

Stenographic Transcript
Before the

Subcommittee on Personnel

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

**BUILDING A F.A.S.T. FORCE: A FLEXIBLE PERSONNEL
SYSTEM FOR A MODERN MILITARY**

Wednesday, May 3, 2017

Washington, D.C.

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HEARING TO RECEIVE TESTIMONY ON
BUILDING A F.A.S.T. FORCE:
A FLEXIBLE PERSONNEL SYSTEM FOR A MODERN MILITARY

Wednesday, May 3, 2017

U.S. Senate
Subcommittee on Personnel
Committee on Armed Services
Washington, D.C.

The subcommittee met, pursuant to notice, at 2:30 p.m. in Room SR-232-A, Russell Senate Office Building, Hon. Thom Tillis, chairman of the subcommittee, presiding.

Committee Members Present: Senators Tillis [presiding], Ernst, Gillibrand, McCaskill, and Warren.

1 OPENING STATEMENT OF HON. THOM TILLIS, U.S. SENATOR
2 FROM NORTH CAROLINA

3 Senator Tillis: I want to call the hearing to order.

4 The Senate Armed Services will, first off, welcome
5 everyone. Thank you for coming.

6 The Senate Armed Services Subcommittee on Personnel
7 meets this afternoon to discuss the findings and
8 recommendations of the Bipartisan Policy Center's Task Force
9 on Defense Personnel Reform.

10 Today we welcome a distinguished panel of witnesses
11 representing the task force: Senator Jim Talent, former
12 senator from the great state of Missouri; Ms. Kathy Roth-
13 Douquet, CEO of Blue Star Families, welcome back; and Major
14 General Punaro, former Staff Director for the Senate Armed
15 Services Committee. Welcome back.

16 The Bipartisan Policy Center established a task force
17 led by co-chairs Secretary Leon Panetta, Senator Jim Talent,
18 General Jim Jones, and Ms. Kathy Roth-Douquet, to assess the
19 nation's imperative to improve Defense personnel systems to
20 better meet unpredictable future national security needs.

21 Prior to establishing a final report, the 25-member
22 task force published a series of white papers examining the
23 strengths and weaknesses of Defense personnel policies and
24 practices, and in March 2017 the task force published its
25 final report, "Building a F.A.S.T. Force: A Flexible

1 Personnel System for a Modern Military.” This comprehensive
2 report included 39 distinct recommendations that will
3 provide a fully engaged, adaptable, sustainable, and
4 technically proficient force of the future.

5 The Senate Armed Services Committee and the
6 subcommittee in particular have been focusing on reforms
7 aimed at developing more flexibility and permeability in the
8 military and civilian personnel systems. This discussion
9 today will continue these efforts.

10 I want to recognize the extremely valuable work of the
11 task force and also thank the witnesses for being here
12 today. I look forward to hearing your testimony and the
13 questions that follow.

14 Senator Gillibrand, welcome to the committee as ranking
15 member. Would you like to make any comments?

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1 STATEMENT OF HON. KIRSTEN GILLIBRAND, U.S. SENATOR
2 FROM NEW YORK

3 Senator Gillibrand: Thank you, Senator Tillis. I join
4 you in welcoming our witnesses today. As we learn more
5 about the report and recommendations of the task force, I
6 agree that it's important for us to carefully examine the
7 Department of Defense's military and civilian personnel
8 systems to ensure that they meet the needs of our 21st
9 century workforce.

10 For more than 40 years, we've depended on volunteers to
11 defend our nation. Those who are serving our military today
12 and their families are serving because they choose to do so,
13 not because they're required to serve. In that time, our
14 country, our economy, and the nature of the threats we face
15 have all changed significantly.

16 The military personnel system that supports this all-
17 volunteer force has served us well, but it has not kept pace
18 with the changes in society. We don't need to completely
19 replace the current system, but we should and will carefully
20 examine it to see where it can be updated and improved.

21 It's essential that our all-volunteer force is recruited and
22 managed and retained with 21st century tools that address
23 the needs of this generation of service members and
24 families.

25 The task force produced a series of analytical papers

1 and examined the strengths and shortcomings of current
2 personnel policies and practices and made 39 specific
3 recommendations to improve the personnel system. While all
4 39 recommendations warrant careful study and analysis, there
5 are a few areas I'd like to address today at this hearing.

6 I'm particularly interested in how we can best serve
7 our military families. We all know that families play a
8 critical part in the service member's readiness and his or
9 her decision to stay in or leave the military. I would like
10 to hear from you today about making it easier for military
11 spouses to find and sustain a career, especially when
12 relocating, improving access to and quality of Defense
13 Department-provided child care services, and creating on-
14 base child care coordinators to advocate for military
15 families in the local community, and to build private-public
16 child care partnerships.

17 Another area I'm very interested in hearing about is
18 how to build and support a flexible cyber workforce with the
19 highly skilled specialized skills that are necessary to
20 handle the growing cyber mission.

21 I'd like to hear about the continuum of service that
22 would make it easier to repeatedly transition between
23 active, Guard, and Reserve components; expansion of lateral
24 entry authority to allow mid-career civilians to enter the
25 military at higher ranks; and the expansion of the Reserve

1 Officer Training Corps program to all levels of higher
2 education to include post-graduate and community college
3 students.

4 Finally, I'm curious about your recommendations that
5 encourage creation of technical non-command career track for
6 certain officers.

7 In last year's NDAA, I worked on developing military
8 justice expertise among our judges and advocates. One area
9 that I asked the Department to look at was additional 04 to
10 06 positions that would allow officers to specialize, be it
11 in military justice or in cyber.

12 Again, thank you to the witnesses, and I look forward
13 to hearing about your recommendations.

14 Senator Tillis: Thank you.

15 Senator Ernst, would you like to say anything before we
16 move to the testimony?

17 Senator Ernst: I'd just like to thank our witnesses
18 for being here today.

19 Senator Tillis: Well, thank you.

20 I look forward to all your opening comments.

21 We'll begin with Senator Talent.

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1 STATEMENT OF HON. JAMES M. TALENT, CO-CHAIR,
2 BIPARTISAN POLICY CENTER TASK FORCE ON DEFENSE PERSONNEL

3 Senator Talent: I thank you, Mr. Chairman. I thank
4 the ranking member. Her comments stated the theme of our
5 report. I'll go ahead and give the opening statement anyway
6 and struggle along without my reading glasses.

7 We're very pleased with how the subcommittee and the
8 committee have focused on personnel issues, and we're
9 grateful for the opportunity to talk about our task force
10 report in this hearing.

11 The foundation of America's military strength is that
12 quality and morale of the men and women who have chosen to
13 service. We on the task force are grateful, as we know you
14 are, to all those who volunteer for the Armed Forces. It's
15 their dedication and their sacrifice that, in a world of
16 growing risk, keeps our country and our people safe.

17 Yet, we can't take the strength and the quality of our
18 service men and women for granted. We have to recruit and
19 keep the best people with the most cutting-edge capabilities
20 going forward, and as you all know, that's already a
21 problem. The Air Force is 1,500 short in terms of pilots.
22 The Navy is struggling to maintain nuclear-qualified
23 officers. The Marines are short in their sniper scout
24 capabilities. And all the branches are struggling to build
25 and maintain new cyber units, which Senator Gillibrand

1 mentioned.

2 The military must also, going forward, engage the
3 entirety of American society, and that's a problem too. The
4 military is becoming a kind of family business. About 80
5 percent of today's recruits come from a military family.
6 About half of them come from the south. The northeast is
7 severely underrepresented in that, and as far as we can tell
8 and as far as we were able to determine in our
9 deliberations, it's not because young people are opposed to
10 service in the military; it's because they've never really
11 engaged with the idea. We think that's largely because the
12 Department is not doing as good a job as it should of
13 engaging with them on a broad spectrum.

14 So those problems are the tip of an iceberg that we're
15 concerned are going to keep getting bigger and bigger unless
16 we act. The underlying problem, as the ranking member said,
17 is that the current military personnel system was developed
18 in World War II. It was refined for the Cold War, and that
19 was a time when war, which while it certainly was not
20 simple, was not as complex as it is today, and that was a
21 time when American society was very different than it is
22 today.

23 In 1960, only 25 percent of married couples in the
24 country had two income earners. Today it's 60 percent. So
25 American families have come to rely on two incomes, and it's

1 difficult to maintain two incomes in a military family if
2 you're the second wage earner and your spouse is moving
3 every one or two years and you don't even know where they're
4 going to be going.

