

STATEMENT BY

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BEFORE THE

**SUBCOMMITTEE ON READINESS AND MANAGEMENT SUPPORT
SENATE ARMED SERVICES COMMITTEE
UNITED STATES SENATE**

ON ARMY READINESS AND SOLDIER SUPPORT

SECOND SESSION, 109TH CONGRESS

MARCH 15, 2006

**NOT FOR PUBLICATION
UNTIL RELEASED BY THE
COMMITTEE ON ARMED SERVICES**

Mr. Chairman and distinguished members of the Subcommittee on Readiness and Management Support, on behalf of our Secretary, Dr. Francis Harvey, our Chief of Staff, General Pete Schoomaker, and the active and reserve component Soldiers that comprise our Army, thank you for the opportunity to report to you on the readiness of your Army, America's All Volunteer Force. The bipartisan support of Congress has enabled us to meet the needs of current global operations and to continue to develop the capabilities and capacities required to prevail in the complex 21st Century security environment. Every day our Soldiers answer the Call to Duty, serving the Nation in this time of war along with our joint and coalition partners.

As you know our Army is engaged at unprecedented levels at home and abroad. Today, nearly 243,000 Soldiers are serving in over 120 overseas countries. Approximately 126,000 of these Soldiers are serving in Iraq and Afghanistan, representing nearly 94% of the Joint Team. Over 255,000 (52%) of our currently serving Active Component Soldiers are combat veterans and over 63,000 (13%) have deployed more than once to OIF or OEF. Since 9/11, our Nation has mobilized 264,000 RC Soldiers, with the majority (205,000) serving in Iraq and Afghanistan. Despite this significant operational pace, Soldier retention rates are at record levels. The 3rd Infantry Division, recently returned from Iraq after a second combat tour, achieved a 136% retention rate in FY05 and has a 169% retention rate so far in FY06. Our Reserve Component (RC) is also doing well. During 1st Quarter FY06, the The Army National Guard and Army Reserve had a combined 110% retention rate and achieved 96% of recruiting projections; a net growth of over 1100 Soldiers. Overwhelmingly, Soldiers take pride in their service to the nation and the support of Congress. Many of you have seen these Soldiers and their formations and

have experienced firsthand how well they perform in tough and challenging conditions. Your Army is relevant, ready, and capable of meeting the Nation's needs.

As we began Operation Enduring Freedom almost five years ago, the Army had critical readiness challenges. Prior to 9-11, the Army experienced years of under-funding resulting in a \$56 billion dollar "hole" in readiness. This "hole" was caused by insufficient modernization during the 1990s, including \$41.7 billion in existing shortfalls and an additional \$14.5 billion for Global War on Terrorism Operational needs. We also began the war with a force structure built on a Cold War paradigm. Our Active and Reserve Component units were organized, manned and equipped differently ...no two Army divisions looked alike and our combat support and combat service support structure was equally as diverse. Support commands based in Europe were different than those in Korea or CONUS and were not easily interchangeable, making force packaging for deployments difficult. The Reserve Component was a strategic reserve and had force structure greater than their Congressionally authorized end strength. As a result of Army Transformation efforts, today we measure the Army—active, guard and reserve against our new more robust modular formations. As we grow our current manning and equipping levels and report against the increased requirements of these new organizations, the portion of the force undergoing change will report at lower readiness levels ...though they are more capable than they were under the old structure.

After years of insufficient modernization investments, many of our RC units were under-equipped and not immediately ready for deployment, especially in our reserve units. The National Military Strategy during the Cold War period envisioned a mobilization timeline that allowed time for training and equipping our RC forces over an extended

period of time. We no longer use the RC as a “strategic reserve”; they have become an integral part of the operational force. This approach demands that we man and equip our RC units exactly like we do our AC units, allowing us to seamlessly integrate them into the force mix...”plug and play”. We have concurrently adjusted the training, equipping, and manning strategy for these units. The Army is committed to fund this effort in our FYDP, but it will take time to complete.

