter that is the back bone of our ability to push power ashore?

Admiral ROUGHHEAD. Well, Senator, as you know, the F-18 is integral to our Navy air power, but we, as you pointed out, remain committed to the Joint Strike Fighter because we have to be able to always be evolving our capability from one generation to the next. So Joint Strike Fighter is important to us. The four articles, the four aircraft that we have in the 2010 Budget is extremely important.

But the Quadrennial Defense Review will inform us and by building the 31, what I'll call, 18 variants, the Growlers and the Es and Fs, that the line remains hot as a result of that which affords us the time to get into the Quadrennial Defense Review, to look not only at Navy TACAIR but also Marine Corps and Air Force and be able to make decisions about what is the best way forward, what are the costs associated with extending the life and pulling all of that together and making a good decision about where we're taking Navy Tactical Aviation but also Department of Defense Tactical Aviation.

Senator MCCASKILL. But aren't we going to pay more for waiting for the Quadrennial Review when we know we've got to have FA-18 and the JSF's not going to be ready and we've got to have—I mean, I think most people think 70 is a pretty low number, Admiral. I think I'd be shocked if we ended up with just 70 as a shortfall. I think you would be, too, candidly. I think it's going to be much higher than that.

If we know we're going to need them and we know we save money by multiyear, I still haven't heard a good answer why we wouldn't continue with a multiyear right now.

Admiral ROUGHEAD. Well, I think, Senator, what we'd really have to do is look at Tactical Aviation at large and make the cost-benefit analysis on life extensions and if there is a consideration for a multiyear, to perhaps take that into account, but I believe that the way the line is running right now, we do have some time to make those decisions that are in the best interests of the department and also for the Navy, as well.

Senator MCCASKILL. Well, you know, I just hope that, you know, we're not—I understand that you are trying to do this in a way that—you know, we yell at you to plan and to do cost estimates and then we yell at you when you're doing that and you're not doing multiyear today. I get that.

But I have a feeling that we're going to end up with a multiyear and I have a feeling that—at least I hope we do because I think we're going to need at least a 150 of these, at least, and that's for the 5-year multiyear would give us, and if we're going to do it and nobody knows we're going to do it, it seems like to me we ought to take advantage of those savings every single year and not wait for the Quadrennial.

But thank you, Mr. Chairman. That's all I had.

Chairman LEVIN. Thank you, Senator McCaskill.

Senator Akaka.

Senator AKAKA. Thank you very much, Mr. Chairman.

To our esteemed panel of military leaders, I want to say Aloha and welcome to the committee here.

First, I want to say thank you to the three of you for your dedicated service to our country, and I also want to commend the men and women of the Navy and the Marine Corps for their outstanding service and I want to thank their families, their families for the support of their loved ones.

Secretary Mabus, in recent testimony before this committee, Secretary Gates discussed the shortage of mental health providers in parts of the DOD, particularly for military facilities in rural areas, like we have in my home state of Hawaii.

To address this issue, he recommended expanding the DOD Medical Education Program to include mental health care providers.

Mr. Secretary, how would you assess the Navy's current level of available mental health care providers?

Secretary MABUS. Senator, the Navy has seen the need for these mental health care providers. We've added over the past year, I believe the number is a 170 into our service to address these issues. We need to do more in that regard. We need to address mental health as effectively and aggressively as we address physical health problems.

One of the ways to do this is through additional mental health professionals. Another way, which the Navy and Marine Corps are also actively involved, is to make sure that there's no stigma attached to reaching out for mental health care for either our sailors or our Marines, and one of the things that both Admiral Roughead and General Conway have done very effectively, I believe, is to inform their commanders and begin to train the people in command to look for symptoms of that would indicate a need for mental health care.

We need to attack these things aggressively and comprehensively. I think the Navy and the Marine Corps have made a very good start in this. We're not where we need to be in the total sense but we are moving in that direction and we certainly agree with Senator—I'm sorry—with Secretary Gates' analysis on this.

Senator AKAKA. Thank you.

I would—Admiral Roughead, I would like to take the opportunity to thank you for your service out in PACCOM and also our long association that dates back many years as you're coming up in the Navy. I think I would daresay it goes back to 1978 in China.

But I would like to take an opportunity to acknowledge Captain Greg Thomas and the men and women of the Pearl Harbor Naval Shipyard for their dedication and commitment. They continue to provide excellent support to fleet readiness.