5 The post-World War II period saw hardly any women in
6 uniform. Today, 15 percent, thankfully, of our service
7 members are female, and they're serving in virtually every
8 military specialty. Sixty years ago, few service members
9 were married. Today, over half of service members are
10 married, and 41 percent of them have children, and 20
11 percent of the females on active duty are married to
12 somebody else on active duty, which presents its own unique
13 challenges when it comes to balancing family with military
14 demands.

15 So going forward, if the military is going to recruit
16 and retain a volunteer force with the necessary skills, it
17 needs to do two things. It needs to recruit, assign, and
18 promote in a way that develops and retains value across a
19 wide range of skills, including the highly technical skills;
20 and it needs to better accommodate the evolution of American
21 society and the American family, and it needs to do those
22 things without sacrificing the aspects of the system that
23 are working well.

24 So we want to examine those challenges. We formed a
25 task force of 25 members that come from all different

1 backgrounds, from the military or former military, like the
2 General, former public officials like me, really powerful
3 advocates for families like Kathy, and people from medicine
4 and the law. We began. We examined the threats, the likely
5 needs of the Department going forward. We had a number of
6 focus groups and listened to people all throughout the
7 services. All of them supported, by the way, strong
8 personnel reform.

9 Our report offers 39 recommendations. I'm not going to
10 try to go through them all now. They cover the waterfront.
11 I would say that if you think about them as coming in four
12 categories, it might be useful for you: recruiting,
13 assignments, promotion, and career progression. That covers
14 a lot of the recommendations. The military lifestyle or
15 accommodating military personnel policies to the military
16 family; and then reform of compensation and services. We
17 think we can have a compensation package that is more
18 affordable, but also more satisfying to military service
19 members.

20 I'll just close. In our written statement we recommend
21 five changes you could do if you were of a mind to in this
22 year's NDAA.

23 Expand lateral entry -- Senator Gillibrand touched upon
24 that -- to allow more mid-career civilians to enter the
25 military at higher ranks and on flexible terms. Of course,

1 the military already does this. But to reach out into the
2 civilian workforce, pull people out mid-career to help with
3 particular specialties, whether it's military justice or
4 cyber or finance or engineering.

5 Improve our recruiting efforts, and we've really tried
6 to highlight this by coming up with a common e-application
7 form, because young people, of course, live online. If we
8 had one form, it would enable the services to work together
9 rather than competing as much and make the whole process
10 more accessible to young people.

11 We recommend enhancing and expanding the Selective
12 Service System to include all young American adults, and
13 also at the time that these young people register, we
14 recommend having them take the military aptitude test. This
15 is so that we can engage. It's an access point that already
16 exists where the military can engage, the Armed Forces can
17 engage with people and they can engage with the Armed
18 Forces, and we can develop an inventory of skills so that we
19 can reach out on an individualized basis and recruit.

20 And then finally, improve access to and the quality of
21 the Department's child care services. Kathy, I'm sure, will
22 want to talk more about this. This is a very important
23 thing for military families. The child care centers are
24 good where we have them, but we don't have enough, and there
25 are long waiting lists, so we need more of them. But we

1 also need some flexibility in order to help military
2 families with other kinds of arrangements that may be
3 available in the places where they're posted.

4 So I don't know if I went over the 5 minutes.
5 Secretary Panetta and General Jones send their regards to
6 the committee and their regrets that they couldn't be here.
7 We are happy to be here, and we're looking forward to your
8 questions. Thank you, Mr. Chairman.

9 [The prepared statement of Senator Talent follows:]

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1 Senator Tillis: Thank you, Senator.

2 Ms. Roth-Douquet?

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1 STATEMENT OF KATHY ROTH-DOUQUET, CO-CHAIR, BIPARTISAN
2 POLICY CENTER TASK FORCE ON DEFENSE PERSONNEL

3 Ms. Roth-Douquet: Thank you. I appreciate the
4 comments of Senator Talent and agree with all of them. The
5 only thing I would like to mention is that the currently
6 serving force, as you know, active duty, Guard and Reserve
7 and their families, they love their mission and they love
8 their service. There are things that make continuing to
9 serve extremely difficult for them, and they don't help
10 national security.

11 In many ways, our current personnel system is a little
12 bit like trying to do your job in a straightjacket. It
13 doesn't help anybody. When our members hear that this
14 committee, that you senators are willing to look at and take
15 on this issue, they are tremendously excited and motivated
16 because they know this is a very arcane topic. It's hard
17 for Americans to understand that there are things about the
18 way our day-to-day lives are managed that make it difficult
19 to do our job and that interfere with our missions and have
20 nothing to do with what's going on in Syria and North Korea.

21 The missions don't deter us. The inability to have a
22 say in stewarding our own careers as a family do, and the
23 difficulty of having the whole person engaged in their
24 career in the military, the whole person being someone who
25 has a family.

1 So we are very grateful to have you hear us talk about
2 this, and that in itself is a huge benefit, and we look
3 forward to the rest of this conversation.

4 [The prepared statement of Ms. Roth-Douquet follows:]

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1 Senator Tillis: Thank you.

2 General Punaro?

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1 STATEMENT OF MAJOR GENERAL ARNOLD L. PUNARO,
2 BIPARTISAN POLICY CENTER TASK FORCE ON DEFENSE PERSONNEL

3 General Punaro: Mr. Chairman, members of the
4 subcommittee, I have a supplementary lengthy statement that
5 I would ask just be submitted for the record.

6 Senator Tillis: Without objection.

7 General Punaro: Two quick points. I got my start as a
8 young staffer here in the Armed Services Committee in the
9 early '70s working for this subcommittee when my boss,
10 Senator Nunn, was the chairman. This subcommittee, in my
11 view, is the most important one on the Senate Armed Services
12 Committee. I was here 24 years, 14 years as either the
13 minority or the staff director, because it affects every
14 single thing in our military, the men and women, the
15 families, retirees, and the people in our military are the
16 heart and soul of the military. That's what makes it the
17 world's finest military, and this subcommittee has always
18 been ahead of the Pentagon. This subcommittee had to save
19 the volunteer force from going under in the late '70s and
20 early '80s -- John Tower, John Stennis, Sam Nunn, John
21 Warner.

22 When John McCain and John Glenn were at the helm of
23 this subcommittee, they kept from breaking the force when we
24 drove down a million people at the end of the Cold War.
25 This subcommittee, when the hot war started after 9/11, made

1 sure that our military and the families had the support they
2 needed, and they've always been ahead of the Pentagon. If
3 you wait on the Pentagon to basically come in for all the
4 changes that are needed, they won't get done. We're at that
5 same standpoint today.

6 The other thing that I would say is they've got the
7 great staff on the Personnel Subcommittee, and I'll give you
8 a pretty good example of why we need to make the changes. I
9 see in the back of the room the Honorable Robert Wilkie, an
10 individual I've had the privilege of knowing and working
11 with for decades. He served on active duty, served in the
12 Reserves, worked on the personnel staff, worked on the
13 committee staff, went back on the personnel staff, served in
14 high-level positions in government, served in industries.
15 Guess what, members of the subcommittee? If he'd been under
16 the strictures of Defense Officer Personnel Management Act,
17 Reserve Officer Personnel Management Act, he wouldn't have
18 been able to have that career.

19 That's the kind of flexible career, Senator Gillibrand,
20 that you talked about that we need in the service. We need
21 to make it easy for people like Mr. Wilkie and others,
22 others on the staff who have served in the military, to come
23 in and out and have different positions, learn more, go to
24 ever-increasing periods of responsibility, and we don't have
25 that today because today's manpower and personnel systems

1 basically assume we want every single person that joins to
2 be the chairman of the Joint Chiefs, and so we manage them
3 that way.

4 That's not what industry does today. This will not
5 keep our volunteer force, the world's finest military, 10
6 years from now. The changes you have to make, some are
7 immediate, but most of them you'd have to phase in over a
8 10- to 15-year period. That's why the subcommittee has got
9 to get out in front of the Pentagon.

10 Thank you.

11 [The prepared statement of General Punaro follows:]

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1 Senator Tillis: Thank you, General. And thank you for
2 recognizing truly the senior person. I learn from Robert
3 Wilkie every day. I call him Forest Gump because I tell
4 everybody, with all of his experience that you've
5 summarized, he has a story for just about everything.

