

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO CONSIDER THE NOMINATION OF:
VICE ADMIRAL MICHAEL M. GILDAY, USN
TO BE ADMIRAL AND CHIEF OF NAVAL OPERATIONS

Wednesday, July 31, 2019

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7 U.S. Senate
8 Committee on Armed Services
9 Washington, D.C.
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11 The committee met, pursuant to notice, at 9:32 a.m. in
12 Room SD-G50, Dirksen Senate Office Building, Hon. James M.
13 Inhofe, chairman of the committee, presiding.

14 Committee Members Present: Senators Inhofe
15 [presiding], Wicker, Fischer, Cotton, Rounds, Ernst, Tillis,
16 Sullivan, McSally, Scott, Blackburn, Hawley, Reed, Shaheen,
17 Blumenthal, Kaine, King, Heinrich, Peters, Manchin,
18 Duckworth, and Jones.
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1 OPENING STATEMENT OF HON. JAMES M. INHOFE, U.S.

2 SENATOR FROM OKLAHOMA

3 Chairman Inhofe: The meeting will come to order.

4 Good morning. The committee meets today to consider
5 the nomination of Vice Admiral Michael Gilday for
6 appointment to the grade of admiral and to be Chief of Naval
7 Operations.

8 Thank you for being here. We also extend a welcome to
9 your family and would invite you to introduce anyone at the
10 time that you are recognized for an opening statement.

11 We got our eight boring questions that are required.
12 So if you would please audibly respond to them so that we
13 can have them in the record.

14 Have you adhered to the applicable laws and regulations
15 governing conflicts of interest?

16 Admiral Gilday: Yes, Senator, I have.

17 Chairman Inhofe: Will you ensure your staff complies
18 with the deadlines established for requesting
19 communications, including questions for the record in
20 hearings?

21 Admiral Gilday: Yes, sir, I will.

22 Chairman Inhofe: Will you cooperate in providing
23 witnesses and briefers in response to congressional
24 requests?

25 Admiral Gilday: Yes, sir, I will.

1 Chairman Inhofe: Will those witnesses be protected
2 from reprisal for their testimony or briefings?

3 Admiral Gilday: Yes, sir, they will.

4 Chairman Inhofe: Do you agree, if confirmed, to appear
5 and testify upon request before this committee?

6 Admiral Gilday: Yes, sir, I will.

7 Chairman Inhofe: Do you agree to provide documents,
8 including copies of electronic forms of communication, in a
9 timely manner when requested by a duly constituted
10 committee, or to consult with the committee regarding the
11 basis of any good faith delay or denial in providing such
12 documents?

13 Admiral Gilday: Yes, Senator.

14 Chairman Inhofe: And have you assumed any duties or
15 undertaken any actions which would appear to presume the
16 outcome of the confirmation process?

17 Admiral Gilday: No, sir, I have not.

18 Chairman Inhofe: The National Defense Strategy directs
19 our nation's military to prepare for the return of strategic
20 competition. This means we must be prepared to deter and,
21 if necessary, decisively defeat potential near-peer
22 adversaries like China and Russia.

23 You know, it is a different world now than we have had
24 before. I mean, most of the American people just assume
25 that we in America have the best of everything and we have

1 watched what has happened over the last decade. And in
2 fact, that is not true. With their alarming speed and
3 modernization of both conventional and nuclear forces, China
4 and Russia now present formidable threats to America and our
5 allies.

6 One example of this is that according to the Office of
7 Naval Intelligence, the Chinese navy is growing more than 20
8 times faster than our Navy -- 20 times faster than our Navy--
9 - at a rate of about 11 ships annually, and the capability
10 of those ships is increasing as well. I mean, the stuff
11 they have is new stuff. It is pretty scary.

12 Our Navy has a key role to play in this competition
13 which requires it to be manned, maintained, and equipped
14 appropriately.

15 However, I am concerned that the Navy may be out of
16 balance in each of these areas. Our ships appear: under-
17 manned, with destroyers manned to roughly 85 percent; under-
18 maintained, with more than 60 percent of ships running long
19 in maintenance and more than \$1.8 billion in maintenance
20 needs are unfunded; and the third area, under-equipped. Key
21 capabilities like fully functional Ford class aircraft
22 carriers and littoral combat ship mission modules are
23 significantly delayed in getting to the fleet.

24 Overall, it seems to me that the Navy is having trouble
25 maintaining today's fleet of 291 ships, and the challenges

1 will only grow as the fleet surpasses 300 ships by 2020, 310
2 by 2022, on the way to our 355-ship Navy.

3 Admiral Gilday, this is not your fault -- the problems
4 that we have. You have had an operational career. You were
5 not involved in all this stuff. So you are inheriting it,
6 though, with this position.

7 In my view, the Navy must first sustainably man and
8 maintain our current fleet. In terms of modernization,
9 technical risks must be better understood before procuring
10 major new systems. Without better acquisition performance,
11 the erosion of U.S. competitive advantages will accelerate.

12 So this is a critical time for our Navy, and your
13 leadership is coming along at just about the right time.

14 Admiral Gilday: Thank you, sir.

15 Chairman Inhofe: Senator Reed?

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1 STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE
2 ISLAND

3 Senator Reed: Well, thank you very much, Mr. Chairman.

4 I also want to welcome Admiral Gilday and his family,
5 particularly his mother, his wife, one of his sons, all of
6 his brothers.

7 You have served the nation and the Navy with exemplary
8 service for many, many years, Admiral. We thank you for
9 that. And we thank you for your willingness to continue to
10 serve. Admiral Gilday, you have an exemplary record, and I
11 believe you are well qualified to be the Chief of Naval
12 Operations.

13 If you are confirmed as Chief of Naval Operations, you
14 will be tasked with recruiting and retaining a quality force
15 and ensuring that force contains the necessary structure and
16 readiness levels to meet our nation's current challenges and
17 the posture to respond to tomorrow's threats.

18 The Navy is already challenged to procure needed ships
19 and aircraft on time and on budget, and this challenge will
20 be compounded by the need to recapitalize the ballistic
21 missile submarine fleet that was built in the 1980s. The
22 Navy is also struggling to maintain and support the ships
23 and aircraft we already have in the inventory, including
24 having some attack submarines that are unable to conduct
25 operations due to delayed maintenance availabilities. In

1 addition, if you are confirmed, you will have to face the
2 challenge of implementing programs to improve readiness and
3 professionalism in the Navy's fleet to avoid preventable
4 accidents like the McCain and Fitzgerald. Admiral Gilday, I
5 am interested in your vision of the Navy and how you would
6 go about making that vision a reality.

7 A major focus of the committee this year has been the
8 state of privatized military housing. I saw this firsthand
9 in my visit to Navy family housing in Rhode Island. Admiral
10 Gilday, you will also be responsible for ensuring that the
11 Navy quickly provides acceptable housing for all its service
12 members and changes the Navy system for overseeing family
13 housing to ensure that Navy commanders assume a sense of
14 ownership of the housing situation and prevent a repeat of
15 the poor conditions that we have found.

16 We live in tumultuous times, and many core values are
17 being tested. I am concerned that such times can have a
18 corrosive effect on our military personnel. It has never
19 been more important that our Navy have principled leaders
20 who promote respect throughout the ranks and adhere to a
21 moral code that can serve as an example to all our sailors
22 and marines. Admiral Gilday, we all expect and demand --
23 and I am confident that you will be that leader.

24 I thank you for your commitment to the nation.

25 I must apologize because I must go to a hearing of the

1 Appropriations Committee to go chair, but I will return. I
2 think a famous West Pointer said that, but I shall return.
3 Thank you.

4 [Laughter.]

5 Admiral Gilday: Thank you, Senator.

6 Chairman Inhofe: We will be awaiting your return.

7 Admiral, it is nice to have you, and we would like to
8 have you proceed with your opening statement. Your entire
9 statement will be made a part of the record. But proceed.

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1 STATEMENT OF VICE ADMIRAL MICHAEL M. GILDAY, USN, TO
2 BE ADMIRAL AND CHIEF OF NAVAL OPERATIONS

3 Admiral Gilday: Thank you, Chairman Inhofe, Ranking
4 Member Reed, and members of the committee for the privilege
5 and the opportunity of appearing before you today. It is
6 deeply humbling and an honor to be here.

7 I am grateful for the confidence that the President of
8 the United States, the Secretary of Defense, and the
9 Secretary of the Navy, in nominating me to be the next Chief
10 of Naval Operations.

11 Most Americans associate the strength of the Navy with
12 gray hulled ships at sea, but the true sources of our naval
13 power are the people and the loved ones who support them.
14 And my family is no different. My father enlisted in the
15 Navy right out of high school. My mother, who is here
16 today, raised five sons along his side until my dad's
17 passing a few years ago.

18 For the past 24 years, my wife Linda has been a
19 constant source of inspiration. Despite moving around the
20 world with me, she has maintained a successful career in
21 both the public and the private sectors while also raising
22 our two sons. Our oldest Bryan is a sophomore at the
23 University of Virginia and could not be here today due to
24 ROTC training. His younger brother Michael, a soon-to-be
25 freshman at Auburn, is here today, as well as other members

1 of my family. But like countless military families around
2 the world, my family's love, their resourcefulness, and
3 their support have made my naval service possible. I owe
4 everything to them.

5 Our country and our Navy face many challenges both now
6 and in the future. If confirmed, I intend to ensure our
7 Navy remains focused on our role within the joint force in
8 protecting the American homeland and defending America's
9 interests.

10 The priorities of the National Defense Strategy are
11 clear. Our true north is great power competition against
12 Russia and China. It is our duty to ensure that we can
13 operate, fight, and win across the spectrum from peaceful
14 presence to violent conflict in all domains. In a word, it
15 is about lethality, producing and fielding a combat-credible
16 naval force with global reach, capable of deterring any
17 potential adversary, and ready to protect our nation's
18 interests at all times.

19 If confirmed, sustaining our readiness and modernizing
20 our Navy will be my top priorities. Thoughtful, focused
21 decisions to rapidly mature, acquire, and field cutting-edge
22 technologies and integrating them into joint operating
23 concepts will be key to ensuring our Navy always fights from
24 a position of advantage among a network of allies and
25 partners unmatched by any rival as the preeminent Navy in

1 the world.

2 My commitment to you is a Navy ready to respond to the
3 nation's call both now and in the future. To that end, our
4 sailors and Navy civilians remain our competitive advantage.
5 We owe them principled leadership, transparent and
6 accountable processes, and sufficient resources to do their
7 jobs effectively. In that respect, I want to thank this
8 committee for your continued unwavering support of our Navy
9 team by providing adequate and sustained funding.

10 I thank you again for your time and for your
11 consideration today. I am truly honored to be part of the
12 greatest Navy in the world. And if confirmed, I will work
13 closely with this committee and with this Congress as we
14 prepare to meet the challenges ahead. I am grateful for
15 your consideration of my nomination, and I look forward to
16 your questions. Thank you.

