

Stenographic Transcript
Before the

COMMITTEE ON
ARMED SERVICES

UNITED STATES SENATE

HEARING TO RECEIVE TESTIMONY ON UNITED STATES
EUROPEAN COMMAND AND UNITED STATES
TRANSPORTATION COMMAND IN REVIEW OF THE DEFENSE
AUTHORIZATION REQUEST FOR FISCAL YEAR 2021 AND THE
FUTURE YEARS DEFENSE PROGRAM

Tuesday, February 25, 2020

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8
9 U.S. Senate

10 Committee on Armed Services

11 Washington, D.C.
12

13 The committee met, pursuant to notice, at 9:31 a.m. in
14 Room SH-216, Hart Senate Office Building, Hon. James M.
15 Inhofe, presiding.

16 Committee Members Present: Senators Inhofe
17 [presiding], Wicker, Fischer, Cotton, Rounds, Ernst,
18 Tillis, Sullivan, Perdue, McSally, Scott, Blackburn,
19 Hawley, Reed, Shaheen, Gillibrand, Blumenthal, Hirono,
20 Kaine, King, Heinrich, Peters, Manchin, Duckworth, and
21 Jones.
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1 OPENING STATEMENT OF HON. JAMES M. INHOFE, U.S.
2 SENATOR FROM OKLAHOMA

3 Chairman Inhofe: Our hearing will come to order.

4 We meet today to continue receiving the posture
5 statements. There will be quite a few more. It is the
6 time of year, and we have General Tod Wolters -- and I
7 appreciate very much the time we spent together in Munich
8 last week -- and General Stephen Lyons. So I appreciate
9 the two and the years of service that you have donated and
10 given to your country.

11 As stated many times before, the Armed Services
12 Committee's top priority is to ensure the effective
13 implementation of the National Defense Strategy. We pretty
14 much -- it surprised me, Senator Wicker -- how we have
15 really stuck with that from the very beginning. It means
16 that we must ensure that in this era of great power
17 competition with Russia and China that our military
18 services are resourcing our combatant commands to address
19 the challenge of strategic competition.

20 This is especially true of our two combatant commands
21 that are here today. EUCOM is focused on deterring
22 Vladimir Putin who has repeatedly shown his willingness to
23 use force to achieve his political objectives. And then
24 there is TRANSCOM whose focus on full spectrum mobility
25 operations include sealift, airlift, both of which face

1 capability shortfalls.

2 I just returned from the Munich Security Conference
3 with several others here at this table. It was a great
4 reminder of the importance of allies and partners as we
5 deal with the challenges from China and Russia. There are
6 great opportunities to work with our European friends
7 especially in Africa, and I hope that we will continue to
8 do that.

9 America's commitment to NATO remains bipartisan and
10 unwavering. We are matching our words with action
11 especially through our posture investments in the European
12 Deterrence Initiative and the upcoming exercises called
13 Defender 20, which will be the largest movement of U.S.
14 troops to Europe since the end of the Cold war. We are
15 talking about, in addition to the 10,000 already there, an
16 additional 20,000, and so that is a large one. It is a
17 record-setter.

18 General Wolters, I look forward to hearing about your
19 priorities going forward especially in the maritime domain
20 where Russia is increasing activity, advancing submarines
21 and in air and missile defense as China continues to
22 threaten U.S. and allied forces with its missile arsenal.

23 General Lyons, you recently stated that the aerial
24 refueling fleet is the most stressed in the U.S.
25 Transportation Command's arsenal. So we look forward to

1 getting your thoughts on how we can address the shortfall,
2 much of which is due to the problems that we have had with
3 the KC-46. I am particularly sensitive to that because I
4 was honored to come back from all the way to Washington
5 State to come back to Altus Air Force Base in the KC-46.
6 At that time -- that was less than a year ago -- I did not
7 think there was any problem with it. Obviously, there is.

8 Before we turn to Senator Reed, we would remind the
9 members that we will have a classified, closed, informal
10 briefing at 2:30, and that is going to conflict with some
11 of the votes.

