

Advance Questions for the Honorable Bernard Rostker

Defense Reforms

More than ten years have passed since the enactment of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 and the Special Operations reforms. You have had an opportunity to observe the implementation and impact of those reforms, particularly in your assignments as Assistant Secretary of the Navy for Manpower and Reserve Affairs and the Under Secretary of the Army. You answered a series of questions on these defense reforms in conjunction with your last confirmation in September 1999.

Based upon your experience as Under Secretary of the Army, would you answer any of those questions differently than you did in September 1999 when you were confirmed as Under Secretary of the Army, and, more specifically, do you still believe that the role of the combatant commanders under the Goldwater-Nichols legislation is appropriate and that the policies and processes in existence allow that role to be fulfilled?

Answer: I continue to believe that the Goldwater-Nichols legislation and the Special Operations reforms have resulted in improved efficiency in the use of Defense resources, improvements in the military advice provided to the National Command Authorities, clear authority for combatant commanders, and enhanced effectiveness of military operations. More specifically, I still believe that the role of the combatant commanders under the Goldwater-Nichols legislation is appropriate and that the policies of the Department of Defense and the individual military departments allow their responsibilities to be fulfilled.

Duties

Section 136 of title 10, United States Code, provides that the Under Secretary of Defense for Personnel and Readiness, subject to the authority, direction and control of the Secretary of Defense, shall perform such duties and exercise such powers as the Secretary of Defense may prescribe in the areas of military readiness, total force management, military and civilian personnel requirements, military and civilian personnel training, military and civilian family matters, exchange, commissary and nonappropriated fund activities, personnel requirements for weapons support, National Guard and Reserve components, and health affairs. As Under Secretary of Defense for Personnel and Readiness, you would be a top leader and manager within the Department of Defense.

Assuming you are confirmed, what duties do you expect that Secretary Cohen will prescribe for you?

Answer: If confirmed, I expect to serve Secretary Cohen as his senior policy advisor for human resource management of the Total Force. In that role, I anticipate my responsibilities to include oversight of readiness programs and issues; National Guard and Reserve component affairs; health affairs; training; and personnel requirements and management, including compensation, equal opportunity, morale, welfare, recreation, and quality of life matters.

My duties will include developing and managing policies, plans, and programs for:

- Total Force personnel and their allocation among DoD Components;
- Effective integration of Reserve capabilities into a cohesive Total Force;
- Health and medical affairs to provide and maintain readiness of our Armed Forces during military operations, and to provide medical services to our military members, their family members, and other entitled to medical care;
- Recruitment, training, equal opportunity, compensation, recognition, and discipline of all DoD personnel, to include both military (Active, Reserve, and retired) and civilian; and
- Interagency and intergovernmental activities that create a demand for DoD personnel.

I will also act as the OSD focal point for readiness issues; participate in those planning, programming, and budgeting activities that relate to my assigned areas of responsibility; serve on boards, committees, and other groups pertaining to my assigned functional areas; and represent the Secretary of Defense on personnel, readiness, Reserve component, health, and compensation matters outside of the Department.

If confirmed, I will carry out these responsibilities to the best of my ability.

Please provide a copy of the Department of Defense Instruction pertaining to the duties and responsibilities of the Under Secretary of Defense for Personnel and Readiness.

Answer: The requested directive is attached.

In carrying out these duties, what would be your relationship with the Assistant Secretary of Defense for Force Management Policy, the Assistant Secretary of Defense for Health Affairs, and the Assistant Secretary of Defense for Reserve Affairs?

Answer: The Under Secretary for Personnel and Readiness exercises authority, direction, and control over the Assistant Secretaries for Force Management Policy, Health Affairs, and Reserve Affairs. These Assistant Secretaries function as principal staff assistants and advisors to the Under Secretary for the responsibilities and functions assigned to them; they are also delegated certain authorities with which to act independently. To be effective, the Under Secretary and Assistant Secretaries must operate as a team, with the Under Secretary providing the guidance and resources necessary for the Assistant Secretaries to carry out their responsibilities. If I am confirmed, this will be my goal in relating to the Assistant Secretaries.

What will be your relationship with the Assistant Secretaries for Manpower and Reserve Affairs in the Army and Navy and the Assistant Secretary of the Air Force for Manpower, Reserve Affairs, Installations and Environment?

Answer: Cooperation and mutual understanding among the Under Secretary for Personnel and Readiness and these Service Assistant Secretaries are necessary to ensure that personnel plans and policies are developed through consensus with the Services and are supported by the Services. If confirmed, I will establish a close working relationship with the Service Assistant Secretaries and work to maintain open lines of communication and proper coordination.

Officer Management Issues

As the Under Secretary of Defense for Personnel and Readiness, you will have significant responsibilities with regard to officer management policies, the promotion system, and recommending officers for nomination to positions of authority and responsibility.

Do you believe the current Department of Defense procedures and practices for reviewing the records of officers pending nomination by the President are sufficient to ensure the Secretary of Defense and the President can make informed decisions?

Answer: Yes. I believe that the Department has established effective guidance for the Services to use in ensuring the integrity of the nomination process, and remains committed to providing the Committee with any significant factual information that might affect the nomination process, as well as to advising the Committee when alleged adverse information is known about a nominee.

Are these procedures and practices fair and just to the officers involved?

Answer: Yes. They are built to provide safeguards against unauthorized influence, to ensure consistency of board practices, and to provide for the active involvement and awareness of senior civilian officials in the process.

To what extent does the officer corps of the military services believe that the systems used to promote officers of all grades, including general and flag officer grades, are fair and impartial?

Answer: I am confident that the majority of the officer corps views the system used to promote officers as fair and impartial. However, I am told that some officers are concerned with the reporting of potentially unsubstantiated adverse information, and I will continue to watch this closely. The Department remains committed to providing the Committee with any significant factual information that might affect the nomination process.

To what extent does the officer corps of the military services believe that the constitutionally required confirmation processes and practices of the Senate are fair and impartial?