In order to provide ready and relevant forces to the Combatant Commander, the Army continues to equip and sustain our deployed and next to deploy troops at the highest levels. This approach meets the demands in Theater but consequently impacts the resource levels of returning and resetting units. To achieve this high state of readiness, we maneuver resources (dollars, equipment and personnel) to deployed and next to deploy forces which results in lower resource levels among those units resetting and starting their initial train-up for future operations. Our success in maneuvering resources to the fight is substantial. In 2003, we had approximately 350 Level-I Up- Armored HMMWVs worldwide. Today less than three years later, we have over 11,000 Level I HMMWVs. Interceptor Body Armor (IBA) is another example. When our forces crossed the berm from Kuwait into Iraq in 2003 all Soldiers had some form of body armor but only 10% had Interceptor Body Armor (IBA). Today we have fielded over 750,000 –sets of body armor and 173,000 Deltoid Axillary Protectors.

The Army has also made significant changes in how we train the force. The complexity of the 21st century security environment requires multi-skilled, innovative, agile, and versatile leaders. As we have seen in recent operations, the actions of individual Soldiers and leaders can have strategic consequences. To be effective today and

tomorrow, we are *growing* a new breed of leader — one who is able to rapidly transition between complex tasks with relative ease. The Army continues to develop, update, and expand its offering of cultural awareness training and foreign language education at all levels. To meet the increased demands of today's challenges, our Training and Doctrine Command (TRADOC) has become significantly more agile, adding capacity and capability to our training base by rapidly maneuvering assets to train theater specific training requirements. Additionally, the Army is conducting a comprehensive review of education, training and assignments for leaders (RETAL) at the direction of the Secretary of the Army (SA).

We continue to innovate at our Combat Training Centers (CTC's) by incorporating lessons learned from the Iraq and Afghanistan into the CTC Contemporary Operational Environment. The training conducted at these premier training facilities is specifically tailored to prepare units for the conditions in the current combat zone. Over the past two years, the CTCs have reconfigured the training areas to replicate the current operational threat environments to include building tunnel and cave complexes, walled compounds, additional buildings and shanty-towns. The CTCs have created the conditions that stress the force protection requirements and measures that units will have to execute in theater. The training centers are now full-spectrum training facilities, from high intensity operations to counter-insurgency operations, and they constantly incorporate lessons from combat in Iraq and Afghanistan. The CTCs are fundamental to Army unit readiness and leader development.

Key to the ability to sustain our long-term commitments is the maintenance of our equipment both abroad and at home. The operational tempo (OPTEMPO) and

consequent wear on the Army's deployed equipment in an extremely harsh environment, greatly exceeds that experienced in a peacetime training environment. As an example, in 2003, the average age of the Abrams tank fleet was over 14 years. These tanks have a design life of 20 years, with the expectation of operating slightly over 800 miles a year. In Operation Iraqi Freedom, crews are driving these tanks in excess of 4,000 miles per year or five times expected usage, often on hard surfaces, as opposed to cross country for which they were designed. Army helicopters are experiencing usage rates roughly two to three times the peacetime rates. The Army's aging truck fleet, in particular, is experiencing some of the most pronounced problems of excessive wear as a result of OPTEMPO five to six times the peacetime rate. This OPTEMPO has shortened the military useful life of our equipment and demands a much earlier and larger investment in depot maintenance than expected or programmed. The increased OPTEMPO combined with our combat losses, challenges the Army's ability to sustain operational availability.

For the past six months, the Army has maintained an equipment operational readiness rate of over ninety percent, which meets or exceeds current Army standards. For standard Army equipment, logistical sustainment in theater continues to be supported through normal resupply with no mission degradation. Additionally, Defense Logistics Agency and the Army Materiel Command have pre-positioned stocks forward to allow rapid delivery of critical, low density parts in order to maximize available combat power and minimize transportation costs.