17 [The prepared statement of Admiral Gilday follows:]

18 [COMMITTEE INSERT]

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1 Chairman Inhofe: Thank you, Admiral.

2 We are going to have 5-minute questions a round. I am
3 going to begin, and I am going to ask you a question that is
4 going to be rather lengthy and then two short questions that
5 I will ask you to respond for the record because they would
6 require lengthy responses. Okay?

7 I mentioned the USS Gerald R. Ford in my opening
8 statement. The ship was accepted by the Navy incomplete,
9 nearly 2 years late in 2017, \$2.5 billion over budget, and
10 nine of 11 weapons elevators still do not work, with costs
11 continuing to grow. The Ford is a numerical replacement for
12 the USS Enterprise, which decommissioned in 2012. Since
13 then, we have had only 10 operational aircraft carriers
14 despite the CNO requirement for 12. And this mismatch
15 continues to place a heavy burden on the fleet to do more
16 with less.

17 The Ford was awarded to a sole source contractor on a
18 contract-plus contract with four new, immature technologies
19 that had next to no testing and had never been integrated on
20 a ship: a new radar, catapult, arresting gear, and the
21 weapons elevators, which I mentioned in our opening
22 statement. The Navy entered into this contract in 2008,
23 which combined with other contracts have ballooned the cost
24 of the ship more than \$13 billion without understanding the
25 technical risks, the costs, or the schedules. You know,

1 this ought to be criminal.

2 I first became exposed to this when I was down there on
3 site. Yes, it is a great ship. We got to do it. We have
4 got to keep up with, as we mentioned, other countries that
5 are creating a problem and becoming very competitive. So we
6 have to do it, but we got to do a better job. So my sense
7 at that time -- that was a sole source down there -- that
8 there was a level of arrogance that it did not really make
9 any difference that the elevators do not work. If you are
10 carrying ordnance in elevators and they do not work, that is
11 not much good in the field.

12 So since that time, the Secretary of the Navy told the
13 President, quote, elevators will be ready to go when she
14 pulls out or you can fire me. You remember that? Well,
15 they still do not work. At that time, the Ford was supposed
16 to pull out from its maintenance period this month. The
17 departure has since been delayed to October. Even with this
18 delay, only two of the 11 elevators will be ready in
19 October. Nine elevators will not be ready and likely will
20 not be complete until 2020 or later. The Secretary's
21 promise to the President 8 months ago indicates either poor
22 knowledge of the facts or poor judgment, and this is the
23 latest example of Navy leaders not being straightforward
24 when it comes to the program.

25 So that is quite a charge. Is it not? But when you

1 see this happening and you see that seemingly there is
2 nothing we can do about it and this is going to be dumped in
3 your lap, I would like to have your thoughts on my opening
4 comments about that particular Ford class. What are your
5 thoughts? Did we do a good job?

6 Admiral Gilday: So I share your concern and I agree
7 with your assessment, including the fact that we will likely
8 only have two, perhaps four, elevators operational by the
9 time Ford leaves her availability in the fall. It is still
10 unacceptable. We need all 11 elevators working in order to
11 give us the kind of redundancy and combat readiness that the
12 American taxpayer has invested in that ship.

13 Chairman Inhofe: Yes. Of course, you know it is more
14 than just the elevators. There are other deficiencies that
15 I mentioned.

16 Admiral Gilday: Sir, we have had 23 new technologies
17 introduced to that ship, as you know. Of those, four were
18 immature when we commissioned Ford in 2017. We have seen
19 progress in the launching systems, the arresting gear, and
20 also with the dual-band radar. And so the reliability of
21 those systems is trending in the right direction and
22 actually where we want it to be based on the last at-sea
23 testing. It is the elevators I think that is the remaining
24 big hurdle to get over to get that ship at sea and finally
25 deployed.

1 Chairman Inhofe: Okay. On that one, when you are
2 confirmed -- I believe you will be -- would you agree that
3 it would be wise for you to report to us on a monthly basis
4 as to the progress that is being made?

5 Admiral Gilday: Yes, sir. I commit to that and
6 complete transparency, as well as taking what we learn from
7 the Ford and ensuring that we do not commit those same
8 mistakes again in the Columbia class and other ships that we
9 need to field in the next few years.

10 Chairman Inhofe: I appreciate that.

11 Now, two for the record. One is I mentioned in my
12 opening statement the Navy seems to be out of balance,
13 under-manned and debilitating maintenance delays and
14 unfunded work and major acquisition delays. I would like to
15 have for the record -- just respond as to your view of the
16 overall state of the Navy, and is it balanced? You know, we
17 are positioning ourselves to a 355-ship Navy and where we
18 are and some of the details on that, which many of them will
19 come out in the course of this hearing.

20 And the second question for the record would be by
21 2023, the fleet is projected to grow to 314 ships with
22 several new lead ships planned. This addresses the lead
23 ship performance problems that we have been under. And I
24 would like to have you give an answer for the record on your
25 view of the recent lead ship performances and what you are

1 going to do differently to ensure an adequate technical
2 foundation is in place prior to proceeding. So if you would
3 do that for the record, I would appreciate it very much.

4 Senator Shaheen?

5 Senator Shaheen: Thank you, Mr. Chairman.

6 And congratulations, Admiral Gilday, on your
7 nomination, and thank you to you and your family for being
8 willing to consider this position at this critical time in
9 our country's history.

10 I also appreciated your visit last week. One of the
11 things we talked about is our public shipyards, and
12 obviously, I am very concerned about what happens at the
13 Portsmouth Naval Shipyard. I know that you have been
14 invited by both Senator King and I to come and visit the
15 shipyard. We hope you will do that.

16 But one of the things that all of our shipyards need is
17 investment. I support the Navy's shipyard infrastructure
18 optimization plan that was released in February of 2018, and
19 it focuses, among other things, on increasing dry dock
20 capacity and improving facility layout, again critical
21 issues for the Portsmouth Naval Shipyard.

22 Do you believe that the Navy's public shipyards require
23 significant infrastructure investment in order to increase
24 capacity and modernize our force?

25 Admiral Gilday: I absolutely do. It is a critical

1 partnership with those public yards, as well as the
2 communities around them. And so that skilled workforce
3 obviously comes from those communities. And so that
4 partnership runs long and deep from, you know, within the
5 Navy, our requirements and acquisition specialists all the
6 way to the partnerships we have with those shipyards and the
7 people that provide the skilled labor.

8 Senator Shaheen: And you are committed to doing
9 everything you can to moving forward with that optimization
10 plan?

11 Admiral Gilday: Yes, ma'am.

12 Senator Shaheen: Thank you.

13 The other issue we discussed was Secretary Spencer's
14 visit to the shipyard and his reassurances that the
15 construction projects there on the dry dock would continue
16 to move forward despite the President's emergency
17 declaration to take military construction funding for the
18 border wall.

19 Can you give us an update on the status of any funds
20 that may be diverted for the border wall?

21 Admiral Gilday: Ma'am, I am not aware of any funds
22 right now at this point that are diverted to the border wall
23 that will affect the Portsmouth Shipyard.

24 Senator Shaheen: Great. I appreciate that.

25 One of the other challenges that we have, as we look at

1 the Virginia class submarines and the need to continue to
2 modernize them, is that we do not have the parts that we
3 need to continue to do what we need to for the Virginia
4 class. We are actually cannibalizing parts from other ships
5 to update them.

6 So can you talk about what else the Navy can do to
7 address this limited availability of Virginia class
8 submarine parts?

9 Admiral Gilday: Yes, ma'am. I think the challenges
10 that we have with Virginia extend to some of the other ship
11 classes that also have problems with parts availability on.
12 I know it is a focus of the Department right now to ensure
13 that we have the right parts and the right requirements
14 identified well before those ships go in the shipyard so
15 that we do not have delays, which has been part of the
16 problem with the production line that we have seen over the
17 past 3 years and the trends that the chairman indicated in
18 his opening statement. And so I commit to you, ma'am, that
19 I will take a deeper look at parts availability for Virginia
20 class, as well as our other ships, as part of other limiting
21 factors that we need to take a deeper look at to ensure that
22 that production line continues to flow as it should.

23 Senator Shaheen: Right. And one of the critical
24 elements of that is our small businesses throughout this
25 country who are suppliers to the bigger companies, but

1 without those small businesses, we often do not have the
2 other pieces that we need in order to keep construction
3 moving. And a big part of that is making sure that those
4 small businesses actually have the opportunity to get
5 contracts. So I hope you will also do everything you can to
6 ensure that that continues.

7 Admiral Gilday: Senator, I will. I consider them part
8 of the team. And your point is well taken on ensuring there
9 are no constraints on their being able to contribute to
10 where we need to go.

11 Senator Shaheen: Thank you.

12 Now I would like to ask about one of the conflict areas
13 that we have in the world. As you know, tensions in the
14 Persian Gulf have escalated with Iran attacking commercial
15 shipping vessels and shooting down our drone.

16 So can you talk about what you think the situation is
17 in the Persian Gulf and what we might do to deescalate
18 tensions there?

19 Admiral Gilday: Yes, ma'am. So the Department of
20 Defense is firmly in support of a Department of State-led
21 effort to bring Iran back to the negotiating table on the
22 nuclear deal. And so right now, the focus of U.S. Central
23 Command with the Navy in support, as well as the other
24 services, is to have sufficient resources in theater to both
25 protect the forces that we have in theater right now and be

1 able to respond, should the Iranians do some type of
2 activity against U.S. interests. We have taken great care
3 not to be provocative against Iran in both our operations,
4 as well as our very moderate force build into the region,
5 again with the focus on protect and respond. And so I do
6 believe that the diplomatic effort really needs to have off
7 ramps to bring Iran back to the table so that we can
8 deescalate, that we can get a better deal, and that we can
9 send our resources back against the Russians and the Chinese
10 in terms of our global posture.

11 Senator Shaheen: Well, thank you. I appreciate that.
12 I agree. I think diplomacy is the best resolution of the
13 situation there and that war is not in our interest or
14 Iran's interest.

15 Admiral Gilday: Yes, ma'am.

16 Senator Shaheen: Thank you very much.

17 Chairman Inhofe: Senator Cotton?

18 Senator Cotton: Admiral, thank you very much for your
19 testimony today. Congratulations on your nomination and
20 being willing to serve again.

21 Let us continue to talk about submarines. At the last
22 posture hearing for the Indo-Pacific Command, Admiral
23 Davidson said that continuing to build our submarines is
24 critically important to our force because some of our, as he
25 put it, most significant advantage in all domains right now

1 is in the subsurface.

2 Do you agree that the submarine is maybe our most
3 significant advantage over adversaries like China?

4 Admiral Gilday: Yes, sir, I agree that the submarine
5 force is an asymmetric advantage for us against both the
6 Chinese and the Russians.

7 Senator Cotton: That is one reason why those kind of
8 countries but also the countries on their periphery are kind
9 of racing to get more of their own submarines. Correct?