Admiral Roughead, I think that we both can agree that our depot level maintenance capability is essential to support fleet operations as well as allowing our ships to reach their expected service life.

What steps are being taken at your level to continue improving our depot level maintenance?

Admiral ROUGHEAD. Thank you, Senator, and I, too, echo your comments with regard to the Pearl Harbor Naval Shipyard. The work that they've done, the progress, the improvements that they've made in the last couple of years speak volumes about the dedication of the workers who are there and we're seeing some very good work out of that.

One of the things that we have done in the last couple of years is to appropriately size and estimate the amount of work that's required, particularly for our submarine force.

Over time we had kind of shortened it down. As the submarines had aged, we were out of balance and so consequently when submarines would go in the shipyards, they'd be there for longer than we had planned but not longer than they needed to be.

We're doing the same thing with our conventional surface ships. We have instituted this year a management method that is based on sound engineering and engineering estimates so that we can better estimate what that ship will require throughout its lifetime. We had walked away from that several years ago. We've re-instituted that this year. That's very important.

I also would say that not just in Pearl Harbor but all of our public shipyards and even in our private shipyards, the importance of the apprenticeship programs that all have in place where we can attract young people into that line of work that's extraordinarily rewarding. I think those programs are so important and I thank you for your support of those, but those are some of the things that we have going on, as well as very carefully watching our maintenance budgets and making sure that we're making the right long-term investments in our ships.

Senator AKAKA. Secretary Mabus, do you have any additional comments on that question?

Secretary MABUS. First, I want to say how much I agree with Admiral Roughead and his estimation of this.

Second is how important it is to maintain our industrial base in terms of shipbuilding and particularly the trained workforce that we have, and as we are able to better predict, as we are able to

better schedule, as Admiral Roughead has said, our maintenance requirements, also our building requirements for shipyards, the availabilities that we will need so that these shipyards are able to keep particularly the trained workforce that we have now and to attract the workforce that we're going to need for the future.

Senator AKAKA. Thank you. Admiral Roughead and General Conway, I'm encouraged with additional funding in the Defense budget for wounded warrior care.

The Navy Safe Harbor Program and the Marine Corps Wounded Warrior Program, Regiment Program shows a continued commitment to our service members that we will take care of them and their families.

Gentlemen, how would you assess the approach within your services to care for our wounded, ill and injured service members and their families? Let me ask General Conway.

General CONWAY. Senator, we're extremely proud of the effort. I think it's unprecedented if you compare what's happened, say, during Vietnam or during Korea with what is occurring today.

We took one of our commanders out of Hawaii, the commander out there, the 3rd Marine Regiment, put him specifically in charge of the program with a loose set of guidelines in terms of where we wanted to go but certainly a concept that said we would take care of those Marines who are currently being treated as wounded but all the way back to the beginning of this war, that we wanted to seek those people out and ascertain how they're doing, and, Senator, he has taken a program even beyond our initial expectations.

It has been beautifully resourced by both your committee and the department. So I am very, very proud, as all Americans, I think, should be of the way that their Marines are being treated who have been hit.

Senator AKAKA. Thank you for your responses. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Akaka.

Senator Thune.

Senator THUNE. Thank you, Mr. Chairman, and Secretary Mabus, welcome to the job, and General, Admiral, thank you very much for your service to our country.

Admiral, I want to direct a question to you. When Secretary Gates announced his Defense budget for—his recommendations for fiscal year 2010, he explained that “the department will examine its nuclear and strategic force requirements during the QDR, the Nuclear Posture Review, and in light of post-START arms negotiations.”

Now, presumably these reviews and the arms negotiations will affect the future size and shape of our nuclear triad and using that rationale, Secretary Gates decided to delay the development of a follow-on Air Force bomber, presumably due to the uncertainty of whether or not the future nuclear force will require a nuclear-capable bomber.

However, his decision to begin an Ohio Class Ballistic Missile Submarine Replacement Program doesn't show a deference to the outcome of a QDR, a Nuclear Posture Review, and post-START arms negotiations and how these events will affect the requirement for a future ballistic missile submarine.

My question is, given the uncertainty of the future size and shape of the nuclear force, how do you reconcile why the Air Force follow-on Bomber Program should be delayed while the replacement Ballistic Missile Submarine Program is initiated?