Answer: I believe that most of our officers believe that the confirmation process and practices of the Senate are fair and impartial. Some officers, however, are concerned with the reporting of alleged adverse information. In many cases we walk a fine line between allegation and fact, but I will be absolutely committed to preserving the integrity of the promotion process. I also understand the need to provide the Committee with any significant factual information that might affect the nomination process.

Regular Commissions

Section 501 of Public Law 102-190 directs that all newly commissioned officers serve 12 months on active duty as a commissioned officer of a reserve component prior to receiving a commission as a regular officer.

What impact has this legislation had on the accessioning of officers?

Answer: I am told that there is no evidence that this policy has altered the flow of applicants to, or graduates of, the officer accession sources.

Are there any surveys of academy or ROTC cadets to measure the impact of this legislation? If so, what are the results?

Answer: The Department has not formally surveyed this area, since there was no evidence of any problems brought about by the provision.

What are the military services' current policies regarding the commissioning of officers into the regular component?

Answer: Department policy requires that the following criteria be met for the Regular appointment of a commissioned officer:

- US citizen;
- Be able to complete 20 years of commissioned service prior to the officer's 55th birthday;
- Be of good moral character;
- Be physically qualified for active service;
- Have other special qualifications as prescribed by the Secretary of the Military Department concerned; and
- Have completed one year on the active duty list

The current service policies are further described below:

- Army - Appoints the majority of commissioned officers, on the active duty list, in a Regular component upon selection to the grade of major.
- Navy – Affords all commissioned officers who have served three years on active duty the opportunity to apply for consideration before a Regular appointment board. Those officers not selected are automatically screened for Regular appointment at the six-year point. Officers not selected at the six-year point, but who are subsequently selected for appointment to lieutenant commander, are automatically selected for augmentation into the regular force at that time.
- Air Force - Appoints the majority of commissioned officers on the active duty list in a Regular component upon selection to the grade of major.
- Marine Corps - Appoints the majority of commissioned officers on the active duty list in a Regular component upon selection to the grade of captain.

What, if any, changes would you recommend in regard to these policies?

Answer: Current law and policy have had no adverse impact on recruiting for, or graduate-production from, the officer accession programs. Moreover, I believe that current law and policy

provide excellent flexibility to the Services when deciding the best point to integrate commissioned officers into a Regular component. I would recommend no changes to statute.

Retention

Retention of highly skilled military personnel is one of the major challenges facing the Department of Defense. This challenge is exacerbated by the surging high-tech economy that offers high salaries and a more predictable family life.

In your personal opinion, what is the greatest challenge that must be overcome in regard to retaining mid-grade noncommissioned officers and mid-grade officers?

Answer: Job satisfaction--which includes the off-duty as well as the duty environment--is key. When the tempo of deployments is high, or there is a perception of compensation inequity or concern about the welfare of one's family, retention is threatened. Another component of "job satisfaction" is individual and unit readiness. Service members derive satisfaction from their ability to apply their skills in a demanding training environment. The ability to fund training and repair parts accounts, without detracting from quality of life initiatives, provides Service members with increased confidence in their skills and equipment.

What policy initiatives has the Army taken to meet the retention challenge?

Answer: The Army's initiatives focus on the direct involvement of unit leadership. Commanders at all levels are involved in the reenlistment decision cycle. Officer and enlisted leadership speaking candidly with our young enlisted personnel and their families is our most effective reenlistment program. Senior officers play a critical role in the mentoring of junior officers as they reach critical decision points beyond their initial service obligations. This mentoring, combined with a commitment to resource quality of life and training accounts, provides retention-eligible personnel with a level of confidence in the "institution" that convinces them to continue their service.

Would you support the implementation of any of these policies throughout the Department of Defense?

Answer: Due to the unique culture and traditions of each Service, it is difficult to prescribe a "one size fits all" approach. However, leadership is our core competency, and taking care of people is a leadership responsibility. Leadership involvement in the retention process is far more effective than a systemic approach.

Senior Officer Tenure

What is your opinion of the military's policy of rotating some of its three- and four-star general and flag officers out of joint duty assignments prior to the completion of two years, the general rule established in section 664 (a) of title 10, United States Code?

Answer: While the Department does not have a policy that forces rotation of general and flag officers out of joint assignments, I understand your concerns. On a case-by-case basis some officers are rotating out of joint duty assignments prior to completion of two years based on the

needs of the Department and Service concerned. Joint experience is crucial to the development of our top leaders and the capability of our forces to operate and fight jointly. I know from my experience with the Army and Navy that these rotations sometimes occur because the best qualified general and flag officers for particular positions are not always those who have been on station for the longest time. Each early rotation that requires a waiver is carefully considered by the Chairman of the Joint Chiefs of Staff and the Department.

Maintaining a Ready Force

The military services were characterized as hollow during the late 1970s and early 1980s. Many readiness problems were attributed to manpower and force structure mismatches.

What indicators or early warning signs have been established to permit the Under Secretary of Defense for Personnel and Readiness to monitor unit readiness?

Answer: The Department uses numerous tools to warn of pending readiness problems and routinely monitors personnel, training, and equipment readiness indicators. Some examples of personnel indicators include recruit quality, retention, personnel turbulence, force manning, critical skill manning, and PERSTEMPO. Equally important are our equipment and training indicators. The Deputy Under Secretary for Readiness routinely follows trends in maintenance backlogs, equipment capability rates, flying hours, number of deployments, and spares funding.

Once identified, key readiness concerns are routinely reported to the USD (P&R) through several processes. The USD (P&R) reviews the monthly readiness reports of each Service, and the DUSD(R) attends the Joint Monthly Readiness Review (JMRR) to monitor and report joint and CINC-related readiness issues. For example, when two Army divisions reported degraded readiness last fall, the issue was briefed in both the JMRR and the Senior Readiness Oversight Council (SROC) and received swift attention from both the Service and OSD leadership. It was ultimately reported in the Quarterly Readiness Report to Congress.