6 Senator Talent: Mr. Chairman, he doesn't say that to
7 every subcommittee chairman either. When he says he likes
8 this subcommittee, he really means it.

9 Senator Tillis: Well, I agree. I think that you hit
10 on something very important, because the business of the
11 military and taking care of our personnel is really the
12 scope of, substantially the scope of this committee.
13 There's a lot of opportunity.

14 Senator Talent and I were talking about how the way
15 that we're going about reform and improvement right now is
16 measured and incremental, but it's things that are within
17 reach that we should focus on that over time make a huge
18 difference, and I think we saw good results out of the
19 committee with the ranking member and the then-chair,
20 Senator Graham, and I'm hopeful that we'll make even greater
21 progress this year.

22 Because there are so many pressures, the op tempo, the
23 limited resources, the concerns with readiness, all these
24 other factors that affect morale and ultimately the ability
25 to keep the soldier at the same time lethal and safe are

1 being challenged, I think the things that came out of the
2 task force are very, very important, and very great cookie
3 crumbs and great indicators for places that we should
4 prioritize, and I appreciate your work.

5 I had one question on the lateral entry program. It
6 has more to do with the types of skills that you would most
7 likely -- you would want to be looking for skills where
8 you'd really benefit, depending on where someone is
9 experienced coming from the private sector, and for some
10 level of service. How do you do that and do it in a way
11 that makes the spouse at home happy with the kind of
12 compensation that they're going to potentially receive?
13 Because if you look at a cyber job, for example, cyber
14 talent right now is generally making, at least in the
15 industry I came from, highly skilled people start out in the
16 low six figures and move up from there.

17 So did you spend much time discussing those sorts of
18 challenges and have any thoughts on the subject?

19 Senator Talent: Yes, we did talk a fair amount about
20 that, and I think it would be important for the Department
21 to have the authority and the desire to structure fairly
22 flexible packages for people. Now, obviously, there are pay
23 bands, and this is not like hiring in Silicon Valley. But
24 people don't generally join the Armed Forces primarily for
25 money. So the idea is if there's a systematic effort to

1 recruit people for need for a mission that's recognized as
2 important, I think we can expect that a fair number of
3 people with skills in this area would be interested in being
4 there, even though they would take almost inevitably a
5 financial hit, and I think this is the history of the Armed
6 Forces in our wars and our other efforts. People have been
7 willing to sacrifice.

8 The problem is when the process is so opaque either it
9 forbids it or you have to jump through so many hoops, and
10 you don't know when it's going to be resolved, and you don't
11 know if it's ever going to be resolved.

12 We had someone on our staff talk to a woman who was
13 serving in a non-profit, in a charitable role in Africa, and
14 she wanted to join to offer those kinds of skills to the
15 military, which we need in today's day and age, obviously,
16 and it was so difficult for her even to access the
17 recruitment process. She eventually was able to do it. I
18 think she got help from a congressman to be able to do it.

19 So the answer is I don't think the financial aspect of
20 it is -- yes, for some people it would be an obstacle. I
21 don't think that's an insuperable obstacle if the process is
22 made receptive, clear, inviting, and the purpose of it is
23 clear.

24 Senator Tillis: I think that's another reason why we
25 have to get -- once you are part of the military, we've got

1 to clear up a lot of the other issues that you've outlined
2 in the task force report. If they move as they get
3 deployed, they by definition had a career outside of the
4 military, they most likely could go back to it, and that's
5 why it's so important to get a lot of these fundamental
6 processes and policies that you all have touched on with the
7 task force right.

8 I have one question in my remaining time. I'll
9 probably ask some follow-up questions after the first round.
10 But child care, in some ways the child care discussion
11 reminds me a little bit about the VA discussion. There are
12 the people who say it should all be private. There are
13 people that say it should all be run by the Department. Did
14 you all discuss an optimal mix or whether or not you take a
15 position at either of those two extremes?

16 Ms. Roth-Douquet: We do believe it needs to be a
17 public-private partnership. There's an important role for
18 the government. The reason we need child care for our Armed
19 Services is so that they can do their mission. So it really
20 is a national security requirement to have child care for
21 our military families. That's why the government should be
22 involved.

23 But most people actually want child care near where
24 they live, so that requires it to be private. They can't
25 get that child care near where they live for two reasons.

1 They can't get off of the waiting list to get into those
2 centers because high-quality child care is often multi-year
3 waiting lists, and the lifestyle of the military, the
4 frequent moves, don't allow us to ever get to the top of
5 those waiting lists. And then it can be quite expensive.

6 So either the services can have a role to subsidize
7 that child care, or as part of the national security
8 requirement we can look at ways to require a certain number
9 of child care centers to both save space and make it
10 affordable, and make that a state or a county requirement.
11 I think there are opportunities to look at solutions, but we
12 do need a solution.

13 Senator Tillis: Thank you.

14 Senator Gillibrand?

15 Senator Gillibrand: Thank you for being here.

16 Just on the child care, to finish up, I like the last
17 idea the best because I don't think subsidizing is going to
18 work because there are a lot of venues where there's not
19 enough slots. I mean, there are states where there are not
20 enough slots for affordable day care. So are you directly
21 recommending that we do public-private partnerships to
22 create on-site day care, or are you suggesting some other
23 method?

24 Ms. Roth-Douquet: Public-private partnerships to
25 create on-site would be fine, but also to require a certain

1 amount of spots are held, because it's predictable that
2 military people will come in.

3 Senator Gillibrand: Just as a national security
4 priority, if you host a base --

5 Ms. Roth-Douquet: Exactly.

6 Senator Gillibrand: -- you are required to do so, some
7 kind of requirement from the state.

8 Ms. Roth-Douquet: That's right, and then we recommend
9 an on-base child care coordinator to help both --

10 Senator Gillibrand: The problem with requiring it of
11 the state is that if there's a base, they're not getting tax
12 revenue. So you're already sucking up the sacrifice because
13 you're hosting a military installation and you're not
14 getting any tax base from that. So then asking them to
15 invest more might be hard for some states, although an
16 excellent idea. I just don't know how you would --

17 Ms. Roth-Douquet: Well, around BRAC, the BRAC
18 analysis, you have a good analysis of the amount of income
19 that's brought into an area because of a military
20 installation. There does seem to be terrific economic
21 activity that is co-terminus with the base. So you could
22 balance that off, and also you could say this really is
23 something that requires a solution, that the talent needs to
24 get together with the installation to come up with --

25 Senator Talent: Senator, can I just join for a second?

1 Senator Gillibrand: Yes, please. Go ahead.

2 Senator Talent: I don't think Kathy was talking about
3 requiring the localities to pay for the day care but rather
4 to hold a certain number of slots for service personnel. Or
5 did I get you wrong?

6 Ms. Roth-Douquet: Both to hold the spots, but then we
7 are going to need to address the cost. Somehow the cost
8 needs to be addressed.

9 Senator Gillibrand: The problem is there are a lot of
10 places that don't have enough child care and not enough
11 high-quality child care. I'll work on that idea about
12 what's the best, something this committee can work on,
13 what's the best way to facilitate it, subsidize it, or
14 support it meaningfully.

15 On cyber, what are your views of how the Department is
16 or is not using the ability to use Reserve components and
17 civilian personnel to fill cyber needs?

18 General Punaro: Senator, from my experience, and also
19 as the current chairman of the Reserve Forces Policy Board,
20 although I'm not speaking in that capacity here today, I
21 want to make that clear, it's moving in the right direction,
22 but it's not moving fast enough. Certainly, in speaking of
23 lateral entry, there are areas, as Senator Ernst knows,
24 where you have individuals in their civilian skills that are
25 in the military in that same skill. They tend to be much

1 more experienced and mature than what we're able to train in
2 the active duty military.

3 Cyber is so complicated and so difficult, as Senator
4 Tillis, the Chairman, pointed out. It takes them three to
5 four years to train somebody to be in the cyber mission
6 force up at Fort Meade. Once they're trained, they're off
7 active duty within a year or two of that, and they're going
8 right out into the private sector for those big jobs. We'd
9 like to capture them in the Guard and Reserve because then
10 we don't lose that benefit, plus we have them available.