Fundamental to the Army's ability to meet future threats is our effort to rapidly return our operational units to an effective level of readiness upon their return from operational deployment. We are meeting this challenge through the procurement of new equipment

and the reset of existing equipment. The Army has adapted a structured, formal program to reset our equipment when it returns from the operational area, complemented by a long-term Recapitalization (RECAP) program to ensure that we can sustain the readiness of our systems over their life span. Reset requires both time and funding. We have not completed the reset of some of our equipment from units in OIF I that returned in FY04. Reset requirements are costs over and above those that we normally need to sustain the Army. In accordance with DoD policy and intent, we rely on Supplemental funds to pay for our reset program. For FY 2006, we expect the total reset bill to be nearly \$13.5 billion dollars. The following is the cost break-out:

- \$5.2 billion dollars for the repair of equipment at our depots and field units.
- \$1.5 billion dollars for purchasing new equipment to replace battle losses
- \$5.2 billion dollars for equipment recapitalization.
- \$1.6 billion dollars to repair and replace equipment at our pre-positioned equipment sites.

As the requirements of reset have increased, so have the costs. As mentioned earlier, we have incorporated lessons learned into our reset program, which demand more repairs to equipment and in some cases, an upgrade of capabilities. The HMMWV RECAP is a prime example. Older version HMMWVs returning from combat operations are being upgraded to accept the additional weight of armor and to enhance Soldier safety; we do not want to reset equipment returning from combat to a lower standard.

The number of items in reset has grown. In fiscal year 2006, over 19 brigade combat teams will return to home station from combat operations. We anticipate having to reset 6,000 combat vehicles, 30,000 wheeled vehicles, 615 aircraft, and 85,000 ground

support items. This represents 24 million direct labor hours needed in our depots alone per fiscal quarter. Reset is a wise investment of our resources. It has provided our Soldiers with the equipment they need to get the job done and has allowed the Army to accelerate its transformation to modular units. We have reset 37 Brigade Combat Teams to the new configuration in the last two years. Many of these units have already returned to theaters of war in their new configurations representing increased capability and capacity.

In order to provide rapid replacement for combat losses, the Army established an equipment sustainment pool of high usage combat equipment in the theater of operation. The Theater Sustainment Stock, maintained by Army Materiel Command, ensures a unit receives replacements for losses of critical combat weaponry without degradation of mission. Additionally, the Army established a Stryker maintenance facility in Qatar to limit the repair time and resupply on these critical assets.

While the Army continues to invest heavily in its equipment, the Army has not overlooked the needs of our Soldiers, our most valuable asset. The Army has a broad spectrum of services, programs and initiatives that provide for the well-being of our people while supporting senior leaders in sustaining their Joint Warfighting human capabilities requirements. Our well-being efforts are focused on strengthening the mental, physical, spiritual and material condition of our Soldiers, civilians and their families while balancing demanding institutional needs of today's expeditionary Army. Several of our more prominent programs are: pre and post deployment health screening, the U.S. Army Wounded Warrior Program (AW2); the USCENTCOM Rest and Recuperation Leave Program; and Deployment Cycle Support.

The Army has significantly increased its capability to screen for and treat mental health problems resulting from combat operations and stress associated with the pace of operations. There are over 200 mental healthcare providers in theater and all soldiers receive pre and post deployment screening. Additional mental health assistance is available through Military One Source and augmentation to medical treatment facilities in CONUS. The Office of the Surgeon General is also implementing a Post Deployment Health Risk Assessment 90 to 180 days after returning from deployment. Coupled with the quality of life investments made for our deployed Soldiers, these programs have made a positive impact on Soldier well-being.

Soldiers from Operations Enduring Freedom and Iraqi Freedom deserve the highest priority from the Army for support services, healing and recuperation, rehabilitation, evaluation for return to duty and successful transition from active duty if required. To date the Army has assisted nearly 1000 Soldiers under the Army Wounded Warrior (AW2) program. AW2 takes to heart the Warrior Ethos, "Never leave a fallen comrade". The severely injured Soldier can be assured the Army will be with him or her and do whatever it takes to assist a Soldier during and after the recovery process.