And a follow-up, I guess, question to that would be how confident are you in the future size and shape of the U.S. nuclear force requirements?

Admiral ROUGHEAD. Thank you for the question, Senator, and I'll talk about the sea-based strategic deterrent because that's my area of expertise and responsibility.

In the analysis of the alternatives that are done relative to this, the sea-based strategic deterrent has remained constant throughout those, but it's also the time now and this is very similar to the timeline that we were on when we developed the Ohio Class submarine that's serving the Nation so well today.

We are about at the time where the development of that system needs to start to take place and I believe that that investment is important because, as we've seen in some of our other shipbuilding programs, when we've waited and waited and then we've tried to rush to judgment, we end up with a less than optimal program.

So we're about where we should be with regard to starting the development of the replacement for the Ohio Class. We are also working cooperatively with our allies in the United Kingdom who also are in the process of doing the same thing.

So all of it, I believe the analysis of alternatives that reaffirms the sea-based portion, the timeline that we must be on to have a good introduction and cost control over the replacement, that time is now.

What the Nuclear Posture Review will allow us to do is to determine numbers that I believe don't have to be addressed for some time but at least to get the design of an extraordinarily complex ship underway, now is the time to do that, sir.

Senator THUNE. Well, I think you could make the same argument about some of the other—you know, the next gen bomber arguably has a long lead time in the development, the technology associated with that, and in fact was called for in the QDR to field one by the year 2018.

Secretary Gates? more recent recommendation on that was to delay it, subject to QDR, some of these arms controls negotiations, and Nuclear Posture Review and it just seemed to make the argument that we need to delay that aspect of our nuclear deterrent while pursuing the other, it seemed to be an inconsistent position to take.

If you're queuing on the QDR and some of these other upcoming discussions with respect to one of those platforms that you would also use the same rationale for the other. I guess that was the only point I was making.

Admiral ROUGHEAD. Yes, sir, and my focus is on—

Senator THUNE. I know where your focus is and rightly should be. It was more, I guess, a question about nuclear posture than anything else.

The second question I asked, though, was how confident are you in the future size and shape of U.S. nuclear force requirements?

Admiral ROUGHEAD. I'm confident that the Nuclear Posture Review, which we are underway with—I have some superb officers who are working in that review and participating in it. I believe it's going to be a very good process that will answer the questions that you have posed and particularly the size of that force structure that we will need into the future.

Senator THUNE. Let me ask a follow-up.

Senator Nelson: Would the Senator yield just—we had a hearing directly on point yesterday of which the Senator's a member of our Strategic Subcommittee, and the upshot of that hearing was, in essence, we're not going to let the Nuclear Posture Review get ahead of the design and so forth of either the systems of the Air Force or the Navy.

Senator THUNE. Very good. I want to follow up with you, Admiral, too, and this is, I think, a question that may have been posed earlier by Senator McCain, and in your prepared testimony you discuss the increased—the proliferation of ballistic missile capabilities and advanced weaponry and specifically pointed out how Hezbollah, a non-state actor, demonstrated the capability to acquire and successfully employ a sophisticated Andes ship missile against an Israeli ship in 2006.

How concerned are you that high-end asymmetric capabilities that threaten us in the Pacific Region will proliferate to state and non-state actors around the globe?

Admiral ROUGHEAD. Senator, I believe that we are going to continue to see proliferation. We see developments occurring in many countries. Some are proliferated, some are indigenous that are enabled by the proliferation.

I think to get into any greater detail would require perhaps a different venue to be able to really dig into that, but I have seen in just the last 15 or 20 years proliferation of ballistic missiles around the world.

If you go back to the early '90s, a country comes on with a ballistic missile capability about once every three years, but the thing that really got my attention about Hezbollah in 2006, that's not even a state, that's an organization, and so I do believe that we're going to be in a period of disorder for the foreseeable future where those types of capabilities will be proliferating and our ability to access and our ability to operate and our ability to influence is going to be based on our capabilities that allow us to go in and counter those types of threats.

Senator THUNE. Thank you, Admiral. Based on the threats to our power projection capabilities, how important will it be for the Navy to field a long-range carrier-based aircraft, like the Navy unmanned aircraft system currently being demonstrated?