11 But when they started the cyber mission force, the
12 6,000, it was all active duty with no Guard and Reserve.
13 You know the statistics. The Guard and the Reserve, when
14 they have -- I don't call them competitions, but when they
15 have these exercises, they always do a lot better because
16 they're working at Google and Microsoft. We can also site
17 Guard and Reserve units in the centers where you have --
18 like Austin, Texas, and San Antonio and Seattle.

19 So there's a lot more opportunity for the Guard and
20 Reserve to be used, and you've got to crank the Guard and
21 Reserve into the contingency option. I can speak from
22 personal experience. My youngest son, Dan, is a captain in
23 the Army National Guard, and he trained signal, and then he
24 went cyber. He's got an MBA. He's got a couple of
25 technical degrees. Their unit, they're standing up in

1 Virginia the first Guard cyber unit. Their role is to
2 augment the cyber mission force at Fort Meade. The skills
3 of the people in his unit are far superior to those that
4 they train on active duty.

5 So it's moving in the right direction. It's not moving
6 fast enough, and I think --

7 Senator Gillibrand: But what's making it slow?
8 Because in the last NDAA we gave them authorities for
9 authorizing more hires, and also direct-hire protocols and
10 special pay authorities. I've been pushing this for five
11 years. Why are they so slow?

12 General Punaro: The building defaults to they prefer
13 active duty because they figure, well, we've got them 24/7,
14 and we don't have the aggravation of having to bring in the
15 Guard and Reserve and the complicated duty statuses, 32
16 separate duty statuses now. The committee and the
17 Department are working to reduce those down, but it's a
18 cultural thing, Senator. They just like active duty.
19 That's just their default position. It's quicker for them,
20 but it's more expensive, and the people aren't as skilled.

21 Senator Talent: This is a partial answer to your
22 concern, Mr. Chairman, because to the extent that we can
23 make this capability resident in the Reserves so they can
24 continue working their regular jobs, the financial issue
25 that you raised begins to go away.

1 Senator Tillis: Senator Ernst?

2 Senator Ernst: Thank you. Well, this is a great
3 discussion, so thank you to the panelists for being here
4 today, I appreciate it.

5 Just following up on some of this discussion about
6 those high-level skills that we need in the military,
7 Senator Talent, you had mentioned I think the pilot shortage
8 that we have. What about requiring longer commitments for
9 those that are trained as pilots and then go into those
10 specialty areas? Maybe instead of a four- to six-year
11 commitment, maybe they have an eight- or ten-year
12 commitment. Is that something that has been considered?

13 Senator Talent: I don't recall us talking about that
14 specifically. Now, where we do get at that is in the
15 recommendations regarding altering the up-or-out system, and
16 the way the promotion and career progress in the military is
17 pegged to command. I mean, the system basically assumes
18 that everybody in the service wants to eventually become
19 Chief of Staff and puts them on a career path to become
20 Chief of Staff. Well, you know this.

21 I think there are many pilots -- and we did have
22 evidence to this effect -- they want to fly. They don't
23 necessarily want command. And if they're pushed into a
24 system where they have to train, have to do things that
25 aren't part of their vocation and their love, or if they're

1 pushed out because they're not being promoted according to
2 the terms of that system, then we lose them. We did discuss
3 that an awful lot.

4 I don't see any reason why, if we had a more flexible
5 recruiting system, why you could not try and negotiate
6 packages like that. I think you'd probably have to have
7 compensation flexibility to do that.

8 General Punaro: So, for example, when we created the
9 medical school at Bethesda for military doctors in the early
10 '70s -- Scoop Jackson was one of the leading advocates of
11 that -- it takes almost 10 years. They've got almost a 10-
12 year commitment after that. The academies, I think they
13 have six years now, five. That ought to be longer. They're
14 getting a huge, expensive education, and the statistics are
15 they don't stay any longer than the OCS or the ROTC people.
16 A lot of them do stay.

17 But pilots, the up-or-out system takes people -- if
18 you're a major and you're the best squadron maintenance
19 officer that they ever had in that squadron, and that's all
20 you want to do, why can't you do that and stay in and do it
21 longer? But the up-or-out system doesn't allow you to do
22 that.

23 I think the payback period -- for example, on cyber, we
24 spend -- I mean, if you want to be cyber trained in the
25 military, you've got two to three years' worth of schooling.

1 Just the basic cyber warrior now at Fort Gordon is nine
2 months. They ought to incur an obligation for training for
3 these specialty skills that are in high demand on the
4 outside, and as Senator Talent said, a lot of people -- so,
5 telling a war story here, as a general officer I didn't get
6 a lot of military air, but if I'm flying down to Camp
7 Lejeune, you can't ever get there, so you get to fly at
8 Andrews. I said, I don't want to fly at Andrews, I want to
9 fly to Fort Belvoir. Why? Because Andrews will be a Gates
10 Lear jet. It will be two Air Force 1st lieutenants who have
11 been flying for a year-and-a-half. I want to fly with the
12 Army out of Fort Belvoir in a C-12, a Beach Craft King Air,
13 because it will be a CW-05 that will be flying for 25 years.

14 Why can't we let people in the military fly for their
15 career and recognize they're never going to be Chairman of
16 the Joint Chiefs or Chief of Staff of the Air Force, and
17 have a payback period? But we don't let you do that.

18 Senator Ernst: Right, and I do tend to agree with
19 that. In the Reserves and the National Guard, we tend to be
20 a little more flexible. I have some great E5 truck drivers
21 that want to be truck drivers, or whatever the case may be.
22 They may not necessarily want to be a platoon sergeant or a
23 1st sergeant someday. So I think it's great that we have
24 that discussion. I know Senator Gillibrand and I have
25 talked about that with the Jag Corps. Some people want to

1 be prosecutors. They don't want to be stuck somewhere else
2 leading an admin team or whatever it might be. So I think
3 that's very, very beneficial.

4 But one thing with recruitment from the civilian ranks,
5 whether it's in cyber or other areas, if you're looking at
6 somebody who has already developed those skills, during his
7 confirmation hearing Secretary Mattis had mentioned that the
8 warrior ethos is not a luxury, it is essential when you have
9 a military.

10 So pulling somebody maybe out of a Google or a
11 situation like that, understanding it is still the military
12 and there is a different culture within the military, and
13 there are standards that have to be adhered to, maybe those
14 standards could be broadened a little bit, but understanding
15 it is still the military, how do you address that?

16 General Punaro: Well, I think, for example, in the
17 Vietnam era you had the planners that came in after their
18 medical school and served on active duty, and they would put
19 their captain bars on and go right in and didn't get any
20 training in how to be an Army soldier. They need to do
21 that. But today, Senator, we have 350,000 active duty
22 military serving in inherently non-governmental jobs.
23 They're not in anything that has to do with the warrior
24 ethos.

25 So what I would do is I'd try to get our active duty

1 military back out on the tip of the spear. By the way,
2 we've cut the war-fighting forces by 250,000 people. That's
3 where I'd focus the warrior ethos. Everybody that comes
4 into the Department of Defense is not going to be a warrior,
5 and we ought to get our active duty military and have the
6 warrior ethos there, and the Guard and Reserve, and have
7 these other jobs filled by either civilians or contractors.
8 Some of them don't even have to be done at all.

9 But you're right, you want people to basically have the
10 history, tradition, and culture, but they can get that going
11 pretty quickly on the active duty military side.

12 Senator Talent: Senator, I think you've touched on an
13 important issue which we did discuss a lot. This system
14 does work for certain core functions. I mean, that's why
15 it's there and why it's lasted so long, what we think of as
16 the traditional war-fighting functions. I do think you
17 should be careful that in any changes you make you don't do
18 any harm to the system where it is functioning well.

19 I also think that in our discussions with the former
20 general officers and flags who are on the task force, it's
21 going to be easier to really get the cooperation of the
22 building if they see that you all are sensitive to the fact
23 that the traditional cultural norms are very important for
24 everybody.

25 At the same time, as General Punaro said, we do this

1 already. We do it with military lawyers. My wife was ROTC,
2 and then was in the Jag Corps. She went through enough
3 training to understand and inculcate the basic norms of the
4 service, and we all think that that's important. But as a
5 practical matter, we have a lot of specialties and a lot of
6 technical MOSs where you don't need to do that the way you
7 would if your goal was to command an armored brigade.