As Soldiers progress through their care and rehab, AW2 stands by them to ensure all their immediate non clinical needs are met (securing financial assistance in the form of grants from a network of providers, resolving travel claims, and finding a place for family members to live). AW2 has resolved numerous wounded soldier pay issues and benefits to ensure all Soldiers' pay is properly protected and monitored while they recover. AW2 is now staffed with a Veteran's Affairs Benefits Specialist, a Military Benefits Specialist and an Employment Assistance Specialist to help expeditiously resolve problems as they arise

and to proactively identify potential issues before they become problems.

A fit, mission-focused Soldier is the irreducible foundation of our readiness. For Soldiers fighting the Global War on Terror in the USCENTCOM area of responsibility, the Rest & Recuperation (R&R) Leave Program is a vital component of their well-being and readiness. Everyday, flights depart Kuwait City International Airport carrying hundreds of Soldiers and DOD civilians to scores of leave destinations in the continental United States and throughout the world. Such R&R opportunities are essential to maintaining combat readiness and capability when units are deployed and engaged in such intense and sustained operations. Since 25 September 2003, nearly 320,000 Soldiers and DOD civilians have participated in this highly successful program. They have benefited through a break from the tensions of the combat environment and from the opportunity to reconnect with family and loved ones. Additionally, this program also generates substantial, positive public reaction and increased political support for U.S. objectives in the Global War on Terror.

Another initiative to assist our Army in taking care of Soldiers is Deployment Cycle Support (DCS). DCS is a comprehensive process focused on preparing Soldiers, their families and deployed DA Civilians for their return and reintegration into their families, communities, and jobs. As of 6 March 2006, approximately 400,000 Soldiers have completed the in-theater Redeployment Phase DCS tasks prior to returning home to their pre-deployment environment. The DCSP is expanding to include all phases of the deployment cycle (Train up / preparation, mobilization, deployment, employment phases).

While the efforts described above address our current programs, the Army Campaign Plan and Army Transformation effort is our long term strategy to achieve our

transformation endstate of a fully manned, equipped, trained and modernized force across the Active and Reserve Component. Fiscal year 2007 will be a pivotal year for the Army. Your Army will continue to provide ready and relevant forces to all Combatant Commanders, for joint operations, and is ready to meet all challenges at home. By protecting our investment accounts (including over \$21 billion for National Guard and \$3.6 billion procurement over the Program) and adjusting our force structure, the Army will provide units that are better manned, trained, and equipped for full spectrum operations abroad and for support to the homeland.

In order to meet the needs of the National Military Strategy and synchronize the myriad of tasks associated with our transformation and global repositioning efforts, the Army has adopted and is transitioning to a cyclic approach to training and equipping our units called the Army Force Generation Model (ARFORGEN). ARFORGEN is the structured progression of increased unit readiness over time, resulting in recurring periods of availability of trained, ready and cohesive units prepared for operational deployment in support of civil authorities and combatant commander requirements. Army units will progress through the Reset/Train, Ready and Available Force Pools in an operational readiness cycle. The Army will focus units against future missions as early as possible in the ARFORGEN process and task organize modular expeditionary forces tailored to joint mission requirements. Through the Army Force Generation (ARFORGEN) model, the Army can supply 18-19 fully manned, trained and ready brigade combat teams (BCTs) with associated support to the warfight, with another 18-19 ready to follow if necessary to meet global requirements. This innovative approach will sustain our ability to meet our global

commitments while balancing the requirements associated with transforming, modernizing, and implementing a new global stationing plan and other mission demands.

Closing

In closing, the Army remains committed to growing and balancing its capabilities within and across the active and reserve components in order to support the nation's global operations; to prevail in the Global War on Terrorism; and to conduct expanded state and homeland security missions. Conversion of all components to a modular, interchangeable force, which will be employed according to a new force generation model, is proceeding apace.

Is your Army ready? The answer is yes. Is your Army better than it was two years ago? The answer again is yes, but are we as good as we need to be? That answer is no. But with the help of this Congress, we can get there...

I look forward to this session and answering whatever questions you may have.