10 Admiral Gilday: Yes, sir, which is why we need to
11 continue to outpace them.

12 Senator Cotton: Is it fair to say that in the words of
13 the National Defense Strategy that submarines play a
14 critical in strategic deterrence, sea control, key
15 intelligence functions, and other essential warfighting
16 missions?

17 Admiral Gilday: Yes, sir.

18 Senator Cotton: And that is why the Navy has singled
19 out the Columbia class submarine program as its top priority
20 for fiscal year 2020. I remember my first Armed Services
21 Committee hearing with one of your predecessors where they
22 brought in a stoplight chart, and the maintenance of the
23 ballistic missile submarine deterrent was the only one that
24 was green. I assume that remains the Navy's top priority
25 under all conditions?

1 Admiral Gilday: Yes, sir, it does. And if I could
2 just expound on that for a second with Colombia.

3 Senator Cotton: Yes.

4 Admiral Gilday: So Columbia is definitely our number
5 one acquisition priority.

6 Secondly, right now, we believe that we are on track as
7 we enter the production stage in fiscal year 2020 to have 80
8 percent of the design done. And so that is double what we
9 have with the Virginia class. We have also taken lessons,
10 as Chairman Inhofe pointed out with the Ford, in terms of
11 ensuring that any new technologies that we introduce to
12 those submarines are properly prototyped, modeled, and gone
13 through simulation before we go to production.

14 Senator Cotton: You said in your advance policy
15 questions on that related topic that the most significant
16 risk to cost, schedule, and performance requirements for the
17 Columbia class is the strength of the submarine industrial
18 base and shipbuilder performance. I assume that it is
19 probably correct that if that is the most significant risk
20 to the Columbia class submarine, it is also the most
21 significant risk to the Virginia class fast attack
22 submarines?

23 Admiral Gilday: Yes, sir. I believe that it affects
24 all the yards that service the Navy, both public and
25 private. And so it is a competition for talent. And that

1 is why I mentioned that local communities are so important
2 as part of the team that we have to ensure we sustain so
3 that we have those skilled workers in place.

4 In my advance policy question, I really was speaking to
5 the point that in that partnership with industry, we really
6 need to make sure that skilled labor is there in the numbers
7 and at the qualifications level that we need to work on
8 those critical assets.

9 Senator Cotton: Given all that, ought we maybe
10 consider expedited and expanded fast attack submarine
11 construction as part of our overall naval deterrence
12 strategy?

13 Admiral Gilday: Senator, I would prefer to speak to
14 that in more detail in a classified setting.

15 Senator Cotton: Sure.

16 I noticed on your biography that you earned a
17 commendation medal with a V device.

18 Admiral Gilday: Yes, sir.

19 Senator Cotton: What were the circumstances of that?
20 It is not very common.

21 Admiral Gilday: Yes, sir. I was on a cruiser during
22 the Gulf War, and we struck two mines. So I spent a lot of
23 time, as a result of that, in the shipyard repairing that
24 damage. And so I feel that I have a unique perspective when
25 it comes to shipyards, the great work that they do,

1 particularly with a combat-damaged ship that we saved.

2 Senator Cotton: What rank and billet were you during
3 that attack?

4 Admiral Gilday: Sir, I was a weapons officer. I was a
5 lieutenant at the time and the tactical action officer on
6 the ship.

7 Senator Cotton: Good. I think it is good that your
8 sailors know that Vice Admiral Gilday was once Lieutenant
9 Gilday like all of us, when dinosaurs roamed the earth, and
10 they know what it is like to be a sailor and a leader out on
11 the front lines.

12 Thank you again for your service. Congratulations on
13 your nomination.

14 Admiral Gilday: Thank you, sir.

15 Chairman Inhofe: Thank you.

16 Senator Peters?

17 Senator Peters: Thank you, Mr. Chairman.

18 Admiral, congratulations on your nomination. Thank you
19 for your long distinguished record of service.

20 My first question. I want to focus on what appears to
21 be a troubling trend that we are seeing with the Navy
22 Special Warfare Command. I am ranking member of the
23 Subcommittee on Emerging Threats and Capabilities, and I
24 have responsibility, along with Senator Ernst and other
25 members of the subcommittee, to oversee special operations.

1 Last week, it was reported that a platoon of SEALs from
2 SEAL Team 7 was sent home from Iraq midway through their
3 deployment after reportedly abusing alcohol and other
4 violations of good order and discipline. This issue was
5 brought to light only days after another report was released
6 detailing SEAL Team 10 operators who were abusing cocaine
7 and other banned substances and stated that they often
8 defeat military drug tests and told investigators those
9 tests were a joke.

10 The recent trial of a Navy SEAL revealed an
11 unsatisfactory culture within the SEAL teams including heavy
12 drinking on the battlefield and unlawful behavior.

13 These issues seem to not be isolated to one team and
14 are being reported from units stationed in California and
15 Virginia, which certainly raises the level of concern.

16 My question to you, sir, is if confirmed, how do you
17 plan to assist the Navy Special Warfare Command to deal with
18 what appears to be a troubling culture that may need
19 attention?

20 Admiral Gilday: Yes, sir. So those incidents that you
21 mentioned are still under investigation. So I have not seen
22 the results of them, although I am eager to understand what
23 the root causes are.

24 I will say that ethics is a particularly important
25 point for me and that that begins at the top with my

1 leadership and it extends through all the flag officers, as
2 well as our commanders and right down to our chief petty
3 officers, who I consider a critical link to ensure that
4 every day that we go to work that we bring our values with
5 us to work and that it is especially important in combat
6 that those values be maintained for all the reasons that we
7 understand so well.

8 I commit, Senator, to getting a better understanding of
9 those issues, to holding people accountable where they need
10 to be held accountable, to getting after the root causes and
11 ensure if there is a problem with the culture of the
12 community, that that is addressed very quickly and very
13 firmly.

14 Senator Peters: All right. Thank you, Admiral.

15 Admiral Gilday: Thank you, sir.

16 Senator Peters: Admiral, the Marine Corps Commandant's
17 planning guidance emphasized the greater integration of
18 capabilities between the Navy and the Marine Corps. I am
19 sure you are familiar with that. I want to read a quote
20 from the document and then get your thoughts on this quote.
21 He writes, we must engage in a more robust discussion
22 regarding naval expeditionary forces and capabilities not
23 currently resident within the Marine Corps, such as coastal
24 riverine forces, naval construction forces, and mine
25 countermeasure forces. We must ask ourselves whether it is

1 prudent to absorb some of those functions, forces, and
2 capabilities to create a single naval expeditionary force.

3 If confirmed, you will obviously work closely with the
4 Commandant and the future Marine Corps operating concepts.
5 Could you talk a little bit about the opportunities you see
6 where we can strengthen our joint ties and explain why that
7 might be important for a future fight and how you will work
8 with the Marine Corps?

9 Admiral Gilday: Yes, sir. I met with the Commandant
10 last week, and there is no daylight between us. I am fully
11 supportive of his planning guidance and the direction he
12 wants to head in. I think that the idea that we better
13 integrate the Navy and the Marine Corps only makes sense
14 particularly with the adversaries that we face today. I
15 think that we have an asymmetric advantage over those
16 adversaries if we come together in a synergistic kind of
17 way.

18 I think to your point about how we get at this quickly,
19 I think through exercises, through war games. So we both
20 agreed to attend a war game up in Newport, Rhode Island
21 later in August so that we can begin to explore how we
22 change our operating concepts to get better performance out
23 of that teamwork from both services.

24 Senator Peters: As you are thinking this through and
25 working it, do you think there will be an impact on sealift

1 and support functions that the Navy currently provides to
2 the Marine Corps?

3 Admiral Gilday: I do not see that right now, sir. I
4 think we are on a pretty good track with respect to sealift
5 in terms of the focus that we have across three lines of
6 operations to sustain the ships that we have out to their
7 service lives. The Congress has given us authorities to
8 look at purchasing used vessels, and we have some
9 investments and R&D ongoing in new ships as well.

10 Senator Peters: Great. Thank you, Admiral. I
11 appreciate it.

12 Admiral Gilday: Thank you, sir.

13 Chairman Inhofe: Senator Ernst?

14 Senator Ernst: Thank you, Mr. Chair.

15 And thank you, Admiral, for being here today, and I
16 want to thank your family members as well for joining you.
17 And thanks for the years of wonderful support that you have
18 been able to provide to the Admiral.

19 Admiral, Senator Peters and I work together on the
20 Emerging Threats and Capabilities Subcommittee. So I would
21 like to get into some of that information, if I might.

22 In a statement to the committee, you said you would
23 continue on a path toward a more lethal, agile, and
24 sustainable naval force. And if confirmed, are there
25 certain emerging technologies you believe that the Navy

1 should be prioritizing ahead of other emerging technologies?

2 Admiral Gilday: Yes, ma'am. On the top of the list, I
3 would put artificial intelligence. I think that there are
4 capabilities resident today in industry that we can harness
5 to our advantage. And what I am particularly interested in
6 is how we use data in a more innovative way to give us a
7 quicker flash to bang from decision-making to action. So
8 there is a lot of information at our fingertips every single
9 day. It is getting the right information to the right
10 people at the right time so you can make the right decisions
11 faster than your opponent. And I think there is great
12 promise there. And we are doing some experimenting now that
13 I am very excited about, and it will be a priority for me.
14 So AI is one area.

15 I think hypersonics is a must that we have to get after
16 and get after quickly. I think we are on a good track.
17 Again, industry is our best partner as we work through this.

18 And the third is unmanned. That is the future. And so
19 we have to look more deeply at how we would operate with
20 unmanned vessels, whether they are on the sea or under the
21 sea or in the air. And I think to the point with Senator
22 Peters, I would take a look at war gaming with concept
23 development and with experimentation. We have almost
24 doubled the amount of exercises we are doing in the next
25 year from 97 to 171. That is a test bed. We are going to

1 take a look at these new technologies. If we are going to
2 fail, they can fail fast. If there is something we want to
3 invest in, then we put heat on it and field it quickly.

4 So those are some of the areas that I am most enthused
5 about going forward.

6 Senator Ernst: Well, I am excited about that. And
7 thank you because I do look forward to working on those
8 specific areas with you and with other branch chiefs.

9 So you mentioned AI, and one area where we have seen
10 significant savings, especially in the Navy, is with
11 predictive maintenance by using AI. So I look forward to
12 that. I think there are ways we can utilize emerging
13 technology not only with the autonomous vehicles and other
14 platforms, but also the mundane things we do not typically
15 think about as warfighters, which would be logistics and
16 admin, everything that goes on behind the scenes as well.
17 So thank you for your input on that.