8 Senator Ernst: Thank you.

9 Ms. Roth-Douquet: If I might just add, too, that one
10 of the strengths of our military is that it is imbued with
11 the culture of the civilian society, the citizen soldiers.
12 The services did not want us to move to an ROTC system in
13 the early 20th century. They were worried that that would
14 remove us from the warrior ethos. But our political
15 leadership made a decision that this is the strongest way
16 for a democracy to lead in the world, is to be trained in
17 all aspects of society and bring people from all aspects of
18 society.

19 So I believe that broadening this actually strengthens
20 the military, even though it may make people uncomfortable
21 who are in the services in the short run, but that's part of
22 our political leadership's opportunity to help us with.

23 Senator Ernst: Thank you very much.

24 Senator Tillis: Senator McCaskill?

25 Senator McCaskill: Thank you so much, and a special

1 welcome to Senator Talent. It's very good to see you, and
2 thank you for your work on this, and to all of you for your
3 work on this. I really appreciate the recommendations. I
4 think many of them are good, old-fashioned -- I would call
5 it Missouri common sense that we need to adjust and evolve
6 in terms of the needs of our military.

7 I particularly was supportive of the recommendation to
8 include all young American adults as part of the Selective
9 Service System. I think that's an important marker that we
10 need to put down. We came close to doing that last year,
11 and the thing got stymied. I don't remember why. We've all
12 been stymied so many times around here, it's hard to keep
13 track.

14 I want to talk about I had an experience where I was
15 going around the state talking at various military bases in
16 Missouri, and I stopped at the National Guard unit out at
17 Jefferson Barracks where they stood up a cyber unit within
18 the National Guard, and much to my surprise, as part of that
19 unit was the premiere IT cyber specialist from Monsanto.

20 Now, you can imagine the kind of expertise you have to
21 have in cyber at a company like Monsanto, and they were
22 telling me about the skill of this man. I was very
23 impressed with the work they were doing and found out that
24 he almost couldn't stay in because of push-ups. I thought,
25 okay, there is something wrong here that we are pulling this

1 kind of expertise into the Guard, and then we are going to
2 turn around and say we don't want you because of push-ups.

3 I will just say that especially in the IT cyber area,
4 the one thing that is very clear to me after being here on
5 this committee for as many years as I have is the billions
6 and billions of dollars we have wasted in how we acquire IT
7 for the military, because the people who are deciding what
8 we needed didn't know what we needed, and they were
9 depending on the people selling it to us to tell us what
10 they needed. So, of course, the people selling it to us
11 would say, well, we can build that requirement for you, and
12 we can build that requirement for you, and we can do all
13 this from scratch, never considering anything off the shelf,
14 and that's how you get into the kind of problems we've had
15 with DSIGs, where it has been a multi-billion-dollar
16 project, still doesn't work very well. Off-the-shelf
17 products are going to work better.

18 So I think it is time for us to consider, and I would
19 ask you all, do you believe that we could create a special
20 category for cyber warfare that would embrace the warrior
21 ethos, because it is a form of warfare, but maybe have less
22 in the area of point-of-the-spear traditional warfare-type
23 training?

24 General Punaro: Senator, right in the bulls-eye with
25 your comments, and I think the answer is yes, and here would

1 be my comment on it. Let's take that individual in Missouri
2 in the Guard. That's absolutely a person we want in the
3 Guard and Reserve, and we want their skills. If that unit
4 was more integrated into the day-to-day activities of our
5 Department of Defense, particularly on some of the cutting-
6 edge cyber missions that happen at Fort Meade, that would
7 incentivize the people in that unit perhaps to basically get
8 in a little better physical shape.

9 I think you're going to have to have anybody that's
10 wearing the uniform meet the minimum physical
11 qualifications. They don't have to get 100 percent score on
12 the PF-2, like everybody in the Marine Corps does, but they
13 can certainly do the minimum number. I never could get 20
14 pull-ups myself. I did okay in the military.

15 But the problem is you've got to incentivize them, and
16 I think that's the kind of person that the active duty
17 military should want involved, and more involved, but
18 there's a little bit of a push-back.

19 You certainly have categories in the military that have
20 different qualifications and different requirements. I
21 mean, you're going to have a much more stringent physical
22 requirement to be a SEAL or be a recon ranger, but the
23 minimum standards aren't that tough, being candid. So I
24 would certainly think you'd want them to meet the minimum
25 standard and incentivize them to do that if they feel like

1 that unit and that individual is going to really be a cyber
2 warrior.

3 We actually have in the Army now, the Army has a new
4 military occupational specialty for cyber. So it used to be
5 Signal Ops. It's now at Cyber, and it's a pretty exciting
6 thing, and the other services are doing that well. Our
7 Department of Defense has designated cyber as a warfare
8 domain. So I think there is a recognition of the
9 importance, and it's moving in the right direction, but it's
10 moving way too slowly.

11 Senator Talent: And most of what we've recommended
12 they already do for certain purposes in certain specialties.
13 If the need gets big enough, they'll crash to a work-around.
14 So I think what we're saying is systematize it, think about
15 it beforehand. I agree with General Punaro. As a matter of
16 fact, maintaining good general physical standards is an
17 ongoing challenge for the force, and we wouldn't want to
18 suggest that people can be in bad shape, but you don't need
19 to do as many pull-ups to be a cyber warrior, or push-ups.
20 You're right, and when the need is so great, we ought to
21 have a system that's more flexible.

22 So a lot of these lateral entry things that we're
23 proposing involve flexibility in terms of standards, career
24 progression, that sort of thing.

25 Senator McCaskill: I just want to also say I was

1 really appreciative of the mention of child care. It's a
2 big deal, and I appreciate that the bipartisan group called
3 that out in the report. It was terrific. I hope everybody
4 on the committee reads this. It's good work. And most
5 importantly, I hope the Pentagon digests it.

6 Ms. Roth-Douquet: If I could just echo that. In the
7 Blue Star Survey, when we asked everyone who took the survey
8 what one thing would they most like DOD to do to improve
9 their lives in the military -- it was an open-ended
10 response; people wrote it in -- the number-one thing that
11 service members and their spouses wrote in was improve child
12 care.

13 Senator McCaskill: By the way, the Guard in my state
14 -- I don't know if you have that problem in Iowa or if you
15 guys have that problem, but the Guard in my state, one of
16 the problems when I did a roundtable with women in the Guard
17 was finding child care for the weekends they had to train,
18 because that is not normal child care hours, and I'm trying
19 to put in the NDAA some way that if they're going to be
20 training at a base, that they can access the child care
21 facilities on the base for their children during training,
22 because it's a real issue for a lot of families that are
23 doing weekend training.

24 Senator Talent: Senator, generally speaking, if you
25 look at the surveys, and Kathy can speak to this at great

1 length, we tend to focus here, and certainly they do over in
2 the building, on solving retention and other issues through
3 compensation or bonuses or benefits, and that's important to
4 families. I mean, let's not say it's not. But what we were
5 hearing back is a greater and greater level of frustration
6 that the system doesn't seem to understand what they're
7 dealing with.

8 At the beginning of the hearing Kathy mentioned, and
9 she certainly would know, just the fact that you all are
10 holding this hearing and are listening will be tremendously
11 encouraging to military families because they'll know
12 somebody is paying attention to it, and I think they feel
13 like the system right now is not.

14 Senator McCaskill: I think that makes sense.

15 Thank you, Mr. Chairman.

16 Senator Tillis: And I'm glad I think there's consensus
17 among the four of us who are here about the child care
18 component. Down in North Carolina with the large military
19 presence we have, there's never a time that I don't get
20 together on the base or in military communities where this
21 isn't half of the discussion. And when you have questions
22 or concerns about that, it also distracts the person in
23 uniform from what they're hired to do, what they're doing in
24 the military. So we have to work on it, and I believe this
25 committee agrees it needs to be one of the key areas of our

1 recommendations coming out of the committee.

2 I have to agree that awareness of the -- I guess,
3 Colonel Wilkie, you told me this before. I don't know if
4 he's here right now, but is it 11 states? What's the
5 percentage of --

6 Colonel Wilkie: As Senator Talent said, over half of
7 the Officer Corps comes from 11 states.

8 Senator Tillis: Yes. So even in North Carolina, where
9 you have the tip of the spear, the global response force
10 down in Fort Bragg, you have Camp Lejeune, you've got the
11 largest Coast Guard air station in the United States, a lot
12 of people in various branches, in various national defense
13 positions, all you've got to do is get to Raleigh and the
14 awareness of the military and any connection to the military
15 goes away. You get to Charlotte and it's even further.