Admiral ROUGHEAD. I believe as threats continue to evolve and proliferate, we, too, have to be moving generationally with our capabilities. That's why the Joint Strike Fighter is important to us and that's why in this budget that we have put money into the budget to begin the development for what we're calling the NUCAS, the Navy's Unmanned Combat Aviation System.

So we're moving even before we have our first JSS, we're already investing for the follow-on to JSS, and we have to do that because other countries, and I'm hopeful that it won't happen, but even

other organizations will be moving along that same type of a timeline.

Senator THUNE. And what is your opinion of the time frame for that sort of an unmanned system to be deployed?

Admiral ROUGHEAD. I do not believe that for that generation of the unmanned, the NUCAS, that you'll see that—you won't see that deployed until into the '20s, perhaps mid '20s, but the investments that we're making now will allow us to start really getting into some good work in 2012–2014, start working around an aircraft carrier which is a very complex environment because of the electromagnetic environment that we operate in and just the difficulty of even a piloted aircraft of landing and taking off from an aircraft carrier.

This is the path that we need to be on and I'm pleased that we've been able to put the money in the 2010 budget.

Senator THUNE. Great. Thank you. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Thune.

Senator Hagan.

Senator HAGAN. Thank you, Mr. Chairman, and Admiral Roughead and Secretary Mabus and General Conway, thank you for being here today and your service to our country.

General Conway, last week I had an opportunity to go to Afghanistan and I had an opportunity there to obviously speak to a number of the leaders and a lot of our wonderful generals and Marines on the ground, and I spoke with Brigadier General Lawrence Nicholson, who is the Commander of the 2nd Marine Expeditionary Brigade, and as you know, the Marine footprint of units in Afghanistan from Camp Lejeune and Cherry Point in North Carolina represents about over 4,000 Marines.

I understand that they are dealing with the violence in the Regional Command South. We had an opportunity to go to Kandahar and to the Helmand Province, but I was wanting to know if you could provide your opinion on the combat readiness and the capabilities of our Marines with respect to being resourced, trained and equipped and if there are any problems that our committee should be aware of.

General CONWAY. Ma'am, first of all, thank you for going. It's great that you would take the time and trouble to go all that way. I know it's pretty remote out there and hopefully you had a really good stay.

We're comfortable with where we are right now with perhaps one exception that I will mention. As I indicated to an earlier question, we've had to draw gear from really all over the globe to put into Afghanistan to support the 10,000+ Marines there, but we've been successful in doing that.

We had an end date on that effort of about 31 May and I think, with some rare exceptions, the Marines are there with their equipment and they have now assumed operations in that area of Helmand and RC South.

The one thing that we want to do better and faster is provide them a defense mechanism against the IEDs that they face as the primary weapon system employed against them and so we're in the process of creating a capability by taking the suspension off our seven-ton trucks and putting it on what we call our CAT-1 MRAPs

and, if successful, we'll get that to them in rapid fashion, await the development of an Afghan style of MRAP, determine what our buy needs to be, but our first and most critical consideration is providing them protection against the enemy weapon of choice.

Senator HAGAN. Speaking of that, one of the discussions was on the biometric measurements that were being taken.

Do you see that as an area that's really helping us to find the people who are putting the IEDs out there?

General CONWAY. Ma'am, it was tremendously helpful for us in Iraq and those systems are being transported now with the force into Afghanistan. We have every expectation that it will be as successful there.

We imported it through the host government. We have the same types of plans with the Afghan Government, National Police, and the Army that we work with. So it's too early to say but the expectations are great.

Senator HAGAN. Good. Thank you.

And, Admiral Roughead, I had an opportunity recently to meet with the Ambassador from Saudi Arabia, Ambassador Al-Jaber, and earlier, I believe you underscored the importance of establishing naval partnerships with foreign countries as a key pillar to our maritime strategy.

But one of the discussions I had with the ambassador was the Saudi Naval Expansion Program and he emphasized your involvement in that program, the first iteration of that program back in the early '80s.

But as part of this, I guess, Round 2 of it, I understand that November of last year our Navy completed a Combined Naval Capabilities Analysis of the Royal Saudi Naval Forces and the study provided the blueprint for the recapitalization of this fleet and in particular, I guess, the Eastern Fleet to improve the Saudi maritime deterrent capability and enhance its interoperability.