12 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.
4 Chairman. I want to join you in welcoming our witnesses
5 this morning. General Wolters is testifying for the first
6 time before the committee in his current position as
7 Commander of U.S. European Command and NATO Supreme Allied
8 Commander Europe, or the SACEUR.

9 General Lyons, I welcome your return to testify before
10 the committee on the posture of the U.S. Transportation
11 Command.

12 Let me thank both of you for the many decades of
13 military service, and please extend our appreciation to the
14 dedicated men and women serving under your command.

15 The transatlantic relationship remains absolutely
16 critical to U.S. national security. Our close bond with
17 our European allies and partners is one of our greatest
18 strategic advantages. In the fiscal year 2020 National
19 Defense Authorization Act, Congress reaffirmed the
20 unbreakable U.S. commitment to NATO.

21 I am concerned, however, that significant cuts in the
22 European Deterrence Initiative, or EDI, as proposed in the
23 President's fiscal year 2021 budget request may send the
24 wrong signal to our allies and our adversaries regarding
25 our support for the transatlantic relationship.

1 The EUCOM Commander faces a wide range of complex
2 security challenges, including the reemergence of a
3 revanchist Russia seeking to reassert a claim to great
4 power status. Russia is actively undermining the rules-
5 based international order that it views as contrary to its
6 strategic interests. Russia has deployed its military
7 aggressively to attempt to coerce its neighbors and
8 undermine their sovereignty. Consistent with the 2018
9 National Defense Strategy, EUCOM is developing the
10 operational concepts, plans, and programs necessary for the
11 strategic competition with Russia and to ensure our combat
12 credible military deterrent against Russia's efforts to
13 threaten the sovereignty of our allies and partners.
14 General Wolters, the committee will be very interested in
15 whether you have the force posture in Europe and resources
16 to meet this challenge.

17 Additionally, Russia is engaged in a campaign of
18 hybrid warfare, below the level of military conflict, to
19 advance its strategic interests. Recent news reports have
20 highlighted that Russia is, once again, conducting
21 information warfare operations to influence the upcoming
22 U.S. presidential elections to advance preferred candidates
23 and sow division and undermine public faith in our
24 democratic process. I would be interested in how EUCOM is
25 working with CYBERCOM and other agencies to counter the

1 Russian hybrid threat and what progress, if any, have we
2 made on ensuring a coordinated, whole-of-government
3 strategy to defend against Russian malign influence.

4 A major test of both EUCOM and TRANSCOM will come this
5 spring, as the chairman has indicated, with the Defender-
6 Europe 20 exercise. This exercise is about the
7 transportation of a division-sized combat force, the
8 largest deployment of troops from the United States to
9 Europe for an exercise in the past 25 years. There are
10 some of us that still remember Reforger. In total, some
11 37,000 U.S., NATO, and partner forces will participate in
12 Defender. This exercise will highlight the combat-credible
13 military deterrent provided by U.S. and allied forces
14 against aggression in Europe.

15 Now, turning to TRANSCOM, the men and women of
16 TRANSCOM perform duties that sustain the entire Department
17 of Defense effort in protecting our nation's security.
18 With the competitive edge and its ability to deploy and
19 sustain America's armed forces, TRANSCOM provides DOD with
20 unique capabilities that we have come to expect and perhaps
21 too frequently take for granted. TRANSCOM forces are busy
22 supporting all of the combatant commanders every day, and
23 without them, the United States would be at a significant
24 disadvantage almost everywhere in the world.

25 The Ready Reserve Force, or RRF, is a group of cargo

1 ships held in readiness by the Maritime Administration.
2 But it is aging and will need to be modernized over the
3 next decade. 3 years ago, the committee authorized the
4 Defense Department to begin a program to recapitalize the
5 Ready Reserve Force. This program will authorize DOD to
6 purchase up to two foreign-built vessels while the Navy
7 designed a family of auxiliary vessels for a number of
8 uses, including recapitalizing the Ready Reserve Force.