18 Would you be able to leverage your expertise in
19 cybersecurity as well as we move forward?

20 Admiral Gilday: I hope to, ma'am. I think it is an
21 area that we have to leverage from current day operations
22 all the way into future planning. It is intertwined into
23 everything that we do, whether it is in our personal lives
24 or certainly in the military. I do have some ideas on
25 things I would like to accelerate. While I worked at Fort

1 Meade at both U.S. Cyber Command and Command of Fleet Cyber
2 Command, I had great partnerships with industry, some of
3 them small companies that were turning out some great
4 products that we could use and that we could scale very
5 quickly. So I am interested in finding those innovative
6 companies and to leverage them to make us more lethal.

7 Senator Ernst: I appreciate that.

8 And you have mentioned working with those companies and
9 others. And I think that is really important because a
10 number of nominees that have come before this panel have
11 repeatedly called for collaboration with academia and the
12 private sector. And thank you for doing that.

13 The collaboration does lead to innovation in not only
14 the emerging technologies area that I am very interested in
15 but also resource and time-saving methods that we have
16 discussed. Academic innovation is coming out of all of our
17 States, and from my home State of Iowa, we focus very
18 heavily in this area with our universities.

19 And I know that you have mentioned some of the
20 modernization goals, but how do you plan to harness the
21 talent that you have talked about in the private sector and
22 then maybe more specifically in academia to get us where we
23 need to be?

24 Admiral Gilday: So, ma'am, are you referring to how we
25 recruit and retain?

1 Senator Ernst: More so with the technologies that have
2 been developed and that we can utilize from private industry
3 as well as from our universities. The University of
4 Northern Iowa has partnered with the military on a number
5 different types of strategies, paint technologies, and so
6 forth. Are there ways we can reach out and work better with
7 our universities and the talent within those universities?

8 Admiral Gilday: Yes, ma'am, there are. And there were
9 great examples particularly when I worked in cyber. I do
10 not want to mention the specific university. Many of your
11 States are represented in those partnerships that we have.

12 I would say with respect to the direction that we are
13 going in, U.S. Cyber Command just created a Shark Tank-like
14 environment with double digit numbers, small companies that
15 are bidding very quickly on projects and developing
16 prototypes very quickly. It is a very exciting direction
17 that we are heading in. The acquisition authorities that we
18 received from the Congress have allowed us to move much more
19 quickly with those new technologies.

20 Senator Ernst: Excellent. Thanks, Admiral, very much.
21 I look forward to supporting your confirmation.

22 Admiral Gilday: Thank you, ma'am.

23 Chairman Inhofe: Senator Kaine?

24 Senator Kaine: Thank you, Mr. Chair.

25 Welcome, Admiral Gilday, and congratulations on your

1 nomination.

2 You and I talked a little bit about the Ford in my
3 office the other day, and I want to dig into it sort of as a
4 case study.

5 Three major issues have come to the committee's
6 attention in addition to just time and budget which
7 preoccupied us a few years ago, and the progress on that in
8 the second in class looks to be going pretty well. But the
9 issues that we have grappled with have been the success of
10 the launch, the catapult system, which is a newly designed
11 system; the success of the arresting system, which is newly
12 designed; and now this issue with the elevators.

13 Am I correct that both the catapult and arresting
14 systems have now checked out and are working according to
15 spec to your satisfaction?

16 Admiral Gilday: Yes, sir. And so most recently at sea
17 for both the electromagnetic launching system, as well as
18 the advanced arresting gear, we have had almost 800
19 launches, and for 3 successive days, we have had 100 in each
20 of those days. It is right at the level that we see for the
21 existing Nimitz class. So we think we are on a good path
22 with respect to reliability and sortie generation rate.

23 The other technology that you did not bring up but
24 troubled us for a while after the ship was delivered as the
25 new dual-band radar.

1 Senator Kaine: Right.

2 Admiral Gilday: Again, we are seeing reliability above
3 90 percent in that as well.

4 The focus right now is on those elevators.

5 Senator Kaine: Now, you and I talked about this issue
6 of shore testing. So both the launch and the arresting gear
7 were shore tested. They were developed by contractors not
8 at the shipyard, shore tested and put on, and then we have
9 worked it through, and now they seem to be working. But the
10 elevator system was not shore tested. Right? It was built
11 there in place.

12 Admiral Gilday: Correct. This week, I met with the
13 Secretary of the Navy's staff to ask the question why. And
14 so of the 23 new technologies that we introduced to Ford,
15 they did not consider the elevator system to be high risk.
16 And so it was not prototyped to shore.

17 Senator Kaine: So some of the 23 new technologies were
18 shore tested and some were not, and the elevator was not.

19 Admiral Gilday: Yes, sir. And it is absolutely
20 critical when we are talking about complex warships and a
21 systems-to-systems design, that if we are going to introduce
22 new technologies, that they are prototyped adequately and
23 proven before we go to production.

24 Senator Kaine: Who made the decision that the -- I
25 mean, was it the Navy? Was it the contractor? I am not

1 talking about a person, but which entity made the decision
2 that the elevator would not be shore tested?

3 Admiral Gilday: Ultimately, sir, that is a Navy
4 responsibility. We own the risk and the risk mitigation
5 strategy to keep that ship on time. And so ultimately I
6 would consider that a failure of the Navy.

7 Senator Kaine: Let me ask you this. Was it a failure
8 of the Navy -- let me dig into it a little bit. Do you have
9 the research dollars you needed? Was it a research problem?
10 Was it a contract oversight problem? Was it trying to
11 introduce too many new technologies in the first in class?
12 You know, what lessons would you learn from that?

13 Admiral Gilday: I think money was a factor in speaking
14 with the Secretary's staff, but I do not think it was the
15 overriding factor. I think that as the engineers took a
16 look at the existing design, that they saw the risk as
17 lower. They saw the risk as acceptable. But when you
18 introduce something like --

19 Senator Kaine: An existing design. It was a new
20 design.

21 Admiral Gilday: It was a new design, but that
22 technology exists right now commercially in warehouses and
23 so forth. But ships that move, that is a different --

24 Senator Kaine: That need to be watertight. Right? In
25 a warehouse, the elevator does not have to be as watertight

1 as an issue.

2 Admiral Gilday: Yes, sir. So you can imagine to
3 maintain watertight integrity up seven or eight decks is a
4 pretty big challenge.

5 Senator Kaine: Well, I think we are going to continue
6 to want to dialogue with you about sort of lessons learned
7 and how they are being implemented not only in ship 2 of
8 this class, but if there was a problem about we did not
9 shore test something we should have, that is going to have
10 relevance to Columbia class and other platforms as well.

11 Let me switch gears and ask you one more question. The
12 new Commandant of the Marine Corps, General Berger, and I
13 had spoken length before his nomination about making sure
14 that there is close collaboration between the Navy and
15 Marines on their sort of future operating concepts,
16 procurement plans, and making sure that everybody is on
17 board as we are trying to get to a 355-ship Navy. If the
18 Marines are still going to be heavily ship-borne, we got to
19 make sure there is coordination.

20 And I just want your commitment as we are working on
21 these issues -- I do not want there to be a left hand/right
22 hand not knowing what the other is doing problem to be
23 mismatched. Can you just tell me that you have that kind of
24 a communication relationship on the Marines side and will
25 work with General Berger in that way?

1 Admiral Gilday: Sir, I worked with General Berger
2 before. Our meeting last week was extremely positive. I am
3 absolutely committed to you and to him to work together with
4 the Marine Corps as a close team.

5 Senator Kaine: Thank you very much.

6 Thanks, Mr. Chair.

7 Chairman Inhofe: Senator Tillis?

8 Senator Tillis: Thank you, Mr. Chairman.

9 Admiral, congratulations on your nomination, and I look
10 forward to supporting your nomination --

11 Admiral Gilday: Thank you.

12 Senator Tillis: -- depending upon how you answer a
13 couple of questions. So I look forward to supporting your
14 nomination.

15 On the Gerald Ford, I think this project is about 14
16 years in the making. It has transcended three different
17 administrations, endless CRs, sequestration. I would like
18 to see -- back to what Senator Kaine was saying, I would
19 really like to see a root cause analysis of the project from
20 start to finish. And to the extent that our actions in some
21 way affected the movement to the right, I think it is very
22 important for our members to understand that because with
23 the funding uncertainty, other changes in policy, I have got
24 to believe that when we do the root cause analysis, some of
25 it was clearly mistakes made by people running the project,

1 but it would not surprise me if some of that risk and some
2 of that delay was the result of congressional action or
3 inaction. So I think that would be very helpful to us so
4 that it is instructive for future actions. I do not
5 necessarily ask you to respond to that now, but I think it
6 would be helpful for us to do that and I personally would
7 like to see it.

8 I know General Berger was talking about a new fleet
9 design. He is talking about smaller, more lethal, and more
10 risk-worthy platforms. In your opinion, what does that
11 fleet look like? And particularly I think that he was
12 motivated by his view of what we need to do to match up
13 against China. So what does the new fleet look like to you,
14 and how do you balance that with our very important target
15 of hitting a 355-ship Navy?

16 Admiral Gilday: Sir, I do not mean to be evasive in
17 this answer, but we have an ongoing force structure
18 assessment that will give us better insights into that. And
19 I do think that as I mentioned with experimentation and war
20 gaming and exercises, that is where we really need to push
21 ourselves to think about how we operate differently than we
22 operated before. How do we make things fundamentally more
23 difficult for any adversary that we face? And so I think
24 that the willingness to do things that we have not done
25 before, even at the risk of failure, I think we need to push

1 that envelope. I think we need to learn together, and I
2 think we need to build together in terms of capability. And
3 so I do not have the answers yet, but I think we have a
4 blank slate right now with the Marine Corps in terms of
5 thinking differently about how we want to partner together
6 moving forward.

7 Senator Tillis: Thank you.

8 I want to focus on North Carolina a little bit here. I
9 think you are familiar with the damage we sustained down at
10 Camp Lejeune, actually Cherry Point, the river with the
11 hurricane. We had 3,800 military housing buildings
12 affected. We have got a backlog of about \$3.7 billion I
13 think at last count.

14 Do you consider it a priority to try and accelerate
15 that recovery down in North Carolina?

16 Admiral Gilday: Yes, sir, I do.

17 Senator Tillis: The FRC-East. We made progress with
18 the lift fan facility. In fact, the State legislature took
19 the unusual step of actually appropriating money and sending
20 it to the Navy to do their part to try and get that
21 facility modernized and lay the groundwork for the lift fan
22 facility.

23 I think you also know that we have received, modified,
24 and returned every variant of the Joint Strike Fighter, the
25 F-35, down there. And I am sure you have been down there.

1 That is not necessarily a modern facility. It is virtually
2 impossible to do what they need to do in terms of lean
3 processes with the facilities that they have today.

4 Do you agree that we need to make investments in
5 facilities that will actually increase throughput and
6 improve readiness?