It's my understanding that if implemented, that this plan is going to transform the Saudi Navy into a modern, self-sufficient, sustainable naval force, but as you know, if this happens, this fleet, we hope, can contribute to the enhanced maritime security protection of the Arabian Gulf from conventional and asymmetric threats from other nation states in the area, Iran, regional proxy surrogates and terrorists.

And I guess my question is can you describe the status of the training elements of this Saudi Naval Expedition?

Admiral ROUGHEAD. Yes, ma'am, and thank you for the question on that.

As you mentioned, my involvement with their Navy goes back several years and in fact the Navy that they're operating in the Eastern Fleet today is essentially the Navy that I participated in putting together as a young officer and to say that we've aged a bit is no understatement on that.

But we were pleased to work closely with the Saudi Navy to put together a capabilities assessment and made recommendations to them as to what would be in the best interests of the Eastern Fleet, to participate in the security needs of the Gulf at large, to be able to operate with the other Navies that are there to be able to operate with us and also to be able to protect their very, very

critical infrastructure which is not just oil but also water desalination, things like that.

So we provided that to them and I anxiously await the decision on the part of the Saudi Government and that I will, based upon the decisions that they make and the needs that they identify, that we then will continue our support to them, but I look forward to hearing their decisions on that important program.

Senator HAGAN. Is there a time frame on that?

Admiral ROUGHEAD. Senator, I would like to see that move forward as quickly as possible, but the decision is really theirs to make.

Senator HAGAN. Well, once again, thank all of you very much. Appreciate it.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Hagan.

Senator WEBB.

Senator WEBB. Thank you, Mr. Chairman, and gentlemen, I apologize for having had to leave. I had an event on the House side that I had to go to. I'm very interested in all the testimony.

Let me start by saying, just as a quick reaction, Admiral Roughead, to your comment on the piracy situation, in response to a question, that I would fully agree with you that in terms of shipboard security, that's really not something that our military should be getting involved in. I've made that comment to the executives, business executives for these different carriers. It seems to me a pretty simple process for them to be able to put security on ships where it's appropriate.

At the same time I think we put ourselves in a pretty vulnerable situation if we basically say that the real problem here is the instability ashore, those situations that we're very likely not going to change for a long period of time, if ever, and the greatest deterrent is essentially what we did.

I think the message gets out when pirates attempt to attack U.S. flag vessels and appropriate action is taken, there is a clear deterrent to further activity. I think the word probably gets out pretty fast.

General Conway, I would again like to express my appreciation for the comments that you made on dwell time when you assumed your position well before this became fashionable. When I was getting ready to come into the Senate, it was an issue that I was very concerned with and you were, I think, alone among the key leaders who were talking about your goal of moving toward a 2:1 dwell time as existed historically and it's kind of refreshing to me to hear some of my colleagues now talking about dwell time and hearing people come up talking about dwell time.

As you'll recall when I introduced that amendment twice two years ago, we got 56 votes both time, but there was a lot of pushback on that and we were just trying for a 1:1.

So I just again want to reiterate my appreciation for you having spoken your conscience on an issue that really goes to the well-being of the people that we all lead one way or another.

And also, I want to reiterate my concern that this isn't simply a career issue. We tend too often on this committee to talk about retention and maintaining the career force and that's very much

the business that a lot of people are in, but when you look at the numbers, where 75 percent of the Army and 70 percent of the Marine Corps typically in this volunteer situation leave on or before the end of their first enlistment, I think the true measure of leadership isn't simply technical competence, it's the commitment that we make to these people for the rest of their lives and dwell time is a big part of that.

So I just want to say that I think the example that you've set on that issue has reverberated in good ways.

Secretary Mabus, you've had kind of a boring morning, I think. Secretary MABUS. It's not hurting my feelings at all.

Senator WEBB. Well, let me—the last time we did this, Senator Nelson and I got into one of these vulgar brawls over Mayport. I don't intend to go there today. The issue will be resolved at the appropriate place.

But I would like to say that at bottom, this is a decision that will be made by the civilian leadership in the Department of Defense after hearing the recommendations of people who are involved. It's always been that way. That's how the decision that came down from Secretary Winter was made. It was made by the civilian process.

I've, quite frankly, never heard a Chief of Naval Operations who hasn't been in favor of some sort of strategic dispersal. That's part of your job. When I was in the Pentagon as assistant Secretary of Defense and then as Secretary of the Navy, we had a strategic dispersal program going on. It was very big at the beginning of the Reagan Administration. As reality started to hit, it got a little smaller but we were going to put ships in Corpus Christi.