9 Then 2 years ago, Congress authorized the department
10 to buy five more foreign-built vessels as soon as the
11 Department submitted a funded plan to build new ships for
12 the RRF in U.S. shipyards, a plan we have yet to receive.
13 General Lyons, I am interested in the status of the RRF
14 recapitalization in fiscal year 2021.

15 The Defense Department also needs to ensure that the
16 Civil Reserve Air Fleet, or CRAF, program, which provides
17 as much as 40 percent of wartime airlift needs, remains
18 viable and will be able to provide needed surge capacity in
19 the future. General Lyons, I am interested in your views
20 on the state of this fleet and if anything needs to be done
21 to ensure their readiness.

22 Our global transportation capability owned or managed
23 by TRANSCOM has been one of our asymmetric advantages of
24 many years now. However, we cannot assume that potential
25 adversaries will allow us free rein in this area in the

1 future. Last year, we received the report of the analysis
2 of wartime transportation needs in the Mobility
3 Requirements Study. It was clear to the committee that the
4 Department needed to continue the analytical effort to
5 identify requirements because the study presented last year
6 did not reflect implementation of the National Defense
7 Strategy. General Lyons, perhaps you could give us an
8 update on where TRANSCOM stands in updating this analysis.

9 Finally, TRANSCOM also faces a unique set of cyber
10 threats because of the command's extensive work with
11 private sector entities in the transportation and shipping
12 industries. General Lyons, I would like to get an update
13 from you on where TRANSCOM stands in its effort to improve
14 its cybersecurity posture.

15 Again, let me thank the witnesses for appearing before
16 the committee today. I look forward to your testimony.

17 Chairman Inhofe: Thank you, Senator Reed.

18 We will now hear opening statements. We will start
19 with you, General Wolters, and then General Lyons. Your
20 statements should be around 5 minutes. Your entire
21 statement will be made a part of the record. General
22 Wolters?

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1 STATEMENT OF GENERAL TOD D. WOLTERS, USAF, COMMANDER,
2 UNITED STATES EUROPEAN COMMAND/NORTH ATLANTIC TREATY
3 ORGANIZATION SUPREME ALLIED COMMANDER EUROPE

4 General Wolters: Chairman Inhofe, Ranking Member
5 Reed, distinguished members of the committee, it is an
6 honor to appear before you, and on behalf of the men,
7 women, and families that represent USEUCOM, we thank each
8 and every one of you for your steadfast support. As all of
9 you well know, it is an absolute privilege to serve
10 alongside the patriots that represent the United States of
11 America.

12 In Europe, political uncertainty, energy competition,
13 and diffusion of disruptive technology are stressing the
14 established Western order. Threats and challenges, most
15 notably Russia, Iran, and China, seek to take advantage of
16 these conditions through aggressive action using all
17 instruments of national power and are backed by
18 increasingly capable military forces.

19 Fully aligned with the National Defense Strategy
20 implementation efforts, we confront these challenges by
21 adapting our approach to most effectively employ our means.
22 Together with the likeminded allies and partners, our team
23 of patriots defend freedom in all domains across the area
24 of responsibility and around the clock. Thanks to their
25 efforts and the authorities and resources you provide,

1 EUCOM continues to maintain positive momentum with respect
2 to readiness and is postured to compete, deter, and
3 effectively respond with the full weight of the
4 transatlantic alliance.

5 In 2019, NATO took significant military strides with
6 improvements in command and control, indications and
7 warnings, mission command, and by approving a new NATO
8 military strategy titled "Comprehensive Defense and Shared
9 Response." NATO continues to adapt its force structure
10 with the establishment of two additional NATO headquarters.
11 Joint Forces Command Norfolk, which is focused on
12 maintaining transatlantic lines of communications, and the
13 German-led Joint Support Enabling Command focused on rear-
14 area logistics coordination. These headquarters increase
15 our ability to command and control, enable deployment, and
16 sustain NATO forces in crisis or conflict.