Are the existing procedures and practices sufficient to provide the Under Secretary of Defense for Personnel and Readiness meaningful and timely information that will permit identification and corrective action to prevent an impending readiness problem?

Answer: Yes. The positions of Under Secretary for Personnel and Readiness and Deputy Under Secretary for Readiness were specifically created to provide readiness oversight for the Secretary of Defense, and to ensure meaningful and timely information about readiness concerns is passed to the senior DoD leadership. The Senior Readiness Oversight Council provides a monthly forum where senior DOD leaders review and discuss readiness issues and identify and direct corrective action, where needed. The Joint Monthly Readiness Review--a forum led by the Joint Staff with OSD, Service and CINC representatives--provides another medium for readiness oversight and assessment. In addition, P&R representatives routinely visit units in the field to ensure that OSD understands readiness issues from both the commanders' and troops' perspectives.

The Office of the USD (P&R) has also mounted a broad-based effort to improve Department of Defense readiness reporting. In accordance with congressional guidance, the Department has enhanced its readiness reporting system to ensure that it measures the readiness of the armed forces in an

objective, accurate, and timely manner. This system enhances current unit readiness reporting and adds new reports on the readiness of institutional training establishments and installation support infrastructure. P&R has also undertaken initiatives to improve the ability of the SROC and JMRR to identify and evaluate major readiness concerns. In short, there are a host of procedures and practices in place to provide meaningful and timely readiness information, and additional initiatives are underway to improve and refine current readiness assessment processes.

Role in Resource Allocation

Under the current organization of the Office of the Secretary of Defense, the Under Secretary of Defense does not have direct functional responsibility for logistics, including depot maintenance, inventory management and transportation policy; research and development; or procurement issues that have an important impact on military readiness.

If confirmed as Under Secretary of Defense for Personnel and Readiness, what role will you have in policy and resource allocation decisions within the Office of the Secretary of Defense in these areas?

Answer: The Under Secretary of Defense for Personnel & Readiness is a member of several departmental bodies and forums that have a role in policy and resource allocation in a number of functional areas. For example, the USD (P&R) is a member of the Defense Resources Board, which is the most senior resource forum in the Department and reviews all outstanding issues with regard to each Service's program objective memorandum at the conclusion of the program review process. In this capacity, the USD (P&R) advises the Secretary and senior DoD leaders on all resource issues that could affect readiness. The USD (P&R) is also a member of and is responsible for running the agenda of the Senior Readiness Oversight Council, which addresses the full spectrum of readiness issues for the Department. In addition, during the budget review process, the USD (P&R) reviews and comments on most proposed Program Budget Decisions. The USD (P&R) also works closely with the Director, Program Analysis and Evaluation, to ensure that the Defense Planning Guidance reflects current readiness policy and direction.

The Defense Authorization Act of 2000 placed statutory authority for materiel readiness under the Under Secretary of Defense for Acquisition, Technology and Logistics (USD (AT&L)) and created the new, Senate-confirmed position of Deputy Under Secretary of Defense for Materiel Readiness (DUSD (MR)) to monitor and review all logistics, maintenance, materiel readiness, and sustainment support programs in the Department of Defense. If confirmed as Under Secretary for Personnel and Readiness, I will work very closely with the USD (AT&L) and the DUSD (MR) on all materiel issues affecting the readiness of the force. I will also work closely with the responsible offices on depot maintenance, research and development, and procurement in protecting the high readiness of our armed forces. This cooperative effort will ensure that readiness issues are being addressed collaboratively across the Department of Defense.

Increased Risk

In the latest Quarterly Readiness Report to the Congress, the risk assessment associated with executing the National Military Strategy is "moderate-to-high." That report goes on to state, "Thus, potentially longer time lines required to complete the halt and buildup phases and

initiate the counter-offensive increase the potential for higher casualties in the interim and during the warfight.” Over the past several years, we have seen the risk associated with the military services’ ability to execute the National Military Strategy increase from “low-to moderate” to “moderate-to-high.”

If confirmed, what actions will you take to address the declining capability of the United States Armed Forces to execute the National Military Strategy?

Answer: First, as the Chairman of the Joint Chiefs of staff recently testified, our armed forces remain fully capable of executing our military strategy. Over the past few years, the Department has further expanded the risk in executing this strategy from “moderate to high” to the current assessment of “moderate” for the first major theater war (MTW) and “high” for the second. This is not an assessment that has changed in recent years. For example, during the 1993 Bottom-Up Review and the initial Joint Monthly Readiness Review in January 1995, DoD characterized the inherent risk of a two MTW strategy as “moderate-to-high.” Clearly, a major theater war is not a “low risk” activity and has never been identified as such since the first Quarterly Readiness Report to Congress in May 1996.

As the latest Quarterly Readiness Report to Congress (QRRC) states, most major combat and key support forces are ready to meet assigned taskings, although there are force readiness and capability shortfalls that increase risk in executing operations. This risk assessment of “moderate-to-high” is not referenced against DoD’s capability to win an MTW, but rather, its ability to meet the CINC’s timelines for the warfight. Thus, potentially longer timelines required to complete the halt and buildup phases and initiate the counter-offensive increase the potential for higher casualties in the interim and during the warfight. In addition, the Department has conducted an analysis of what is required to reduce identified risks, and this can be provided in a separate classified document.

If confirmed as the Under Secretary of Defense for Personnel and Readiness, I will ensure that our senior civilian and military leaders not only remain apprised of key readiness issues confronting the Department, but also ensure that critical readiness and capabilities shortfalls are addressed through the Department’s budget and resource allocation process. I will also provide timely and accurate readiness information to Congress.

Requirements

According to the latest Quarterly Readiness Report (QRR), the military faces a number of long-term readiness challenges, including mobility shortfalls, logistics/sustainment shortfalls, ISR deficiencies, C4 shortfalls, terrorist and WMD challenges, and information vulnerabilities.

If confirmed, what actions will you take to address the long-term readiness challenges that have been identified in the QRR?