We had Senator Stevens talking about some sort of home porting in Alaska. You know, you can take a logical proposition and expand it to the point that when you measure it against risk, it's not exactly equal and in the Navy testimony today, there's a good bit of comment about different sorts of risks, a lot of risks.

I mean, Admiral Roughead speaks about the risks of additional operational demands and the war-fighting risk being moderate today but trending towards significant in the future and talking about shore infrastructure readiness and the risks in there, and we know it's a very strong issue in Virginia.

If you look at the backlog in naval shipyards, just from the time that this Mayport announcement was made until today, from our staff sourcing the backlog in naval shipyards has gone from about 800 million up to 1.3 billion. So the question really is how you measure all of the elements that you have to take into account in order to build the Navy and in order to protect it.

I have a thought. Let me just put it out there. Chart Number 3. Just do Chart Number 3. This is something we've been talking about on our staff and with other people. We understand the realities of what Mayport has been going through in terms of losing ship components.

On the one hand, we have the Commandant saying in his testimony quite clearly that we need more amphibious shipping and there are numbers, if you look at Page 21 in the Commandant's testimony, about needing 38 amphibious warfare ships.

We also know that to reconfigure Mayport, you're really talking about a billion dollars, and the numbers that we got from people in industry say that if you're going to build a first-class amphibious assault ship, it's going to cost about 2.7 billion. Now, we might argue whether it be a little bit more or a little bit less, but that's in constant 2010 dollars, those are the numbers that we receive.

So what would be so terrible about taking a billion dollars, instead of putting it into reconfiguring Mayport and putting it into an amphibious assault ship, basically getting about a 35 percent reduction in the deal?

Secretary MABUS. Senator, as you know, the Quadrennial Defense Review is going to look not only at the home porting issue but also at amphibious lift requirements that our Nation's going to need going forward and what ships that that amphibious lift will require and obviously General Conway, Admiral Roughead and I are participating in this. We're active participants, and I think that your statement about civilian decision-making at this Quadrennial Defense Review is one of the instruments that is being used not only for the home porting but also for this amphibious lift requirement.

Senator WEBB. As they say, not a song, just a thought.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you.

Senator Nelson.

Senator Nelson: Mr. Chairman, I had intended to corroborate the argument made by Senator Akaka of which, Admiral, you've already addressed it with regard to the industrial base and specifically it was mentioned Pearl Harbor.

On behalf of Senator Webb, I would also talk about Hampton Roads. I'd talk about Northeast Florida. I'd talk about, as Senator Akaka did, Pearl Harbor, San Diego, the Pacific Northwest, and, of course, that's something you've already done, and I was also intending to talk about the E-2D Hawkeye.

As the Navy has already stated an essential element of the Navy Integrated Fire Control Counter Air Program, imperative for protection against the theater air and missile threat, and that the Navy wanted three. You're ordering two and, of course, that's making the cost, unit cost an additional 120 million, and so I would encourage you to look back, that you do not in your budget request include a 5-year projection.

The \$120 million increase in unit cost is not a positive sign, and what will the risk be by the Navy by delaying the initial operating capability of that system?

So I won't ask you directly. I would just ask you to go back and look at that, if you will.

Now, as the Chairman well knows, I did not intend to bring up Mayport but since it was, I am compelled to do so and the thrust of the argument here is that what has been estimated by the Navy to be about \$650 million expenditure in order to make Mayport nuclear capable, the argument is that the Navy ought to be spending that elsewhere with all of the other unfunded needs, when in fact you all, I think rightly, have gone ahead with the long lead items which are the dredging of the channel.

Since Mayport is right at the mouth of the St. John's River, you've got to dredge basically a mile and a half to get out to deep enough water out in the Atlantic. So basically that's a mile and a half on the channel that you're dredging to get in. It is not eight or 10 miles up river, as it is in another East Coast port.

And you're going ahead with the repairs, the modernization to the pier and that's a long lead item and I certainly commend you having put that in your budget request.

But with regard to should this be put some place else in all of the Navy's other needs, the ship maintenance shortfall of 417 million? Well, the DOD budget is divided into Title 1, Procurement, Title 2, Research and Development, Test and Evaluation, Title 3, Operations and Maintenance and Military Construction.