7 Admiral Gilday: Absolutely, sir, particularly FRC-
8 East. They work on a dozen different airframes from rotary
9 all the way to fixed wing, including the F-35. The F-35 is
10 a complex aircraft that is going to require a very nimble,
11 agile, and well resourced maintenance production line. And
12 so what I owe you, sir, is to take a deeper look at that,
13 get a better understanding of where we are and where we are
14 headed, and I look forward to having open and transparent
15 discussions with you on our progress.

16 Senator Tillis: Well, I think it is very important. I
17 think you will also find that the State legislature, the
18 governor are prepared to do their part to remove any
19 barriers in the underlying infrastructure in and around
20 Cherry Point to help facilitate that. But I do think it is
21 very important. They move those craft around. It is like
22 they are working a jigsaw puzzle to try and figure out how
23 to wedge them in. And when you are talking about the most
24 sophisticated warfighting plane that has ever flown, I think
25 we really need to step up our priority on modernization of

1 those facilities.

2 The last question that I have really again relates back
3 to an issue in North Carolina, but really across the globe,
4 and it relates to military housing. Are you familiar with
5 the military housing issues that we have down at Camp
6 Lejeune?

7 Admiral Gilday: Not Camp Lejeune specifically, sir,
8 but I am with the housing issues that we have been seeing
9 over the past several months.

10 Senator Tillis: I think it is very important for us to
11 focus on really accelerating it. We made progress. I am
12 going to be going down to Camp Lejeune doing a town hall. I
13 will invite somebody from the Marine Corps and the Navy to
14 be with me.

15 But there is an interesting thing that happens every
16 time I go down there and do a town hall. I usually announce
17 it about 6 weeks before I do it, and there is an amazing
18 drawdown on outstanding service requests before I get down
19 there. I do not know why, but I just want to let the
20 housing vendors know now that I am going back down to Camp
21 Lejeune in about a month. Then I am down in Fort Bragg.
22 And I am going to press on this issue and I would appreciate
23 your help.

24 I look forward to supporting your nomination.

25 Admiral Gilday: Thank you, sir. It is a priority for

1 me.

2 Chairman Inhofe: Senator Manchin?

3 Senator Manchin: Thank you, Mr. Chairman.

4 And thank you, Admiral, for being here and your family
5 and all the dedication you have given to this country, and
6 we appreciate very much your service.

7 So I am concerned about China. I am concerned about
8 Russia. I am concerned about what is going on in Iran, the
9 Straits of Hormuz.

10 So just some of the things that keeps us thinking about
11 what is going on is let us look at China. The rapidly
12 growing navy that China has at a rate that, if continued,
13 will put them at over 400 surface ships and 100 submarines
14 in the next 15 years. Would you say that is an offense or a
15 defensive play for them?

16 Admiral Gilday: It is an offensive play, sir.

17 Senator Manchin: An offensive play. So with the
18 offensive play, we know with their rapidly expanding out in
19 the South China Sea but out in the Pacific. So they are
20 basically looking further than they have ever done before,
21 anything that we have ever seen with their seen with their
22 intentions and what may be on their One Belt/One Road.

23 Admiral Gilday: Yes, sir.

24 Senator Manchin: We are on the same path on that.
25 Right? Okay.

1 Admiral Gilday: We are tracking it closely.

2 Senator Manchin: We are also very much concerned about
3 what is going on with Russia. We are seeing now that Russia
4 has a resurgence in the north Atlantic, North Sea, and the
5 Arctic area. I just came back from the Arctic going through
6 with all of our Arctic nations seeing what has been going on
7 up there. Russia seems to be downsizing their surface
8 combatants, retiring their aircraft carrier, their Cold War
9 destroyers, but they are rapidly expanding their submarine
10 force. They are now producing the largest nuclear submarine
11 in the world for ballistic missile duty. So starting in the
12 fiscal year 2018 budget, we have been spending money on a
13 NATO base in Iceland, and they have been deploying the PH
14 sub hunting aircraft. I spent a little bit of time in
15 Iceland. They have got more Russian subs now patrolling
16 through the Iceland north Atlantic than before the Cold War.
17 Offense or defense?

18 Admiral Gilday: Offense, sir.

19 Senator Manchin: Offense again.

20 With that being said, we spend \$700 billion plus a
21 year. China is doing all this on \$250 billion equivalent.
22 Russia is doing it on about \$65 billion. How do I go back
23 to my little State of West Virginia and explain to them how
24 we are getting the best bang for our buck when we are not
25 keeping up with the deployment that we should, basically the

1 shipbuilding that we should be doing, the modernization,
2 replacement? How do we get that back on track? But how do
3 I explain the difference in values?

4 Admiral Gilday: Sir, there is a quantitative
5 difference between us and some of the points that you made
6 with both the Russians and the Chinese. But I think that
7 the joint force of the United States has a significant
8 symmetric advantage, synergistic advantage over both of
9 those nations' militaries.

10 I do not think that we can necessarily meet them hull
11 for hull or weapon system for weapon system. But part of
12 this is using innovative, disruptive technologies to our
13 advantage. And some of this is not just about the science
14 of war but it is about the art of war and how we are going
15 to fight. It is back to the point that I made a few minutes
16 ago about working more closely with the Marine Corps
17 thinking about how we are going to fight differently, how we
18 are going to leverage not only space but cyberspace into our
19 day-to-day operations and our war plans.

20 And so the budget is what it is. Our production lines
21 are what they are. I think that it is up to us to do the
22 most with what we have, and I think we have got the talent
23 and the drive to do that.

24 Senator Manchin: I will move over to Iran right now.
25 We have the USS Lincoln carrier strike group. They have

1 been in the Gulf of Oman since May in response to the
2 attacks. We have been attempting to build a naval coalition
3 to protect international shipping.

4 Do we have the resources in order to protect the
5 shipping lanes there because the UK had one ship seized?
6 And we were too far away at the time in order to come to a
7 response to help that ship, as I understand. Are we working
8 with our allies in that area that use those shipping lanes
9 and are going to be able to have sufficient resources to try
10 to avoid conflict, if you will, in order to have safe
11 passage? So it seems like we are getting strung out pretty
12 thin.

13 Admiral Gilday: Senator, we will have the resources
14 and do have the resources to escort U.S.-flagged ships,
15 U.S.-owned ships through the Strait of Hormuz. There are
16 not that many of them that make that transit.

17 The coalition that we are building in the Arabian Gulf
18 and specifically in the Strait of Hormuz is going to be a 80
19 or 90 percent coalition effort and a much smaller U.S.
20 effort that is primarily focused on providing intelligence
21 support to the rest of the coalition. So we will escort our
22 ships, as they come along, but we will not be there in great
23 numbers. The idea is for the regional partners to bear the
24 lion's share of the burden.

25 Senator Manchin: Thank you.

1 Chairman Inhofe: Senator Rounds?

2 Senator Rounds: Thank you, Mr. Chairman.

3 Admiral, first of all, thank you for your service to
4 our country and thank you to your family for their
5 sacrifices and putting up with the deployments that you have
6 made. I think you are the right person for this job at the
7 right time.

8 But I would really like to hear from you some steps
9 that you intend to take with regard to some of the
10 challenges that we see right now within some specific naval
11 operations. And in particular, I am going to hit on some of
12 the items that you and I discussed in my office the other
13 day.

14 I am really concerned about depot maintenance, and I
15 just want to work my way through this a little bit. You
16 have heard a lot of it before. I think the USS Boise is a
17 great example of what not to do when it comes to how you
18 take care of assets that taxpayers have paid for already.
19 The USS Boise will have been out of service waiting for
20 refueling for 6 years before it is put back in service. You
21 have got four other, as I understand it, nuclear attack subs
22 that could be in a similar circumstance tied up at dock
23 waiting to get into dry dock in order to be refueled, which
24 means that they are not operational, which means that they
25 are not able to be utilized, which means the crews that

1 would normally be assigned to them simply will not have that
2 sea duty during that time, in which they are supposed to be
3 out at sea.

4 The F/A-18's. At one point, we had 40 percent of them
5 that were actually operational. I think we have moved that
6 up closer to 60 percent right now. That is what most people
7 will see flying off the deck of a USS carrier.

8 The F-35, which is supposed to be a replacement, the C
9 model for the carriers -- I do not know how many of the
10 4,300 spare parts -- there is a backlog on those right now
11 -- belong to those C models. But most certainly we have to
12 be able to move these aircraft in and get them operational
13 in a more timely fashion than what it appears we are.

14 This is systemic. It is not just the Navy, but it is
15 systemic within the Department of Defense. And it clearly
16 points to the fact that our acquisition systems are not
17 working the way that should be for efficiency.

18 Second of all, the maintenance systems are not working
19 the way that we would expect them to work, and most
20 certainly there has got to be a better way to do it.

21 If we talk about our competition with China and with
22 Russia, I am not sure what their capabilities are, but what
23 I do know is that we are spending more money, and it would
24 appear that we are not as efficient as we should be. And I
25 think it is going to take some major overhauls within the

1 way that we treat the equipment we have got. And I do not
2 even think it takes artificial intelligence to be able to
3 order spare parts before they are supposed to be installed.

4 You and I have spoken about this. I think you agree
5 with me on that. Can you share with me and with this
6 committee what the steps specifically are going to be that
7 we start fixing the problem with regard to the
8 inefficiencies in our maintenance system today?

9 Admiral Gilday: Sir, the first thing that I really
10 need to do is to get an understanding of that whole
11 lifecycle from requirements generation on the ship. And
12 that really comes down to the crew of a ship identifying
13 what needs to be repaired with enough specificity so that
14 the right parts are ordered, so that the right materials are
15 on hand well before the ship ever hits the yard, and that
16 you also have the right skilled labor on hand, whether they
17 are welders or ship fitters, in order to do the work that is
18 required to do it on time at the quality that we need.

19 I think we need to take a look holistically all the way
20 from the ship through the planning process within the Navy
21 to the shipyards themselves, whether they are public and
22 private. And it extends out, I think, to the local
23 community that provides that talent to the shipyards.

24 And so what I would like to do is to take a more
25 detailed look at what those constraints are, what those

1 problems are that have caused us to run behind, whether it
2 is parts availability or whether it is in the front end
3 doing a poor job of outlaying the requirements.

4 I know that we are still catching up from years when we
5 did not have a fully funded maintenance budget, and that we
6 have deferred a lot of work and so we are catching up.

7 But I also know, on the other side of that, is that we
8 have to be able to produce readiness and we have to be able
9 to do that predictably, and we need to be able to do it with
10 some stability for industry.

11 Senator Rounds: And if I could, Admiral. I know I
12 took a lot of time asking the question in the first place,
13 but here is what I would ask. Will you agree to come back
14 to this committee within 90 days and lay out for us the plan
15 that you want to implement to get to the bottom of what we
16 are going to do to fix this mess with regard to the depot
17 maintenance?

18 Admiral Gilday: Yes, Senator, I will.

19 Senator Rounds: Second of all, how devastating -- this
20 is my final one. How devastating would it be if we are not
21 able to put together something along the lines of the
22 Bipartisan Budget Agreement, in which we would have
23 consistent funding without any continuing resolutions for
24 the next 2 years?