Answer: First, it is useful to distinguish between readiness- and capabilities-related shortfalls. Readiness deficiencies are those that affect the current mission due to degraded equipment condition or personnel manning/training levels. Capability deficiencies are those that affect the current mission due to insufficient quantity or type of required systems or personnel. Both types of deficiencies are presented by the CINCs and the Services in the Joint Monthly Readiness

Review and the Senior Readiness Oversight Council processes and reported in the Quarterly Readiness Report to Congress.

The Department is actively engaged in addressing long-term capability shortfalls as well as short-term readiness deficiencies. Although challenges remain, we continue to make progress in addressing many of our longer-term capability-based issues. For example, we have allocated significant resources since the Gulf War to build up our prepositioned stocks of equipment in Southwest Asia. This build-up continues today, and the Army expects their prepositioned sets to be fully filled by the end of FY 2001. However, the CENTCOM CINC will continue to show prepositioned equipment as a “capability” shortfall until the program is complete, despite tremendous improvements made over the past seven years.

In addition, our airlift modernization program continues to address many of the identified mobility shortfalls. Workarounds to address our airlift concerns include use of the Air Reserve Component (ARC), increased Civil Reserve Aircraft Fleet (CRAF) participation, and continued procurement of 59 additional C-17 aircraft over the next five years as we continue to increase our C-17 airlift fleet. The C-5 Reliability, Enhancement and Re-Engining Program will also mitigate strategic airlift shortfalls. Longer-term solutions will be based on the Mobility Requirements Study – 2005 (MRS-05) force structure recommendations.

If confirmed as the Under Secretary of Defense for Personnel and Readiness, I will ensure that our senior civilian and military leaders not only remain apprised of the readiness issues confronting the Department, but also ensure that critical readiness and capabilities shortfalls continue to be addressed by the Department’s budgeting and resource allocation processes. The Department accomplishes this by incorporating deficiencies identified during the Joint Monthly Readiness Review into the program review and budget process. I will ensure that P&R remains directly involved in both of these deficiency and resource review processes.

Resources

After the testimony of the Chiefs last year, the President agreed to increase Defense spending by \$112 billion over the FYDP. Much of the increase in the earlier years was actually an assumption of savings from lower inflation and fuel costs. Unfortunately, much of these savings have not been realized and, in some cases, costs have increased. For example, fuel costs have increased rather than decreased as projected and thus assumed savings have actually become increased costs.

What impact have these unrealized savings had on the Services’ ability to maintain readiness, infrastructure, and programmed modernization efforts?

Answer: Generally, the assumption that savings have not materialized is incorrect. Revised inflation rates are actually lower than our initial assumption when the \$112 billion was added. This allows the Department to buy additional programs. The exception, of course, is fuel. However, the President increased DoD's topline for the fuel increase, and these additional funds were added to Service programs throughout the FYDP to match the higher fuel costs. Therefore, there has been no impact on Service programs due to projected higher fuel prices. Additionally, in FY 2000 the Department stabilized customer fuel prices at the FY 2000 budgeted rate and is absorbing any losses in the revolving fund. So again, there is no impact on DoD programs.

Readiness Trends

Since the Chiefs testified before this Committee last year, readiness has continued to decline. Army divisions are experiencing declining readiness rates. Conus-based Air Forces have experienced a 5 percent decline in their readiness since March, and 23 percent since 1996. Non-deployed Naval forces are experiencing a deeper than desired “bathtub effect” that has become more pronounced since January.

What are the central reasons that readiness continues to degrade, and what must we do to reverse this trend?

Answer: In general, personnel issues and materiel readiness shortfalls are at the heart of the readiness challenge. In most cases, overall unit readiness today is satisfactory; however, some of our readiness indicators indicating deficiencies are causing concern. On the personnel side, the booming economy, a reduced propensity to enlist, and a perceived lag in military pay/benefits combined to create a recruiting and retention problem for the Department, and with the Congress’ help we have undertaken a number of measures to address these challenges. The FY 2000 budget increased military pay, restored retirement benefits, reformed pay tables, and added funds for other quality of life programs; and the FY 2001 budget request would sustain these changes. The Services are beginning to see the positive results of these initiatives.

In terms of materiel readiness, one key problem has been a shortage of spare parts for our aviation forces. In broad measure, these shortages can be attributed to an aging aviation fleet, overly aggressive parts inventory reductions, unrealized efficiencies in our logistics system, and a reduced manufacturing base. In FY 1999 and FY 2000 we added significant funds to fully fund spare parts requirements and increase the spare parts inventories and safety stock. Although there is a lag time between an infusion of funds and increases in parts production and distribution, we are now beginning to see improvements in the spare parts situation.

A number of recent Service readiness trends are encouraging:

Army Readiness. The Army has achieved 125 percent of its active duty recruiting goals for the year to date. In addition, several Army divisions improved their readiness ratings in their most recent monthly reports.

Navy Readiness. The Navy continues to improve its at-sea manning. Moreover, both enlisted recruiting and retention are up. Finally, during the last half of FY 1999, deployed Navy units reported at the highest readiness levels 94 percent of the time.

Marine Corps Readiness. The Marine Corps continues to maintain its historically high level of unit readiness, and its FY 2000 first-term reenlistment is at an all-time high of 5,786. In addition, the Marine Corps’ number one readiness concern, the AV-8B Harrier aircraft, has increased its mission capable rate significantly since last fall.

Air Force Readiness. The Air Force is projecting a smaller shortfall in pilot manning for FY 2002. The new projected shortfall is 1,390 pilots, down from last quarter’s predicted shortfall of 1,508. In addition, while still lower than we would like, the readiness of

major operational units has stabilized and for hardest hit Air Combat Command units has been increasing since January 2000.

Impact of Contingency Operations

The General Accounting Office recently completed a study for this Committee which concluded that Operations Other Than War (OOTW) have adversely affected the combat capability of deployed units in Bosnia and Southwest Asia and some units remaining at home station because they have to pick up the workload of the deployed units. Last year, General Shelton indicated that the high pace of contingency operations was having a readiness impact.