Appropriations are further divided into Defense and MILCON and Veterans Affairs, and so when you say that it's—when an argument is made that it's wrong to spend MILCON funds at Mayport because it should be spending more money for ship and aircraft repair or because the Navy should buy more ships or aircraft, the DOD budget is a lot more complex than that.

The estimated cost of MILCON for a CVN homeport is 550 million which is 7.2 percent of the Navy's total MILCON request over the next two years and the Navy request, what I just said in the long lead item.

So the 550 million investment to strategically disburse our aircraft carriers which we've always done, we do it on the West Coast in three homeports and we've always done it in two ports on the East Coast. There were two carriers at Mayport until 1987. There has been one carrier disbursing until the year before last in two ports when the John F. Kennedy, a conventional carrier, was shut down under the theory of strategic disbursal.

The cost to replace a carrier is about \$11 billion. The MILCON cost of making Mayport nuclear capable is five percent of the replacement cost of a carrier. I don't know what more I can say than the lessons of Pearl Harbor and there was a four star admiral who was relieved. His name was Kimmell. He was relieved of command because of allowing all those assets to be bottled up in one place for a surprise attack. He was forced to retire and he was stripped of two of his stars and his family over the last half century has tried to get the Navy to change that and the Navy has not changed that because of the lessons of Pearl Harbor.

I didn't intend to put up any charts but since there was a chart, I'm going to put up this one picture. This is 1997. I have photographs from 2001 and as you can see, particularly with a commercial channel that goes right here, that's not a good thing to have five carriers all tied up in one place at one time next to a commercial channel.

So I rest my case. I am confident that the civilian leadership will make the right decision and again I don't mean to beat this to death, but it was raised and I'm compelled to raise it, as well.

By the way, the decision was made. The Secretary of the Navy concurred by the Secretary of Defense in his letter to Senator Warner and Senator Webb in mid December of last year, this decision was made, but it got opened up again and therefore I am compelled to raise the issue of strategic disbursal.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Nelson.

I just have a few additional questions and if there's no other Senators that show up, then we'll leave the record open for questions that they or I might have.

First, Admiral, relative to the question of accession to the Law of The Sea Convention, you say in your opening statement, your prepared statement that "accession remains a priority for our Navy."

Is that your own personal and professional view regarding accession to that convention?

Admiral ROUGHEAD. Absolutely, Senator. I think that being party to that treaty is critical to our ability to operate globally and as a nation, I believe being party to that treaty is in our best interests, not just from operational interests but also from resource interests. I cannot recommend it more strongly.

Chairman LEVIN. Secretary, when we asked you a similar question at your confirmation hearing, I believe that you indicated that you did not have sufficient information at that time to address the merits of that issue. I don't know whether you've been able to focus on that question.

If you have, do you have an opinion on that subject?

Secretary MABUS. Yes, sir, and I strongly support our accession to that treaty, based on the grounds that Admiral Roughead just laid out.

Chairman LEVIN. Admiral, two years ago Congress rejected the idea of deploying conventional warheads on ballistic missile subs.

Are there any plans to utilize the next generation ballistic missile submarine for both conventional and nuclear weapons?

Admiral ROUGHEAD. Senator, I believe where we are with regard to the next generation submarine, we're in the very nascent stages of that and that level of detail has not been touched on at all.

Chairman LEVIN. All right. Now, we also specifically prohibited conventional applications for the D-5 missile. Recent press reports indicated that the Navy was testing conventional applications during recent tests of the D-5 ballistic missile which only carries nuclear weapons.

Now, what testing was being conducted during the D-5 missile tests?

Admiral ROUGHEAD. Senator, I'm not familiar with that statement but I'd like to take that for the record.

Chairman LEVIN. All right. That'd be fine.

Senator Nelson, do you have any further questions?

Senator Nelson: No, thank you.

Chairman LEVIN. Okay. As I indicated, there may be questions for the record and there will be some from me. There may be some from colleagues.

We are very grateful for your presence, the presence of your family and your family is here. We are delighted to have them, Admiral, with us, and we congratulate your daughter on her graduation. I hope she's not looking for a job in some states which are in tough shape but maybe she has her eye on something but all three of you do a great job. We're very proud of you and the men and women that you command.

Thank you.
[Whereupon, at 12:01 p.m., the committee adjourned.]