25 Admiral Gilday: Sir, if we had to face something like

1 that, even for a year, it would affect over a dozen
2 availabilities. It would affect all the new starts for the
3 technologies that I just mentioned, as well as the new ship
4 builds that we want to bring online. It would affect
5 personnel budgets in terms of people that we want to access
6 into the Navy, as well as those that we want to move around
7 the Navy. It would be devastating in terms of our current
8 readiness, and it is also going to affect modernization.
9 And both of those are coequal priorities that we have to
10 remain sighted on for all the reasons that Senator Manchin
11 just said about Russia and China. I would consider that to
12 be devastating to any progress that we have made, and we
13 will lose a lot of momentum if that happens.

14 Senator Rounds: Thank you, and I look forward to
15 supporting your nomination.

16 Thank you, Mr. Chairman.

17 Chairman Inhofe: Thank you.

18 Senator Reed?

19 Senator Reed: Thank you very much, Mr. Chairman.

20 Chairman Inhofe: Senator Reed did return.

21 Senator Reed: I did return. I am not as tall as
22 General McArthur, neither is Admiral Gilday. So we are men
23 of normal height. Thank you very much.

24 Admiral, in 2017, the two fatal collisions of the
25 Fitzgerald and the McCain were shocks to the Navy, but also

1 a wakeup call. Can you tell us what the investigations have
2 sort of taught the Navy and how you implemented those
3 findings?

4 Admiral Gilday: Yes, Senator. So firstly, I would
5 like to extend my condolences to those families. I was
6 actually the senior officer at one of those burials at
7 Arlington. It was probably the most difficult thing I have
8 done in my career. Words cannot express my sadness or
9 provide solace to that family.

10 In terms of what we have done, I think from the
11 individual level on board ships and in squadrons up through
12 the team level on board ships and institutionally with the
13 Navy, we have taken a look at over 100 recommendations that
14 we have compiled from the comprehensive review that we did,
15 the strategic review that we did, along with a pretty
16 thorough look by the GAO. We have implemented about 104 of
17 111 recommendations, but we are not calling them complete
18 because they really need to be institutionalized.

19 And what I am interested in doing as I head back to the
20 fleet to meet with sailors, should I be confirmed, is
21 getting a better understanding of whether or not the culture
22 has changed, whether or not the way that we are training
23 sailors has changed, whether or not our standards are where
24 they need to be. And so, sir, I give you my commitment that
25 this is going to be a top priority for me and that as a

1 surface warfare officer, it really hit home.

2 Senator Reed: One additional question. Has there been
3 any noticeable effect on recruiting and retention, the
4 changes that were made? Or is that something you are going
5 to check into also?

6 Admiral Gilday: Sir, our recruiting and retention
7 numbers are actually pretty high. In fact, some of our best
8 retention numbers in the Navy are with those ships in the
9 7th Fleet where the McCain and Fitzgerald actually sailed.

10 Senator Reed: Thank you.

11 Senator Rounds brought up an extraordinarily important
12 point about having a capable Navy, one that can get off the
13 dock. The plan is 355 ships. The reality is we cannot even
14 maintain 300 ships. And there are many aspects to this. He
15 touched on many of them. But one is just simple capacity.
16 Our public shipyards and our private shipyards -- do we have
17 the capacity to adequately maintain 300 ships or 355 ships?

18 Admiral Gilday: Sir, I think we have to take a deep
19 look at that. I think based on what we see today, one would
20 be inclined to say we do not. But I do not think we can say
21 that with a high degree of accuracy yet. We know that there
22 are inefficiencies that we need to turn around. The Navy
23 has gone out to private yards that we have never been
24 business before, yards that have dry docks to see if they
25 are willing to get certified so that we can find that excess

1 capacity that exists in the country and to tap into it. So
2 I am not ready yet, sir, to give you an affirmative answer,
3 but I agree it is something that we absolutely have to look
4 at if we are going to pay to put all these ships in the
5 water.

6 Senator Reed: When you return to us, I think two
7 issues. One is can you get a more definitive sense of
8 capacity? And also related to that is the efficiency of the
9 current shipyards so we can make them more efficient, we can
10 accommodate more ships if we can expand to private yards
11 that are not part of the process. But I think before we go
12 projecting 355 ships and if we cannot maintain them, then we
13 got everything turned around backwards.

14 Final question, and I know this is very critical
15 because of the basic ethos of the Navy is to lead with
16 principle and with honor. There have been some incidents in
17 the past that have detracted from that core ethos or ethic.
18 What is your assessment today of kind of where the Navy is
19 with respect to core values like leadership, selfless
20 service to the nation, protecting subordinates, not
21 exploiting them, things that have been called into question
22 in all services and a few times in the Navy?

23 Admiral Gilday: Yes, sir. So from my perspective in a
24 joint assignment, looking at the Navy from the outside, I am
25 very optimistic about where we are and where we are headed.

1 That said, if confirmed as the CNO, I want to take a much
2 deeper look at that. Senator Peters asked some hard
3 questions bout the SEAL community a few moments ago, and
4 that is an issue that I have to look into.

5 I will say, sir, that I am committed to the fact that
6 we need to treat people with dignity and respect, that
7 behavior, whether it is physical violence or whether it is
8 sexual assault, has no place in the Navy, that racism has no
9 place in the Navy, that domestic violence has no place in
10 the Navy, that we have to be an organization that recognizes
11 people's gender and treats them fairly, as well as their
12 sexual preference.

13 So my commitment to this committee is that I will try
14 and set the best example that I can from the top and that I
15 will lean on our flag officers, our commanders, and in
16 particular, our chief petty officers to ensure that this
17 ethos is something that we bring to work every day and that
18 it is something that we live whether it is on or off the
19 job.

20 Senator Reed: Thank you very much.

21 Thank you, Mr. Chairman.

22 Chairman Inhofe: Thank you.

23 Senator Hawley?

24 Senator Hawley: Admiral, thank you for being here.

25 congratulations on your nomination. Thanks for your many

1 years of distinguished service.

2 Let me cover several issues with you. One is I want to
3 say that I also share the concern about fleet maintenance
4 that Senator Rounds was asking you about, I think some
5 others have asked you about. And I look forward to your
6 responses, should you be confirmed, to the questions that he
7 was posing to you. I just would note that less than 40
8 percent of the Navy's ships are currently leaving
9 maintenance on time, and this is obviously a very big
10 problem. So I look forward to your further assessment and
11 plan for resolving that.

12 Let us talk about resilient communications, though, if
13 we could. The Peoples Liberation Army has openly said that
14 in an event of conflict with this country, it would seek to
15 degrade our communications infrastructure and seize the
16 information advantage. I am wondering, if confirmed, what
17 investments you would recommend and prioritize to ensure
18 that our C2 architecture withstands or at least degrades
19 gracefully while under attack from the PLA.

20 Admiral Gilday: So, sir, a couple of priorities. One
21 is that I think we need to move from legacy infrastructure
22 to the cloud, and I think we need to do that fairly quickly.
23 When we do that, that is a partnership with industry
24 because, at the end of the day, that is still Navy data, and
25 if I am confirmed as CNO, I am still responsible for the

1 security of that data. And so that relationship I have with
2 industry has to be one that gives me very timely, actually
3 continuous visibility in the security of that data, and
4 agreement that if there is an intrusion, that I can work,
5 that the Navy can work side by side with that particular
6 vendor to get after the problem. But I do think that we
7 need to get off of legacy infrastructure that we have.

8 I would also say likewise at sea. I think that we have
9 some work to do with respect to data standardization, with
10 respect to actually developing tactical clouds at sea that
11 we can leverage as well.

12 I am very optimistic about the future. I am committed
13 to taking a deeper look at the money that we are spending on
14 cyber defense in the Navy, taking a look at our priorities
15 holistically, and making sure that beyond networks, that we
16 are also taking a look at weapon systems and control systems
17 with enough detail.

18 Senator Hawley: What role here do you think doctrine
19 and professional military education might play in enabling
20 our forces to effectively fight in a communication-degraded
21 environment?

22 Admiral Gilday: What the Navy is doing right now -- is
23 they call it ready, relevant learning. And so what we are
24 trying to do in a world that is fast changing with respect
25 to technology in a service that relies on technology in

1 everything that we do, in all aspects of our work, we are
2 looking at a continuous learning process throughout one's
3 career so that the brick and mortar schools -- they will not
4 completely go away. But we need to make sure that people in
5 those high-end technical jobs are well versed on what is
6 going on in industry and the latest in terms of technology.
7 And so that is a challenge that we have to get our arms
8 around.

9 Senator Hawley: Very good.

10 Let me ask you about emerging technologies since you
11 mentioned technology. I certainly support the Department's
12 efforts to deploy emerging technologies like AI. You have
13 spoken a bit to that this morning. I thought Admiral
14 Richardson made a great point recently, however, when he
15 said that we need to take an evidence-based approach -- that
16 is his phrase -- when developing and integrating those
17 technologies into the force structure.

18 I am curious. If you are confirmed, how will you
19 support an evidence-based approach to acquiring and
20 integrating advanced technologies into the naval force
21 structure and operations?

22 Admiral Gilday: Yes, sir. I did not see that. I did
23 not see his quote in full context. But I think that the
24 CNO's point was that if we are going to make investments in
25 technologies like AI, into systems of systems like ships and

1 aircraft, like the F-35 that are very, very complex, that we
2 have to be deliberate in our approach and make sure that
3 things are properly tested and modeled before we introduce
4 them to the fleet. And that would be my approach as well.
5 I think it is a cutting edge between moving high technology
6 to the fleet quickly and ensuring that it is mature before
7 it is introduced to those other systems. So I am committed
8 to that, sir.

9 Senator Hawley: Very good. Thank you.

10 An NDS question for you. The NDS prioritizes combat-
11 credible, forward forces to deter Chinese aggression. In
12 your assessment, what does it look like, what does it mean
13 to have combat-credible naval forces postured forward?

14 Admiral Gilday: So, sir, I think that presence makes a
15 difference, that you have to be there to make a difference,
16 and you have to be there every day. And so our presence in
17 the South China Sea and the East China Sea and critical
18 straits like the Straits of Malacca sends a message about
19 the free Indo-Pacific region that we aspire it to be and to
20 send a strong message to China, in commitment with the
21 partners in the region, that we are going to maintain that
22 freedom of the seas and the global commons.

23 Senator Hawley: Thank you very much, Admiral.

24 Thank you, Mr. Chairman.

25 Chairman Inhofe: Senator Jones?

1 Senator Jones: Thank you, Mr. Chairman.

2 Admiral, thank you for your service and congratulations
3 on your nomination.

4 I will tell you my dad was also in the Navy at age 18.
5 He did not enlist out of high school. He actually decided
6 that the Navy was a little bit better for him than the last
7 couple of months of high school. So he fudged a little bit
8 and got in, and that summer came home on leave in 1949, went
9 out on a blind date with my mom, and was married 2 weeks
10 later. She became a Navy wife.