Do we have a mismatch between our foreign policy and our military capability that needs to be resolved to ensure that we can effectively execute the National Military Strategy?

Answer: No, there is not a mismatch between our foreign policy and our military capability. The U.S. armed forces remain the best-trained, best-equipped, and most capable fighting force in the world and have demonstrated repeatedly their readiness to meet America's security obligations. In 1999, U.S. armed forces successfully responded to numerous, world-wide contingency operations ranging from the ongoing missions like Operations Northern and Southern Watch in Iraq to Operation Allied Force in the Balkans. In addition, they have participated in continuing peacekeeping and peace enforcement operations like Operation Joint Forge in Bosnia and Operation Shining Hope in Kosovo. Simultaneously, the nation's armed forces maintain a forward presence around the world, in such places as Europe and the Pacific Rim, to reinforce our commitment to our allies and deter conflict. In carrying out this broad range of missions, from small-scale contingencies to larger operations, our armed forces continue to demonstrate their flexibility, preparedness, and unmatched capability.

The Department of Defense constantly evaluates our force structure against the National Military Strategy through exercises, wargames, and fundamental reviews like the Quadrennial Defense Review. When these exercises or assessments highlight problems, we make the necessary adjustments in our force structure. For example, the Air Force has developed the Expeditionary Air Force concept to make deployments more predictable. The Army is "transforming" a number of existing brigades into more rapidly deployable units better able to respond to the short-notice demands of today's contingency operations, and the Navy and Marine Corps continue to refine the concept of operational maneuver from the sea. Each of these visionary concepts addresses the ever-shifting demands of the post-Cold War and are designed to help us implement our security policy and defense strategy.

Vieques

The Department of Defense and this Committee have spent considerable time on the Vieques issue over the past several months. Whether in hearings or visits to commands, we have heard from the operational commanders and the military leadership that Vieques is a critical facility, the loss of which would have a negative impact on our ability to prepare military personnel before sending them into harm's way. We have visited proposed alternative sites and understand not only the difficulty in gaining long-term access to those sites, but also the inadequacy of those sites in comparison to Vieques. The Administration has now reached an

agreement with the Governor of Puerto Rico calling for a referendum that will result in either continued use of Vieques, or cessation of all operations.

Do you agree that this is a vital training range?

Answer: I agree that Vieques is a vital training range. If the United States is to maintain military forces, it owes its Soldiers, Sailors, Marines and Airmen the best possible training. The need for military training was appreciated when the U.S. Navy bought land on Vieques at the beginning of World War II. The complexity, intensity, and value of training have grown since that time and will continue to grow with the evolution of more sophisticated weapons.

Every six months, America sends a Navy Battle Group and an Amphibious Ready Group from our East Coast through the Atlantic to protect America's interests and meet its security commitments in Europe and the Persian Gulf. Carrier battle Group and Amphibious Ready Group/Marine Expeditionary Unit training begins as individual unit level training throughout the nation. Eventually, however, the individual units must come together and undertake the most difficult task: to develop the ability to operate as a cohesive, effective force. This requires pilots to launch from aircraft carriers and to practice delivering munitions against targets amidst the smoke, noise, and confusion of simultaneous naval gunfire and land operations. It requires Sailors to experience not only firing, but then adjusting that fire in response to information from aerial spotters and from Marines on the ground. It requires Marines to launch operations over the beach. It requires everyone to do this under conditions of tension, reduced visibility, and reaction to real destruction (or failure to destroy) targets in conjunction with one another. This is our most effective training for combat. For these reasons, Vieques is a uniquely valuable training site.

What are the implications for the readiness of Navy and Marine Corps units of the Atlantic fleet if the referendum results in a cessation of training operations on Vieques?

Answer: Recent training (in the absence of Vieques) had ships conduct training operations off Florida, North Carolina, and Virginia; take naval gunfire practice off Cape Wrath, Scotland, en route to the Mediterranean; and have other training in the Mediterranean. Short-term continuation of this patchwork training could enable the Department of the Navy to work around shortfalls caused by the inability to conduct live-fire training at Vieques. These interim measures do not allow for joint or combined arms live fire exercises prior to deployment. If the referendum is lost, there is no current location available to accomplish such exercises, and fleet readiness will decrease.

The Secretary of the Navy has directed the Center for Naval Analyses to conduct a study to examine alternatives to live-fire training at Vieques. This study is expected to be completed in May of 2000.

Legislative Fellowship Program

The Legislative Fellowship Program is an important element of the professional military education program within the military services. For the past several years, the Committee has been urging the Department of Defense to develop and institutionalize stringent management

practices to ensure that the fellowship program is a meaningful and valued program for both the individual and the military services.

Do you support the requirement that legislative fellows serve a utilization tour following their fellowship?

Answer: Yes. The Department benefits from the assignment of its personnel to the Legislative Branch of Government by bringing the military's unique perspective to the process of drafting and passing legislation and affording the incumbent the opportunity to learn about the legislative process. Such exposure is broadly applicable; its benefit is realized not only by assignments to legislative affairs offices but also to assignments in many other areas. The training may not always be put to use immediately in the follow-on tour due to Service needs, such as filling aviation and seagoing billets, but may be used later in the individual's career. This is an outstanding opportunity to develop expertise on potential legislative issues of immediate and ongoing concern to us and the Nation.

This year there have been a number of instances in which legislative fellows have attempted to remain in the offices in which they served after the fellowship concluded. In fact, several DoD fellows in the class of 1999 still remain in Congressional offices.

If confirmed, will you enforce the intent of the fellowship program that fellows return to their service upon completion of the one-year tenure of the fellowship?

Answer: If confirmed, I will follow current DoD policy. The Department will normally disapprove an extension request if the request extends past a year or legislative session. Separate from the fellowship program is the detail program in which the individual works on a Committee. There are cases where the congressional member might request a detail after the individual has served the completed fellowship. These are approved under exceptional circumstances

PERSTEMPO Definition

High PERSTEMPO—time away from home and the family—continues to be one of the most commonly cited reasons for Service members leaving military service. The Committee is aware that OSD is working to implement the PERSTEMPO management provisions we enacted last year.