16 I like the idea of the military aptitude test, moving
17 that forward to the point of registration. Was there any
18 discussion about even earlier in the cycle, like in high
19 school?

20 Senator Talent: I recall that we did discuss that
21 somewhat. We focused pretty much on the registration point
22 because we just felt that it was, first of all, an existing
23 access point. Second, with high schools, so many high
24 schools differ so much around the country, and then you'd
25 have to pick out exactly when, and we just thought that was

1 the perfect opportunity when they have to think about it a
2 little bit anyway because they have to register, to then
3 provide for this.

4 Now, we did not work out the details of what kind of a
5 burden it would be and all the other things you'd have to
6 check out. But I think the potential in terms of raising
7 awareness and connecting young people to the military, at
8 least for that episode, is potentially very great. I really
9 think it might have a big impact on recruitment, and they
10 could do some recruiting things around that as well.

11 Senator Tillis: General?

12 General Punaro: I agree. I think that's very
13 important. The history has been a lot of food fights over
14 the years to try to give our military more access to the
15 high schools. The Solomon Amendment many years ago made it
16 available. At least we can go and recruit now.

17 One way of getting them earlier is through the Junior
18 ROTC programs. These are great programs. That needs
19 resources. There are places where they'd like to do it
20 where they don't have the resources to do it. But the
21 sooner we can get to them -- as you know and the staff
22 knows, the two alarming things that are happening on the
23 recruiting side -- and again, we're talking about we've got
24 to have the world's finest military in 2025, not just in
25 2017. The propensity to enlist is something they track all

1 the time. That's tracking down. The eligible demographic
2 of our 17- and 18-year-olds that are physically qualified is
3 tracking down.

4 The one that's alarming to me, and I know the staff
5 will be more current than I am, and they can track this
6 down, we have benefitted from the families that have served
7 in our military. Their sons and daughters, brothers and
8 sisters serve in much higher numbers than the regular
9 population. That propensity now, and it's a huge source of
10 our military recruits, is now tracking down for the first
11 time, and that's because they've looked and seen what their
12 parents and their brothers and sisters have done for the
13 last 15 years, and they don't want to do that.

14 So the sooner we can get and educate -- and the other
15 point you make is, and this is why I think the Guard and
16 Reserve needs to have a more prominent role in the future,
17 is because of the disconnect between civilian society and
18 our military. As we neck down through five base closure
19 regions, we've got parts of the country that have no
20 military presence whatsoever. Like you say, even in a great
21 state like North Carolina that generates far more recruits,
22 as does the South, 43 percent, than any other region, you've
23 got pockets that really don't have that.

24 So that's got to be addressed. You can't have a strong
25 military and you can't be successful on the battlefield if

1 the American people are not connected to and behind our
2 military.

3 Senator Tillis: Senator Gillibrand?

4 Senator Gillibrand: Thank you, Mr. Chairman.

5 I want to focus a little more on spousal hiring, and
6 I'll start with the child care. So one idea for spousal
7 hiring is hiring spouses to work at these child care
8 centers, but I do understand that there's a very, very
9 cumbersome background check process, along with Federal
10 hiring timelines. How does that impact the ability to make
11 that happen? And related, what are some of the other
12 challenges you have for hiring spouses? I know there are
13 difficulties with the transfer of certifications across
14 state lines. I understand there are complications because
15 of budget uncertainty. What are your recommendations to
16 begin to solve some of these challenges?

17 Ms. Roth-Douquet: Thank you so much for asking that
18 question. For child care, right now it's taking 18 months
19 to get background checks for child care workers. If you're
20 stationed somewhere for a year or two, or even three, that's
21 just a barrier.

22 It's not actually only for child care workers. It's
23 actually to volunteer to be a coach on a sports team or any
24 other place. There are huge bottlenecks.

25 One opportunity would be to allow anyone to get a check

1 to be certified from the time they become a spouse. This is
2 true for service members as well, by the way, who leave
3 service and become a spouse, their prior --

4 Senator Gillibrand: So maybe we could authorize that
5 in the NDAA to say we want to create a certification process
6 for these various opportunities that you can do wherever you
7 are, get it done, it's all state certification, Federal
8 certification that should be usable anywhere you are.

9 Ms. Roth-Douquet: That would be tremendous. I think
10 also to allow certified people to provide child care
11 businesses on base would be a great opportunity right now.
12 Often that's not possible.

13 Senator Gillibrand: Yes.

14 Ms. Roth-Douquet: And then in terms of two things for
15 spouse employment that would make an enormous difference and
16 not cost any budgetary dollars. One is 79 percent of
17 military spouses seeking jobs on bases, GS jobs, are not
18 getting them. We have the authority to hire them. People
19 typically think we can't hire them because there's a veteran
20 preference. Well, actually, under law we have the authority
21 to appoint a qualified spouse to a job. People simply
22 aren't using that authority.

23 Senator Gillibrand: We need to make a different
24 preference then? We need to change the language?

25 Ms. Roth-Douquet: We don't even need to make a

1 different preference. It exists. We need to direct them to
2 actually do it.

3 Senator Gillibrand: Do it.

4 Ms. Roth-Douquet: They actually have the authority,
5 and most people either don't know it -- I think they
6 probably just don't know it. But installation jobs are
7 excellent jobs for spouses because they're career quality.
8 They're GS jobs that you can move up in them. The taxpayer
9 saves money because when you go overseas and you have a
10 trailing spouse taking that job, you're not paying the
11 relocation allowance, the COLA, all the costs that you pay
12 right now to send a veteran overseas to do that same
13 position for three times the pay.

14 Another thing is licensing. Virtually every job in
15 America today requires a license, whether you're a dog
16 groomer or a nail technician or a lawyer. So even though
17 there's been progress made in transferability of licenses,
18 again the actual application of that has been spotty.
19 Sometimes there may or may not be authority. It may or may
20 not be used. To create a blanket authority, I think again
21 under the NDAA -- this was my friend Senator Talent's
22 brilliant idea -- you must accept other states' licenses for
23 military spouses for a period of two or three years, or if
24 you don't you have to waive the fees for them for health
25 reasons only, you have to waive the fees associated with it.

1 As a matter of national security, and there's a good
2 argument to be made, we have statistics that show that
3 spouses who work are supportive of military service, are
4 supportive of recommending military service, those who do
5 not feel their work has been hurt by the military. And it's
6 80 percent who feel it's been hurt, only 36 percent of them
7 are supportive of staying in the military and recommending
8 military service.

9 It's the one thing that not only keeps our families
10 strong but it also reduces the need to pay more for the
11 people in uniform because you increase their household
12 income.

13 Senator Talent: Senator, if I could briefly, nobody
14 speaks about these issues as compellingly as Kathy. The two
15 of us, the whole task force discussed this question of state
16 certification. Kathy and I pushed pretty hard for a more
17 aggressive recommendation than what's in there. What we
18 have in there is that we recommend working with the states
19 to try and reduce this problem, which is certainly one way
20 of dealing with it.

21 Now, personally and speaking for myself, I would really
22 consider going much further and much stronger so that if
23 somebody is certified -- and you could have a list of
24 different kinds of professions or vocations, and there may
25 be some that you feel are so sensitive in terms of state

1 concerns that you want to carve out exceptions for that, and
2 I'll just pick one. If somebody is a licensed dental
3 technician and they're licensed in Massachusetts, Senator,
4 it's not some tremendous threat to the dental profession if
5 they get transferred to California to allow them to practice
6 their profession, and you have authority to require that of
7 the states.

8 If you sent a signal that you were going to, I think
9 the Governors Association at minimum would sit down and
10 start talking seriously, and you probably motivate the
11 states. I think this has real potential. I can't imagine
12 anything more frustrating than finally getting a job at one
13 post or one station, getting transferred without any notice,
14 and then going someplace and finding you've got to pay
15 \$2,000 or take an 18-month course to get licensed. It's so
16 frustrating. That doesn't cost any money, really. The
17 states should be sensitive to this anyway.

18 So I hope you will consider it, but I can't say that
19 that recommendation is in the task force report.

20 Senator Tillis: Senator Warren?

21 Senator Warren: Thank you, Mr. Chairman, and thank you
22 to our witnesses for being here and for this thoughtful
23 report that you've put together.