11 So thank you for your service as well. And as I
12 understand, I think you said you got a son going to Auburn
13 this year. Is that right?

14 Admiral Gilday: He is right behind me.

15 Senator Jones: Well, War Eagle. I will tell you my
16 friends are constantly amazed how many times I say my
17 commitment to bipartisanship being an old Alabama guy. But
18 congratulations on coming to Alabama, and you will enjoy
19 Auburn University.

20 Admiral, I would like to ask you about something that
21 Commandant Berger recently said when he released his
22 planning guidance document. It was interesting. He
23 discussed something what he called composite warfare, in
24 which he said the Marine Corps integration into the fleet
25 via composite warfare will be a prerequisite to the

1 successful execution of amphibious operations. Marines
2 cannot be passive passengers en route to the amphibious
3 objective area.

4 Can you elaborate a little bit on what you see as the
5 composite operations, composite warfare that he was
6 discussing, and do you agree with this assessment?

7 Admiral Gilday: Personally, sir, I agree with his
8 assessment. And in my conversation with him late last week,
9 one of the things we talked about was doing some
10 experimentation, and that begins actually with a war game
11 that we are both going to attend in August up in Newport,
12 Rhode Island, to take a look at different ways that we can
13 package capabilities that we have, that we can experiment
14 with new capabilities and integrate them into what we have
15 today, and to look at different ways we can approach
16 leveraging cyber and space as well, which admittedly we
17 probably need to do a better job of. And so as I mentioned
18 before, I think it is a blank canvas for us to use our
19 imagination and think about how we can do things
20 differently.

21 Senator Jones: All right. Well, thank you.

22 And that kind of leads to a question that I asked
23 General Hyten yesterday. China, Russia, North Korea, Iran
24 are all becoming more and more confident in challenging the
25 United States below the level of military conflict in what

1 is often called the gray zone with various tools, including
2 cyber, information operations, proxy support, political
3 coercion, and other means.

4 Does the Navy have a clear and comprehensive strategy
5 for working with the other branches for gray zone
6 competition and anticipating a deterrence as well?

7 Admiral Gilday: Sir, I would say that with Iran we are
8 doing that right now. And so the response options that we
9 have considered, the things that we are doing right now we
10 are working together across all the services to present
11 those options to leadership in concert with the current
12 policy that we have. And so I think that we can always do
13 better and that we can always keep at it. But we do work
14 very well together.

15 Senator Jones: Great.

16 I think that is all I have, Mr. Chairman.

17 Thank you, Admiral. I look forward to your successful
18 confirmation.

19 Admiral Gilday: Thank you.

20 Chairman Inhofe: Senator Sullivan?

21 Senator Sullivan: Thank you, Mr. Chairman.

22 And, Admiral, thank you for your service. Thank you
23 for your family's service, your dedicated decades of service
24 to the Navy and our nation. And I intend to strongly
25 support your confirmation.

1 So I am going to raise a topic. It is probably not
2 going to surprise the chairman and Senator King or you. But
3 it is actually a serious topic with regard to the Arctic and
4 cold weather issues.

5 Now, I know a lot of my colleagues here and a lot of
6 members of the Pentagon view this as a bit of a parochial
7 issue. There goes Senator Sullivan talking about the Arctic
8 because of Alaska. We are an Arctic nation and have an
9 interest in the Arctic because of the fact that Alaska is
10 part of the United States. So it is true in that regard.

11 But it is actually not a parochial issue, and it is an
12 important issue. If you read the National Defense Strategy
13 and you look at our potential adversaries, China, Russia,
14 North Korea, they all have one thing certainly in common
15 with regard to major military operations. It would be
16 large-scale. It would be cold weather, and it would be
17 mountainous, whether air, land, or sea. So my own view is
18 that we are not ready for this. We do not have the
19 capability for this. This is why I raise it all the time.
20 I think there are a lot of facts backing up my view.

21 Unfortunately or fortunately, depending on how you look
22 at it, that has not always been the case. You know, the
23 Marine Corps with regard to -- certainly one of the finest
24 moments in the Marine Corps' history is the battle of Chosin
25 Reservoir, which most Americans do not even know about.

1 November, December 1950 in the Korean War, the 1st Marine
2 Division, 20,000 strong, was surrounded by 120,000 Communist
3 Chinese in the mountains. It was 30 below 0, and the Marine
4 Corps got out with all its wounded, dead, equipment, and
5 ended up crushing the Chinese forces. Estimates are that we
6 killed and wounded over 35,000 of them. So we know how to
7 operate in cold weather. We used to and have a proud
8 history of it.

9 As you and I have discussed, Admiral, the Navy also
10 does. I am proud of the fact that I have five uncles and
11 great uncles who fought in World War II. My uncle Tom was a
12 Navy lieutenant who did the Murmansk and Archangel runs, two
13 of them. Mr. Chairman, I would like to put in for the
14 record "The New York Times" article, 1992, 50 years later,
15 Russians honor U.S. saviors, U.S. Navy sailors.

16 Chairman Inhofe: Without objection.

17 [The information follows:]

18 [COMMITTEE INSERT]

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1 Senator Sullivan: And my uncle is actually pictured in
2 that.

3 But as you know, Admiral, that was incredibly difficult
4 Arctic operations, German U boats trying to sink our ships
5 and convoys, and the U.S. Navy did an amazing job.

6 But what I am worried about -- and I have a reference
7 here. If you take a look over there, the "Navy Times"
8 article recently is that the bureaucracy in the military
9 just continues to resist the idea of working on Arctic
10 issues. So the "Navy Times" this last week -- there you go--
11 - Worst Orders Ever is the cover. It talks about the
12 strategic Arctic ports that we have been pushing here. We
13 have no capability right now in the Arctic. The Navy does
14 not. We do not have any infrastructure. That article
15 highlights the issue but mostly in my view is a bit whiny
16 about how tough it would be to operate in the Arctic.
17 Great. Tell that to my uncle. We know it is tough, but we
18 have to be able to do that.

19 And then similarly, you know, I talked to General
20 Berger quite a lot about this, the new Commandant of the
21 Marine Corps, hours really. They put out a new Commandant's
22 planning guidance, which I thought was a good document, but
23 it actually goes out of its way to say that we are not going
24 to focus on Arctic operations. So after his confirmation, I
25 was very surprised to see that.

1 So there is this resistance, and what I fear -- what I
2 fear -- it has nothing to do with me being a parochial
3 Senator from Alaska who cares about these issues -- we are
4 going to have a fight -- I hope we do not -- sometime in the
5 future, Navy, Marine Corps, Army in very cold weather
6 environments, whether at sea or in the air or in the
7 mountains, and we are not going to be capable of fighting
8 the way we used to.

9 So, if confirmed, can I get your commitment to work
10 with me, work with this committee on this very important
11 issue where, whether it is the Navy or the Marines or the
12 Army, we seem to have not wanted to focus on the ability to
13 operate in extreme cold weather, large-scale operations,
14 Navy included? We have no ice-hardened ships right now. We
15 cannot do FONOPs in the Arctic, and Putin wants to own it.
16 Can I get your commitment to take that personally seriously
17 and wherever the middle level of the Pentagon sludge that is
18 resisting this, to work around them or through them so we
19 can actually have a force, which I support strongly,
20 rebuilding our military, but rebuilding it in a way that has
21 serious Arctic cold weather capabilities to take on our
22 adversaries in that clime if we need to?

23 Admiral Gilday: Senator, you have my commitment.

24 Senator Sullivan: Thank you.

25 Thank you, Mr. Chairman.

1 Chairman Inhofe: Senator King?

2 Senator King: Admiral, what I am about to say is all
3 from open source information. I am going to demote for a
4 minute. So a year from now, you are the commander of the
5 Gerald Ford on a patrol off the east coast of Iceland. It
6 is early in the morning, and you learn that a hypersonic
7 missile has just been launched from Murmansk. You have 13
8 to 15 minutes to react. The missile is traveling at 6,000
9 miles an hour. It creates a plasma shield so that radar is
10 useless. The only sensor is infrared, and we have
11 inadequate infrared overhead architecture. What do you do?

12 Admiral Gilday: Defend myself as best I can, sir. It
13 is a hypothetical. I have to take a deeper look at the
14 capabilities that we have and what I could throw up against
15 it. But I have responsibility to defend -- we have
16 responsibility to defend ourselves. And I would take
17 action, whatever action I could take to do that.

18 Senator King: Admiral, I would suggest that this is a
19 disruptive change in the history of warfare. At the Battle
20 of Agincourt in 1415, there were four times as many French
21 as there were English. The English deployed, for one of the
22 first times, the longbow. It changed the course of European
23 history. This is similar change I view.

24 Hypersonic missiles are real. The Russians have one
25 called the Zircon that is proposed to be deployed next year.

1 The Chinese are very close behind. We are woefully
2 inadequate both in terms of developing this capability
3 ourselves, but more particularly in coping with it. As I
4 mentioned, radar is useless. Infrared sensors is the only
5 way to track. And by the way, these missiles not only
6 travel 6,000 miles an hour, they are maneuverable. So they
7 are not as easy to hit as a ballistic missile which has a
8 clear and direct trajectory.

9 I believe that this is a place where we have really
10 fallen short, and I am not talking to you particularly. I
11 am talking about the entire defense establishment. We are
12 doing research now. But this is an asymmetric vulnerability
13 that we have to address and do so in a hurry.

14 In the long run, probably the only real defense against
15 this awful weapon -- and by the way, these weapons can carry
16 nuclear warheads -- is deterrence. But the estimate from
17 the technologists in the Pentagon is we will not be prepared
18 to field our own, even anything close, or defensive measures
19 until the mid-2020s. The only deterrence is if you have an
20 equal capacity and can inform your adversary, and therefore
21 they will not attack.

22 This is a very dangerous situation in my view that I do
23 not think -- and I am not sounding virtuous here. I do not
24 think any of us have really fully grasped the implications.
25 We have talked about hypersonics, but when you are talking

1 about something coming 6,000 miles an hour that you cannot
2 see that could have a nuclear warhead that is maneuverable,
3 that is a nightmare weapon.

4 Admiral Gilday: Yes, sir, I agree.

5 Senator King: Unless we can solve this problem, it
6 renders aircraft carriers obsolete. Every aircraft carrier
7 that we own can disappear in a coordinated attack. And it
8 is a matter of minutes. Murmansk to the Norwegian Sea is 12
9 minutes at 6,000 miles an hour. So I hope you will take
10 back a sense of urgency to the Navy and to the research
11 capacity and to the private sector that this has to be an
12 urgent priority because otherwise we are creating a
13 vulnerability that could in itself lead to instability.

14 Admiral Gilday: Yes, sir.

15 Senator King: I have been very serious. I want to
16 move to a slightly different topic.

17 In your questions for the record, you indicated that
18 you thought it was in the national interest to accede to the
19 Law of the Sea Convention. Could you tell me why you think
20 that is the case?