Do you agree that each day away from home should be counted in the definition of deployed days?

Answer: We know that the high tempo level of our Service members is detrimental to their quality of life and affects their retention decisions. The Department is currently staffing a deployment definition that is consistent with the spirit of the law and expands the definition to include specifications peculiar to the Reserve components, adds additional circumstances of who should not be included (hospitalization, confinement for disciplinary reasons), and takes into consideration a unit commander's flexibility for the conduct of local area training. Upon completion of the staffing and Service Secretary concurrence, it will be forwarded for your consideration.

The PERSTEMPO system the Department will put in place will allow it to capture all days away (from home) and provide us a means to measure and evaluate the tempo level of each Service member. The implementing guidance will stipulate that every day a Service member is away will be reported. This includes, but is not limited to, contingency operations, humanitarian and peacekeeping missions, large-scale named exercises, unit training, and official travel. There are instances when a Service member's time away from home would not be counted, e.g., days in confinement, hospitalization (when not in a deployment), TDY for individual training/school, duty in garrison (watch officer, staff duty officer, etc.), and muster or funeral honors duty.

Judge Advocate Continuation Pay

In the National Defense Authorization Act for fiscal Year 2000, Congress authorized continuation pay for judge advocates as a retention measure. The question of whether the military services will fund this entitlement has evidently not yet been settled.

In your opinion, is this special pay necessary and should it be funded?

Answer: The Services are experiencing negative judge advocate recruitment and continuation trends, with the Army experiencing the most severe problem to date. Higher numbers are resigning than programmed for force sustainment, notably in the grade of 0-3. Judge advocates selected for promotion to 0-4 are increasingly resigning. Further, far fewer law students are applying to join the military legal corps. Underpinning the situation appears to be the difficulty young attorneys have in paying their law school debts on military pay. All indicators point to the situation worsening without financial incentives to address the issue; the cost of law school is increasing, and private sector hiring and compensation of attorneys is on the rise. Clearly, this is an area that needs to be addressed. I understand the Department is finalizing a report on this matter and preparing a DoD-wide approach to implementation, where it is necessary within each Service.

The FY 2000 Act also called for a report on further possible measures to recruit and retain judge advocates.

What, if any, further measures do you believe are warranted in this area?

Answer: While the report is still in final staffing, I am told that the high law school debt load carried by young attorneys, with no relief, is causing many of them difficulty on their military pay. The loss of the statutory authority (from the Higher Education Act of 1965) for relief from Federal educational loans while serving in the armed forces for up to three years is being felt heavily by this particular community (who carry on average \$60,000 in law school debt alone). Law school debt is a consideration for those separating at the end of their initial active duty service obligations, as they take higher paying jobs in the private sector. It also is apparently an underlying factor in the radical decreases in the number of applicants to the Services' JAG communities. If confirmed, I will review the final report and its recommendations in this area, to identify the need for further action.

Modernization and Regionalization of Civilian Personnel Management

The Department of Defense has undertaken a multi-year effort to modernize and regionalize civilian personnel management in each of the military departments and in the defense agencies.

What are your views on the manner in which this is being accomplished in the Department of the Army? Throughout the Department of Defense?

Answer: The Department has made significant progress in streamlining its critical Human Resources processes since 1989. Cross-Department reengineering efforts have led to the consolidation of many personnel functions, the reduction of bureaucratic guidance, and the regionalization of Human Resources support delivery.

In 1994, DoD began creating a single, unified civilian personnel management system and centralizing those activities that did not require face-to-face interaction. We moved from 450 civilian personnel offices to a structure with 22 regional centers and some 300 local customer support units.

To support the regionalized structure and further streamline operations, DoD replaced 10 non-interoperable data systems with a single legacy system and modified commercial, off-the-shelf products to create the modern Defense Civilian Personnel Data System (DCPDS). This modern system was successfully deployed and operated at three test sites in late 1999 and is currently undergoing acquisition program certification for the next phase of the program.

The Army has played a central role in both regionalization and systems modernization. The U.S. Army Europe opened the Department's first regional center in 1994; the Army's tenth center (Ft. Huachuca, AZ) became fully operational in 1999. I am pleased to note that the Army's regional office at Fort Richardson, Alaska, was the first deployment site for the new system. Army experts continue to be intimately involved in the design and testing of system refinements.

Earlier, while serving as Assistant Secretary of the Navy (Manpower and Reserve Affairs), I was involved in regionalizing and consolidating civilian personnel operations and services throughout the Department of the Navy. The economies of scale and use of technology have resulted in significant savings there as well, with eight regional centers in operation.

Overall, DoD's progress in regionalizing services and developing and deploying the modern DCPDS lays the groundwork for further streamlining, consolidation, and improvement in the near future. I understand that there are growing pains associated with this modernization. We must ensure that savings are matched by quality of service.

Senior Executive Service Development and Training

What are your personal views on the adequacy of training programs for members of the Senior Executive Service in the Department of Defense?

Answer: Over the past three years, DoD has made a profound change in the way it prepares civilians for leadership positions. Implementing recommendations of the Commission on Roles and Missions of the Armed Forces, the Department created the Defense Leadership and Management Program (DLAMP), which applies principles of the Goldwater-Nichols Act to the civilian cadre. DLAMP provides graduate-level coursework, professional military education, and rotational assignments to competitively selected individuals aspiring to senior positions.

Defense also offers other opportunities for senior employees such as a two-week orientation program called APEX, which is similar to the CAPSTONE program for newly selected flag and general officers; developmental tools like sabbaticals and Intergovernmental Personnel Act assignments in nonprofit organizations; and a wide range of executive and university seminars. The DoD acquisition community requires that its members--including executives--participate in continuous learning activities, and the international affairs community under OUSD(Policy) has a career development program that requires those in non-exempt senior positions to change assignments every four years

What initiatives would you propose to enhance this training?