24 I want to ask a question that's related to where
25 Senator McCaskill was going, but I want to ask a different

1 part of it, and that's about the recruiting and retention of
2 highly skilled and specialized technology jobs.

3 It seems to me that this is an area where we could
4 probably stand some improvements. In Massachusetts, for
5 example, we have some of the best computer scientists and
6 engineers in the entire world, and many of these men and
7 women are looking for ways to serve their country, but they
8 may not think that they are interested in a military career,
9 and the military may not think that they are interested in
10 these people.

11 It seems to me that our military recruiting system is
12 not very well oriented to recruiting and retaining cyber
13 warriors. So can you all say just a bit about how we might
14 change our recruiting system so that we are identifying and
15 recruiting the best talent for jobs that aren't traditional
16 military specialists? Whoever would like to start on that.

17 Senator Talent: I'll just say, Senator, that's a big
18 part of our report, and there's a lot of precedent for this.
19 You know, when the need has been there and they've
20 recognized it, they've been able to do these things.

21 William Paley, who was the head of CBS or something, in
22 World War II was brought in as a PSYOPS expert with the rank
23 of colonel. There was flexibility in those times to do it.

24 So I think what we recommend is that they at minimum
25 identify certain areas like you're talking about, and

1 certainly Boston would be a place, in the Boston area, where
2 there's a number of people who might be willing to consider
3 this, certain specialties, certain skills. They can begin
4 doing it that way, which they really need, and then loosen
5 the rules so they can be more flexible in terms of what the
6 commitment is, maybe some flexibility on compensation, some
7 commitments about how often they're going to move, which
8 would reassure the family, flexibility in terms of rank and
9 what their path for promotion is, and then definitely
10 ensuring that continuum so that when they do leave active
11 duty they go into the Reserves and we don't lose those
12 skills, and then it's easier to activate them in the future.

13 But General Punaro will be the expert in this.

14 General Punaro: So I would say you're right, spot on.
15 The first thing that has to happen is our military has to do
16 what private industry is doing today, and that is they're
17 looking at 2025 and 2030 and determining, if you're General
18 Electric, now headquartered in Boston, Massachusetts, thanks
19 to the taxes in Connecticut --

20 Senator Warren: Actually, thanks to the attraction of
21 Boston, Massachusetts.

22 [Laughter.]

23 General Punaro: I won't get into that debate.
24 Unfortunately, the Celtics beat our team last night, but
25 that's neither here nor there.

1 They figure out in General Electric and all the big
2 corporations what are the skills we're going to need in our
3 company to be successful. We don't do that in the military
4 today. We're looking at, okay, how do we get our quota in
5 the next quarter or the next year.

6 So the first thing we've got to do is -- and once
7 General Mattis and the team has the new strategy for that
8 decade, because it takes that long in the military, as our
9 staff knows. It takes 15 years to train a battalion
10 commander and a 1st sergeant in the National Guard. So what
11 are the skill sets? We know they're going to want the skill
12 set you identified. We know the military is going to be
13 more technical.

14 Okay. Now that we know we're going to need that skill
15 set, what is the best way to bring them in? Should it be
16 active duty? Should it be Guard and Reserve? Maybe it's a
17 defense civilian. Maybe it's a contractor. Maybe it's an
18 FFRDC, like Lincoln Labs. Then you determine what's the
19 right mix.

20 I'm a big supporter, as Senator Ernst and others know,
21 of the Guard as home base. So if you join the Guard in
22 Massachusetts, or you join the Guard in another state,
23 you're typically going to stay within that state. You're
24 not going to move all over the country like active duty.
25 You can stay at work in one of the great cyber firms and be

1 promoted in your civilian job and be promoted in your
2 military job.

3 It's the flexibility. What we've argued in our report
4 and the good thing about the force of the future that
5 Secretary Carter did, not necessarily the solutions, but I
6 think they did a good job of identifying the problems --
7 that would be a good starting point as you look at what are
8 the right solutions. So we've got to make the military
9 recruiting, retention, personnel management system much more
10 flexible, just like we do in private industry, just like you
11 would do here in the U.S. Senate. You move people around
12 all the time. They can't do that in the military today
13 under DOPMA/ROPMA.

14 Senator Warren: Right.

15 Ms. Roth-Douquet: Just to add, Dr. Chu helped us with
16 a great suggestion about making G.I. Bill or ROTC relief
17 available for people with graduate degrees, so to bring in
18 someone with a graduate degree in computer science, forgive
19 their loans in exchange for that service could be a great
20 opportunity.

21 Senator Warren: Thank you very much. And I just want
22 to say on this one, because I think it's really important,
23 you talk about the tools that are needed, but you're also
24 talking about a very different approach from a management
25 perspective.

1 So I think it's going to take both. We have to think
2 hard to make sure that the tools are available, but we've
3 also got to think hard about how it is that our senior
4 leaders in the military approach this set of issues.

5 Go ahead, Senator, as long as our Chair is okay with
6 the time.

7 Senator Talent: From my time on the other side of the
8 table, I think as you approach this it's the old
9 carrot/stick thing. You're going to keep pushing, but I
10 would also encourage, both in hearings and in private
11 conversations, encourage the new Undersecretary for
12 Personnel and the Chiefs that if you try these things and
13 something doesn't work as well as we all hoped it would
14 work, we're going to be understanding from our side of the
15 table. In other words -- and again, I'll speak as a former
16 member -- it is a little bit unfair to push them to do
17 something and then really come cracking down hard on them
18 when they try it and it doesn't work. I'm not accusing.
19 You're certainly entitled to expect performance and the rest
20 of it, but I think if you sent that message along with the
21 rest of it, it would probably be okay.

22 Senator Warren: I think you're right. It seems like
23 what we do right now is we encourage risk aversion and just
24 stick with whatever you've done for the last 100 years
25 rather than encouraging people to take some risks, even

1 recognizing there will be some failures.

2 Thank you, Mr. Chairman, and thank you.

3 Senator Tillis: Thank you, Senator Warren.

4 Before we got here, it reminded me of a line of
5 questions you asked a prior panel that had to do with
6 helping the transition out of the military into equivalent
7 jobs, which is another area we need to work on, because I
8 think if we work more diligently to define career path and
9 align MOSs to private-sector jobs that are appealing to
10 people that are currently in the military, then they're
11 likely to stay there to get that extra skill that at the
12 point in time they decide to separate they can very quickly
13 go and get a private-sector job. We've got to work on that.

14 That also requires the licensing for military spouses.
15 It requires stepped-up attention on the part of the states,
16 and it's something that perhaps this committee could look
17 at. I don't know if it's typical to have people from the
18 Governors Association here or legislators, but we really
19 need to heighten this.

20 Anytime I talk with state organizations, they're open
21 to the idea, but there's no one taking the lead to really
22 force real progress.

23 Senator Ernst?

24 Senator Ernst: Thank you, Mr. Chair.

25 This is a great conversation. We're covering a lot of

1 area, and I think it is really important. Senator Talent,
2 I'm going to go back to something that had been one of your
3 suggestions, creating an adaptable workforce. You mentioned
4 promoting and compensating service members based on merit,
5 which I do think is important. Our current pay structure
6 provides no financial incentive for our senior enlisted
7 members to lead at the highest levels outside of the Joint
8 staff, and I'll give you an example of this.

9 So, you may have the senior enlisted advisor at PAYCOM,
10 which literally covers half of the globe, and that senior
11 enlisted advisor is paid at the same base level as a command
12 sergeant major that's working for an O5. There is very
13 little incentive for some of those enlisted members to
14 continue rising in the magnitude and the scope of their
15 duties.

16 So do you think that linking compensation to that scope
17 and magnitude of an individual's duties is important?

18 Senator Talent: Yes, and we have a number of
19 recommendations, and you've referred to them, Senator, about
20 being able to adjust pay to criteria for performance other
21 than just simply time and rank. If we align that, then,
22 with the flexibility of allowing people to determine a
23 little bit more their own career paths and promotion paths,
24 we begin to individualize it a little bit more. So we then
25 align the financial incentives with creating greater

1 satisfaction and a sense that we have more control, and I
2 think again it's an enormous institution with 2 million
3 people, if you count the civilian employees, so they're not
4 going to be able to individualize this the way a small
5 business would, and you can't expect that. But I think
6 we'll get more satisfied people for longer, and I hope that
7 -- because they're really pressed, obviously, from a funding
8 standpoint. But I think if we can increase the sense of
9 satisfaction, then the compensation won't be quite as big a
10 factor.