21 Admiral Gilday: Sir, it has long been customary for
22 the United States to recognize the provisions of the UN Law
23 of the Sea that apply to both freedom of navigation, as well
24 as overflight. And it would be my intention to continue to
25 follow those provisions.

1 Senator King: But if we are just following it but we
2 are not members of the convention, then we are missing out
3 on the opportunity to participate at the table, for example,
4 when the Russians are trying to establish where the lines
5 are in the Arctic. That is correct. Is it not?

6 Admiral Gilday: Yes, sir. Sir, it is a complex policy
7 issue with respect to whether or not we agree to sign on to
8 that treaty. I would provide my best advice to civilian
9 leadership. I would study that issue vigorously and provide
10 my best advice.

11 Senator King: I take it your best advice is reflected
12 in your QFRs where you said, yes, we need to do this.

13 Admiral Gilday: Yes, sir. That is my feeling that we
14 continue to follow the provisions of UNCLOS.

15 Senator King: You are saying two different things.
16 You are saying, yes, we follow it, but I thought your answer
17 was, yes, we should go to the table.

18 Admiral Gilday: Yes, sir, it was.

19 Senator King: Thank you.

20 Thank you, Mr. Chairman.

21 Chairman Inhofe: I am glad you brought up hypersonics.
22 So many times you have heard me talk about the fact that
23 there is an assumption out there in America that we have the
24 best of everything.

25 Hypersonics -- that is all experimental. We have been

1 working on that, but it was my understanding that up till
2 about 10 years ago, we were kind of leading. But clearly
3 now -- and I have some pretty good evidence that kind of
4 convinces me that both China and Russia are probably, you
5 could argue, ahead of us right now. And what you bring up,
6 yes, it is a nightmare, but it is something that is out
7 there. I worry about things like that. I quit worrying
8 about me years ago, but I got 20 kids and grandkids, and I
9 do worry about the very thing you are bringing up.

10 I have another issue that I would like to bring up.

11 Admiral, when you were questioned by Senator Kaine, I came
12 up with an interpretation of your response talking about the
13 USS Gerald R. Ford and the Ford class, that pretty much
14 everything is going along pretty well right now except they
15 are not quite there on the elevators. Did I misunderstand
16 you?

17 Admiral Gilday: Sir, I think that the elevators are
18 the biggest challenge right now.

19 Chairman Inhofe: One of the biggest challenges, but
20 that is not what I heard you say.

21 Admiral Gilday: Sir, what I was trying to explain is
22 that there were three other technologies that were also
23 immature at the time ship delivered in 2017, and that was
24 the launching gear, the arresting gear, and the dual-band
25 radar.

1 Chairman Inhofe: I understand.

2 Admiral Gilday: And that we have seen significant
3 improvements in the reliability of those three systems.

4 And what I was trying to underscore, I was trying to
5 underscore the point that the elevators remain a significant
6 challenge.

7 Chairman Inhofe: Well, no, I understand that. Help me
8 to understand. It has been back in port now for about a
9 year. I am talking about the USS Gerald R. Ford. And they
10 were out for a period of about a year, and that is when you
11 did some of the testing. What is the proper terminology for
12 that kind of testing?

13 Admiral Gilday: Yes, sir. That is the shakedown
14 testing that they are doing after delivery.

15 Chairman Inhofe: And they did about 750 --

16 Admiral Gilday: Yes, sir, 747 launches.

17 Chairman Inhofe: 747 launches. Now, according to the
18 Director of the -- I am trying to read my writing here --
19 operational test and evaluation, that it was about every 75
20 cycles, there was a critical failure. That is my
21 understanding. And the Navy's own requirement on the
22 catapult is once every 4,000, and on the arresting gear,
23 once every 10,000 cycles. Am I correct?

24 Admiral Gilday: Sir, I am not familiar with that
25 detailed testing data.

1 Chairman Inhofe: Okay, but it is several thousand.
2 That is correct, by the way, 4,000 and 10,000 respectively.
3 And my concern there is -- well, first of all, that same
4 evaluation board said that they have not done anything on
5 the radar right now. I would put that in the category of
6 untested at this time.

7 Admiral Gilday: Sir, my understanding of the
8 reliability rates of the operation of that radar is close to
9 99 percent. I do not have the details behind the testing
10 that was done to produce that figure, but I would be happy
11 to come back to you, sir, with those details.

12 Chairman Inhofe: Well, no, I want to do that. I would
13 like to have you come back to me with that because I
14 stumbled on this and I spent some time down there. My
15 reason for being concerned had more to do with sole source
16 and other problems that we have. And of course, I listed
17 all of that in my opening statement, how much over budget
18 and all of this stuff, how much longer it is going to take
19 and the Secretary's response to that and the fact that they
20 were convinced that we were going to have the elevator
21 situation taken care of.

22 And I want to make sure that this record of this
23 meeting does not go on to imply that the only problem that
24 we have out there is with the elevators that lift the
25 ordnance into an operational position, that that would be it

1 because, in fact, if it has been one every 75 -- a critical
2 failure every 75 cycles during that period that it was out
3 there, and the Navy's own requirement is 4,000 on the
4 catapult and 10,000 times on the arresting gear, then I
5 would say that we have an equal problem there. It is not
6 just the problem of the elevator.

7 Admiral Gilday: Senator, I would like to take a look
8 at that data in more detail and get back to you quickly with
9 a better response.

10 Chairman Inhofe: Well, you know, I appreciate that,
11 but I want to be sure that this record that is being taken
12 right now, this event that we are going through, does not
13 somehow give that. Of course, the Senator from Virginia --
14 that is located in Virginia, so he has a different view
15 perhaps than I do. But I want to make sure that we are not
16 continuing to operate where we have the failures, the
17 premature deployment. When I found out that after all the
18 problems that were there, that they had a second order, I
19 just wondered where have I been during all this time.

20 So I want to make sure and I want to make sure right
21 now that the record is going to reflect that there are
22 problems beyond just the elevator, and those problems are
23 having to do with the arresting gear, having to do with the
24 catapult and the radar. Am I unreasonable to have this
25 record reflected that way?

1 Admiral Gilday: No, sir, not at all.

2 Chairman Inhofe: I say this in a friendly way. I
3 mean, you got a wonderful family. I hate to look at
4 families when I am critical. But I just want you to know
5 that I am very much supportive of your confirmation. But
6 that is an area that I would like to have you come out and
7 maybe even have some type of a hearing or meeting on this
8 that could be public as to where we are today and the
9 problems that still exist on that particular piece of
10 equipment.

11 Admiral Gilday: Yes, sir.

12 Chairman Inhofe: Senator Blumenthal?

13 Senator Blumenthal: Thank you, Senator Inhofe.

14 Thank you, Admiral, for your service and your family's
15 as well over a very long and distinguished career.

16 I want to just pursue the line of questioning that
17 Senator Inhofe raised.

18 I do not know how I go back to my constituents and all
19 of us to the American people make the case for the Ford and
20 others in its class that may follow it after the cost
21 overruns and delays that we have seen and also the continued
22 questions about whether aircraft carriers make sense in
23 today's military environment. So I would just respectfully
24 suggest now or in your answers to questions afterward that
25 the Navy might better explain to the American people why

1 this class of weapons platforms has continued value that
2 justifies the cost. It is not just that we might like to
3 have another aircraft carrier but they are pretty expensive.
4 You can buy a few submarines or more for the cost of that
5 aircraft carrier. And you testified earlier and the entire
6 Navy has been commendably supportive of our undersea warfare
7 capability. But I would just suggest that that case will
8 have to be made to the American people.

9 Admiral Gilday: Yes, sir. I understand.

10 Senator Blumenthal: I want to focus for the moment on
11 a topic that was raised by Senator Tillis and Senator Reed
12 very briefly, military housing, going from very high tech to
13 non-tech, but very important to the morale of our Navy and
14 military families. And having a wonderful military family,
15 as you do -- two of my sons served but neither were married
16 and neither used military housing. But we all know people
17 who depend on it.

18 In fact, I visited the Navy's sub-base in New London a
19 couple of times over the last 18 months to see the issues
20 that are raised there on privatized housing programs. And
21 what I saw -- and frankly, I might not have seen it at all
22 but for some of the public reporting and the families
23 themselves who raised it -- was really pretty disturbing and
24 led me to support and advance a tenant's bill of rights -- I
25 am sure you are familiar with it -- to implement a standard,

1 formal dispute resolution process across all military
2 installations, enable families to withhold housing if the
3 private owners are not accountable, an important step to
4 empowering tenants and local commanders as well. Local
5 commanders often have been cut out of the process to hold
6 these privatized housing companies accountable when they
7 advocate or disregard their responsibility.

8 I would like your commitment that you will strongly
9 support those measures which are now in the NDAA for this
10 year and ask you what you will do to ensure proper
11 oversight.

12 Admiral Gilday: Yes, sir. I agree it is a very, very
13 serious issue. And it goes back to my opening comments
14 about the fact that the strength of the Navy ultimately lies
15 with their sailors and their families. A high percentage of
16 our sailors are married, and they depend on that housing.
17 And we owe them quality housing.

18 In a single word, it really comes down to leadership
19 with respect to the oversight that needs to be provided.
20 And we have, obviously, taken our eye off the ball over a
21 number of years as we outsourced not only the function, but
22 we tried to just ignore the responsibility and the risk
23 involved to some of those families with respect to health
24 issues.

25 I spoke with the Commander of Navy Installations

1 Command yesterday at length about the things we are doing
2 now to ensure that we have visibility on every trouble call,
3 that we understand what the progress is, what the feedback
4 is from the customer, that we are making contact with every
5 single family at those bases, and we need to continue to
6 sustain that.

7 Yes, sir, you have my commitment that I will handle
8 this issue very seriously.

9 Senator Blumenthal: Thank you very much, Admiral.

10 I will be supporting, as well, your nomination as I am
11 sure the majority of my colleagues will, and I wish you good
12 luck. And thank you very much for your service.

13 Admiral Gilday: Thank you, Senator.

14 Chairman Inhofe: I would ask if there are any further
15 questions or comments to our witness. And hearing none, we
16 appreciate it very much.

17 I will look forward to that report that because it is
18 something that --I think he said it right. While I
19 disagree with the Senator's comments about whether or not
20 we have a need for aircraft carriers, but it is the cost.
21 It is the sole source problem. It is the delays. And I
22 would like to get into that with a lot more detail because
23 that is kind of our job.

24 Admiral Gilday: Yes, sir.

25 Chairman Inhofe: So if you would do that, that would

1 be very helpful, and I look forward to, in the future,
2 working with you and get you confirmed.

3 Admiral Gilday: Thank you, Mr. Chairman.

4 Chairman Inhofe: Thank you very much.

5 [Whereupon, at 11:13 a.m., the hearing was adjourned.]

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