Answer: I believe we need to examine the full range of training, both preparatory for the SES and that designed to develop SES members. As DoD's mission becomes increasingly complex while its resources diminish, we need to invest in our people more than in the past. We need to find ways to develop leaders who are capable of doing more things, with a broader understanding of the issues facing Defense. I remain a mentor to a Navy civilian in the DLAMP. If confirmed, I would examine the merits of targeting preparatory efforts early in an employee's career, providing more coursework opportunities and rotational assignments for members of the SES, and developing standards for professional development.

Military Resale and Morale, Welfare and Recreation Activities

The Committee has a continuing interest in protecting and enhancing the benefits funded through the various non-appropriated fund activities.

If confirmed, what role do you envision the Under Secretary of Defense would play in providing oversight and making policies regarding military exchanges, commissaries and the morale, welfare and recreation programs?

Answer: Based on the significance of the benefits, it is of paramount importance that the Under Secretary of Defense for Personnel and Readiness be actively engaged in the oversight of and policies governing exchanges, commissaries and MWR programs. In carrying out those responsibilities, I would continue to seek the advice and counsel of the Military Departments through such forums as the Quality of Life Executive Committee and the Joint Exchange Integration Oversight Board. I would coordinate closely with the members of this Committee. Additionally, as the Under Secretary of Defense for Personnel and Readiness, I would be responsible for the overall supervision of the Defense Commissary Agency. I would be assisted in this function by the Commissary Operating Board.

What is the current status of plan to consolidate or integrate the military exchange systems?

Answer: The Armed Services are completing a study that is intended to identify the most efficient and cost-effective way to organize and operate the exchanges to meet Service-unique needs, maintain good customer service, ensure competitive pricing, and continue support for MWR. In June 1999, *Price Waterhouse Coopers* provided savings estimates based on a recommendation to fully integrate the three exchange systems. Because of concerns about autonomy, the Services chartered *Price Waterhouse Coopers* to review a more moderate approach that would integrate the exchange “back office” operations. The Services have received the *Price Waterhouse Coopers* analysis of full integration and the back office alternative and are preparing their final recommendations for the Secretary of Defense. If confirmed, when I receive and decide on their recommendations, I would expect to confer with the oversight committees on how to proceed.

Major Challenges

In your view, what are the major challenges confronting the next Under Secretary of Defense for Personnel and Readiness?

If confirmed, what plans do you have for addressing these challenges?

Answer: I believe that one of the most significant challenges for the next Under Secretary of Defense for Personnel and Readiness will be to maintain the momentum in addressing our readiness challenges. With your help, the Department has undertaken a number of personnel and materiel initiatives to address our most pressing readiness problems. In addition to preserving this forward momentum, the new Under Secretary for Personnel and Readiness will be challenged to prepare for emerging threats to force readiness. Chemical-Biological defense, information assurance, and the proliferation of Weapons of Mass Destruction are a few of the readiness challenges we are now facing. I assure you that, if confirmed, I will build upon progress made and chart a course in Personnel and Readiness to address these emerging issues.

Competing for quality people in a labor market that is challenged to meet everyone’s needs is a concern that runs to both recruiting and retention. In particular, the Department faces enormous challenges in retaining those in whom we have made the greatest investment, including pilots. Underpinning this competition is a nation that has less and less experience with military service. We need to build respect for national service, and reconnect with America. I believe we also need to continue to examine the effects of pay and retirement reforms on recruitment and reenlistment behavior. We need to continue on track with the Secretary’s pay and housing allowance reforms. We must attend to quality of life concerns--particularly health care and housing--and we must take care of the military family.

I also believe the Department needs to examine its recruiting methodologies and better understand contemporary youth and what drives their career decisions. The Department has recently completed a study of recruiting, which has many interesting recommendations for improvement. I understand that many of the recommendations of that study are being implemented. I would ensure that this implementation goes forward, review the results of these efforts, and, as a result, continue to improve our strategies.

In addition, over the past six years the Department's goal has been to manage the downsizing of our civilian workforce as humanely as possible. I believe we have done this successfully. Now we face the very serious need for workforce reshaping. Today we have 76 percent fewer people in their twenties than we did a decade ago. With the oldest Baby Boomers turning 54 this year and increasing numbers of retirements looming next year, we must take steps to ensure an orderly transfer of institutional knowledge and the recruitment and training of a sufficient number of replacements. I believe we need to identify the best ways to attract and keep talent. If confirmed, I would seek to identify the best strategies for shaping our civilian workforce in order to ensure a future force with the right mix of skills and abilities.

Another significant challenge is continuing the integration of Active and Reserve forces. As you know, Secretary Cohen issued a Total Force integration memorandum on September 4, 1997. The Services are actively pursuing various policy and programming initiatives to ensure that integration occurs. If confirmed, I will move toward the vision of full and total integration where all institutional and cultural barriers to integration are removed. Included in this effort will be a uniform approach to meeting family readiness needs and providing the appropriate force health protection for Reserve component members.

Achieving and maintaining a balanced OPTEMPO/PERSTEMPO within all forces is also a daunting challenge. We are closely monitoring the use of High Demand/Low Density units. Through the use of volunteers, host nation support, contractors, and combinations of all of these we have been able to manage the Reserve Component portion. There is, however, another facet with the Reserve OPTEMPO that we do not have to face with the Active Component: the impact of frequent deployments on employers. The key to employer acceptance is early notification and continued communications. If confirmed, I will continue the efforts made thus far to ensure employers are "in the loop" so that they have the information, then the motivation, to support their employees.

The military health system faces many challenges as it seeks to deliver a high-quality medical benefit to our active duty Service members, their families, and retirees, while containing costs. Just as the civilian health care sector wrestles with the challenges of ensuring quality, holding down costs, and expanding access to healthcare, so too does the Military Health System. A major difference between the two systems, however, is that the Military Health System must address each of these peacetime healthcare issues while also meeting its medical readiness mission. Health care is a key quality of life issue, and I am deeply committed to the development of a coordinated, long-term view of the medical benefit and how to adequately resource that benefit in a rapidly changing healthcare environment, while at the same time ensuring that the readiness mission is met.