11 But I certainly agree, and we do have discussion in
12 here, although not at great length, about the importance of
13 applying this to enlisted as well, these concepts at least
14 to enlisted as well.

15 Senator Ernst: Yes, I do think there's a lot of talent
16 out there and a lot of weight upon the shoulders of some of
17 our senior enlisted members. Our officers, when they
18 increase in levels of authority, continue to be paid more.
19 But our enlisted members do not. So I think that is a
20 disparity that we need to take a look at and reward those
21 that want to stay and take on greater levels of
22 responsibility.

23 General Punaro: Thomas Gates, when he chaired the
24 commission for Richard Nixon that looked at whether we
25 should do away with the draft and go to a volunteer force

1 and recommended that, a recommendation that was opposed by
2 every single person in the military at that time even though
3 the Vietnam War draft was immensely unpopular for our
4 military at the time, it was a steady source of recruits.
5 Gates said at the time we should do this, and we did it in
6 1973. That was the first year I showed up here on the
7 subcommittee, and we had to deal with the volunteer force,
8 saving it over a seven-year period.

9 He said three things have to change or the volunteer
10 force won't be sustainable. One of them was get rid of the
11 up-or-out promotion system. Two was look at change in the
12 Cliff retirement system in 20 years that encourages your
13 most experienced people to leave at 20 years, and now
14 because they live longer we pay them for 65 years to serve
15 for 20 years. And then the third thing he said was you've
16 got to shift pay and compensation from time and grade and
17 rank to skills, performance and responsibility, and we need
18 to make some of those changes.

19 You'd have to do it gradually. You could do pilot
20 programs. We have skill and proficiency pay. You have jump
21 pay and pilots pay. But why shouldn't the person that's a
22 command sergeant major for the largest geographical command
23 -- that's certainly something that ought to be looked at.
24 The military will fight this tooth and nail because they
25 like the simplicity of every E5 gets paid the same thing,

1 whether you're a cook or you're a tank turret mechanic. So
2 it's going to take some real cultural change. Hopefully
3 they will be more open to it than they've been since 1973.

4 Senator Ernst: Hopefully that cook would be making
5 more if I'm eating that food.

6 Do you mind if I just -- I'm going to touch briefly
7 upon something, no need to comment unless you want to. But
8 we've been talking a lot about recruitment as well, and the
9 ASVAB. I know in my daughter's high school, which is very
10 tiny in a very rural part of Iowa, all of the kids in her
11 senior class take the ASVAB. That's something that's
12 important to that school counselor, so everyone will take
13 that ASVAB.

14 Especially showing leadership I think is really
15 important when we're looking at young talent and encouraging
16 that talent to go into our service academies, and this is
17 one thing that I think we do a very bad job of as senators
18 and congressional members, is making sure that all of our
19 state allotments or slots are filled and sending names to
20 those service academies. I know there are congressional
21 members that don't make recommendations. They don't make
22 recommendations, and I think that is a horrible thing for
23 that opportunity to slip away from some of those young
24 people in those states that may be able to receive a high
25 level of education that they wouldn't otherwise receive.

1 So we need to do a better job at being leaders in that
2 area as well, and getting that talent to the right schools.
3 So that's my soap box.

4 Senator Talent: Senator, I could not agree more, and
5 I've always made that an important priority in my office.
6 We tried to work with the kids and tote up the number.
7 Particularly in the House I did this from the 2nd
8 Congressional District in Missouri, and then afterwards
9 always had a party for those who just got the
10 recommendations. I'm digressing now but, I'll tell you, if
11 you want to be encouraged, and you all I'm sure do this in
12 one form or another, you get together all those kids who
13 sought to go to one of the service academies and their
14 families and you see the kind of young people that this
15 country is still producing. I'm telling you, that's an
16 encouraging thing.

17 I could not agree with you more. I love the
18 congressional/senatorial recommendation aspect of this, and
19 I think our offices -- because you all are connected to the
20 people, and this is a way of engaging through your offices.
21 It engages the public. People learn about this process
22 because you're out there talking about it. So I couldn't
23 agree with you more.

24 Senator Tillis: I completely agree that one of the
25 most enjoyable parts is when we finish the selection and put

1 forth nominations for the academies we have a celebration
2 and an awards ceremony down in the state, and I'm completely
3 recharged while I'm in the presence of all these young men
4 and women, and on the ride home I feel completely inadequate
5 as a high-schooler when you see their 5.0 grade point
6 averages and their community service and all the things that
7 they do. It is remarkable, and it's inspiring. It gives me
8 a lot of optimism that if we get these sorts of policies
9 right, that we can attract even more and more of those
10 people.

11 Senator Talent: Senator, I'm glad I was able to give
12 nominations because I could never have gotten one myself
13 when I was in high school.

14 [Laughter.]

15 Senator Talent: So I completely understand.

16 Senator Tillis: That's right. Incidentally, there's a
17 lot in the 39 recommendations. There's a lot of this report
18 that we have to digest, and I have a number of questions for
19 the record that we would like to submit.

20 General?

21 General Punaro: Mr. Chairman, before you close out,
22 with your permission, can I make a quick comment?

23 Senator Tillis: Absolutely.

24 General Punaro: The one thing that I take away from
25 all this -- and thanks to the leadership of Jim Talent and

1 Kathy. I'm a Marine infantry officer. I grew up in the
2 infantry. We're kind of dinosaurs, but the one thing that I
3 think is dramatically different that we need to recognize
4 here in the committee and in the Department of Defense is
5 the role of the family. If we don't make some adjustments
6 -- in the private sector, as you know; you're a businessman.
7 I serve on the board of a couple of the top universities in
8 this country -- for example, Syracuse Maxwell. It's the
9 number-one government school. When we try to recruit a
10 cutting-edge professor to come to Syracuse, if we can't find
11 an equivalent job for that person's spouse, whether it's a
12 man or woman or whatever, they're not going to come.

13 In industry, in the industries I work with, when we try
14 to recruit a cutting-edge engineer or a software engineer,
15 if we don't have an equivalent job for the spouse, they're
16 not going to come. When I talk to the people who leave at
17 10 and 11 years that we ought to keep -- one example is a
18 young Navy female pilot who had a Bachelor's and Master's
19 degree in aeronautical engineering, a great helicopter
20 pilot. The problem was the spouse, the moves, and the fact
21 that her husband was not going to be able to work in his
22 field, and they got out. Now, I talked her into staying in
23 the Reserves.

24 We've got to do something. I don't know the answer. I
25 don't know how to do it, and if it costs money, and I'm one

1 that has been exceedingly concerned about the long-term
2 costs of the volunteer force, there's probably stuff that
3 we're paying over here and we could move it over here. We
4 have got to make a fundamental change in the way that we
5 deal with the military family.

6 Senator Tillis: I agree. I think one of you mentioned
7 the need to pilot and try to take these things in steps so
8 that we can make progress and not make it too complicated
9 and really manage the size of the pilot so that we can get
10 measureable results, so we can dollarize.

11 General, you know the cost of attrition with the amount
12 of money that's being spent. I think that maybe investing
13 in some of the programs that really help the military
14 families, the other programs that are suggested in some of
15 your recommendations, that there is a way, if we focus this
16 on a methodical basis, to show the cost/benefit to this,
17 because it's precisely why you see businesses only going so
18 far with compensation when they look at other things,
19 particularly the generation that's coming up now that look
20 at their engagement with their employer beyond just the
21 money.

22 So I think the more that we spend on that and the more
23 that we -- there's a science to it in terms of personnel
24 policies ultimately affecting attrition and the cost of
25 recruiting, that there's a way to really justify, I think,

1 these investments in time and money.

2 But I thank you all for the hearing. I appreciate the
3 participation from the members.

4 Senator Gillibrand had a pressing issue. She
5 apologized she couldn't stay. She always stays for the
6 duration of these hearings, but she had something taking her
7 back to the office. But I know the two of us on many of the
8 subjects we talked about today share common priorities. I
9 look forward to working with the committee to make
10 recommendations that ultimately get incorporated into the
11 NDAA.

12 Thank you all for your time and the work on the task
13 force. We look forward to seeing you back before the
14 committee.

15 This meeting is adjourned. The record will be help
16 open for a period of one week.

17 [Whereupon, at 3:45 p.m., the hearing was adjourned.]

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