The world has radically changed since World War II. Advances in technology, changing demographics, and an increase in dual career families are but a few of the changes that affect our ability to recruit, retain, and manage the armed forces. Our military personnel structures have not kept pace with these changes. We need to look again at our personnel management systems—for both officers and enlisted personnel—to ensure that we have the correct management tools and structure to attract, retain, motivate, and separate highly qualified personnel. We will work with the Service Chiefs in addressing these problems and seek out the counsel of our congressional oversight committees.

Most Serious Problems

What do you consider to be the most serious problems in the performance of the functions of Under Secretary of Defense for Personnel and Readiness?

Answer: There are numerous and daunting challenges involved in performing the functions of the Under Secretary of Defense for Personnel and Readiness: dealing with existing and emerging threats to force readiness, competing for quality people—both military and civilian—in a tight labor market, continuing the integration of Active and Reserve forces, managing OPTEMPO/PERSTEMPO, providing a high-quality medical benefit while containing costs, and developing personnel structures for the 21st century, among others. If not addressed vigorously, these challenges will become serious problems. However, with teamwork, good coordination and communication, and timely decision making, I am optimistic that they will not become problems.

What management actions and time lines would you establish to address these problems?

Answer: The Department has been, is now, and will continue to address these issues. I look forward to the challenge of continuing to contribute to that effort if I am confirmed as the Under Secretary of Personnel and Readiness. I will give careful consideration to appropriate management actions and time lines.

What do you consider to be the most serious problems facing the Assistant Secretaries for Force Management Policy; Health Affairs; and Reserve Affairs?

Answer: For the Assistant Secretary of Defense for Force Management Policy, the major problem is how to recruit and retain a quality force, at a time when economic and marketplace pressures are a strong pull away from military service. A parallel problem is how to shape a civilian workforce to lead the Department of Defense into the future.

The most pressing issues facing the Assistant Secretary of Defense for Health Affairs are providing appropriate force health protection in an era of military downsizing and improving access to and the business practices of the Military Health System for our beneficiaries at a time of rising health care costs.

For the Assistant Secretary of Defense for Reserve Affairs, recruiting and retention, interoperability of equipment between the Active and Reserve components, and OPTEMPO management are among the most serious problems that need to be addressed. A continued emphasis on Active component/Reserve component integration will be vital in dealing with these problems.

Qualifications

If confirmed, you will be entering this important position at a time of concern about force levels and readiness of our forces.

What background and experience do you have that you believe qualifies you for this position?

Answer: I believe I am qualified for this position. I have spent virtually my entire professional life in government service or with organizations supporting the government, and most of that has been related to defense manpower, personnel, and reserve affairs.

I attended college as a cadet in the Army's Reserve Officer Training Corps and, upon graduation as a Distinguished Military Graduate (DMG), was commissioned a 2nd Lieutenant. After graduate school, I served at the Pentagon in the Manpower Requirements Directorate for two years and left the active Army as a Captain.

I have been a part of the senior civilian leadership in a Service Department three times for a total of almost 10 years, and headed the Selective Service System. I have spent more than five years as the Deputy Director of the federally funded research and development center (FFRDC) at RAND, the Arroyo Center, which supports the United States Army, and also served as the Program Director of RAND's Air Force Manpower, Personnel, and Training Program for five years. Finally, I was director of RAND's Defense Manpower Policy Center for four years. The center supports the various organizations that today directly report to the Under Secretary Personnel and Readiness. All of these experiences relate directly to the portfolio of the Under Secretary for Personnel and Readiness.

The positions I held in the Department of the Navy, first as Principal Deputy Assistant Secretary for Manpower and Reserve Affairs and then as Assistant Secretary for Manpower and Reserve Affairs, required me to address many of the issues of force levels and readiness on a regular basis. As Under Secretary of the Army, I worked to ensure that the Department of the Army was positioned to accomplish the demanding and diverse missions entrusted to it. In addition, serving additional duty as the Special Assistant to the Deputy Secretary of Defense for Gulf War Illnesses has given me insight into working with Congress, the press, and—most importantly—the American people.

Do you believe that there are any steps that you need to take to enhance your expertise to perform the duties of the Under Secretary of Defense for Personnel and Readiness?

Answer: I believe that my background and experience have prepared me well for the duties of the Under Secretary of Defense for Personnel and Readiness; however, there is always more to learn in a job of this magnitude and complexity. I look forward to the challenge.

Congressional Oversight

In order to exercise its legislative and oversight responsibilities, it is important that this Committee and other appropriate committees of Congress are able to receive testimony, briefings, and other communications of information.

Do you agree, if confirmed for this high position, to appear before this Committee and other appropriate committees of the Congress?

Answer: Yes.

Do you agree, when asked, to give your personal views, even if those views differ from the Administration in power?

Answer: Yes.

Do you agree, if confirmed, to appear before this Committee, or designated members of this Committee, and provide information, subject to appropriate and necessary security protection, with respect to your responsibilities as the Under Secretary of Defense for Personnel and Readiness?

Answer: Yes.

Do you agree to ensure that testimony, briefings, and other communications of information are provided to this Committee and its staff and other appropriate Committees?

Answer: Yes.

Statement on Supplemental

I urge you to support prompt approval of the FY 2000 Kosovo supplemental appropriations request. Major delays, underfunding, or restrictions would hurt the readiness of America's armed forces and undermine NATO efforts to foster stability in this critical and dangerous region. If the supplemental is not approved quickly, the Services will have to continue to pay for Kosovo operations by diverting fourth quarter funds from their Operation and Maintenance accounts. Early in the third quarter, they would have to make irreversible decisions to curtail planned spending in order to cover must-pay Kosovo costs. This would significantly damage force readiness, capabilities, and troop morale by draining funds from training, maintenance, and other readiness essentials.