17 The European Union, NATO, and EUCOM have made progress
18 improving infrastructure and transit procedures to
19 facilitate rapid movement of forces across the Euro-
20 Atlantic. We will leverage many of these advancements to
21 facilitate deployment of a division-sized force, as
22 mentioned by the chairman, during the U.S.-led exercise
23 Defender-Europe 20, an exercise that showcases U.S. and
24 allied commitment to collective security of the Euro-
25 Atlantic.

1 The United States' position in Europe is an invaluable
2 cornerstone of national security. Today, U.S. service
3 members in Europe continue to generate peace alongside our
4 allies and partners. We are grateful for sustained
5 congressional interest and support through authorities and
6 funding. Together with the soldiers, sailors, airmen,
7 marines, coast guardsmen, and civilians of USEUCOM, your
8 support demonstrates our nation's continued commitment to
9 defend the homeland forward and preserve peace for the 1
10 billion citizens in the Euro-Atlantic.

11 Thank you.

12 [The prepared statement of General Wolters follows:]

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1 Chairman Inhofe: Thank you.

2 General Lyons?

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1 STATEMENT OF GENERAL STEPHEN R. LYONS, USA,
2 COMMANDER, UNITED STATES TRANSPORTATION COMMAND

3 General Lyons: Thank you, Chairman. Chairman Inhofe,
4 Ranking Member Reed, distinguished members of the
5 committee, it is my honor today to represent the men and
6 women of the United States Transportation Command who at
7 this very moment are employed around the globe conducting
8 mobility operations 24 hours a day, 7 days a week, 365 days
9 a year.

10 Our mission at TRANSCOM is enduring, and that is to
11 project and sustain the force globally at our time and
12 place of choosing, thereby representing multiple options
13 for our national leadership and multiple dilemmas for
14 potential adversaries.

15 With 85 percent of the force element stations in the
16 United States, it is TRANSCOM's job to move forces and
17 materiel in support of the Secretary of Defense's strategic
18 priorities. Our National Defense Strategy underscores the
19 importance of advancing our national security interests,
20 detering potential adversaries, and should deterrence
21 fail, responding with overwhelming force to win. Power
22 projection is a distinct U.S. comparative advantage, but we
23 are not alone in this effort. Our vast global logistics
24 networks are underpinned by a deep bench of allies and
25 likeminded partners that facilitate critical access basing

1 and overflight activities.

2 Today, I am confident in our ability to successfully
3 execute our mission. This past year, with a no-notice
4 alert, we moved the 1st Brigade of the 82nd Airborne
5 Division to CENTCOM in less than 5.5 days. In total, we
6 moved over 42 Army brigades, refueled multiple bomber task
7 force and fighter movements, delivered 1.9 million
8 passengers, over 6,000 patients, over 100,000 containers,
9 and over 26 million square feet of cargo. Much of this
10 activity largely went unnoticed. This is good news and a
11 sign of sustained success across DOD's mobility enterprise.

12 However, as the chairman pointed out, our world is
13 changing. The National Defense Strategy describes a future
14 in which TRANSCOM must be able to project the joint force
15 under all-domain persistent attack. We acknowledge that
16 our success today does not guarantee success for tomorrow,
17 and we are actively preparing to meet tomorrow's challenges
18 working through contested environment war games, enhancing
19 cyber defenses and resiliency, and improving the
20 integration of the sustainment warfighting function across
21 the joint operations.

22 To maintain readiness today, our aerial refueling and
23 sealift forces require attention so they can continue to
24 meet current and future challenges.

25 Before I close, I want to highlight the Department's

1 ongoing work to improve the personal property program, an
2 area of great interest for Congress. As directed by the
3 NDAA, we have submitted a business case analysis and worked
4 closely with the GAO on their report. Both reports
5 underscore the need for change. The Department can no
6 longer afford to operate a disparate confederation of
7 government activities supervising its similarly disparate
8 collection of hundreds of transportation providers. We are
9 on track to restructure our relationship with industry
10 through the award of a global household goods contract that
11 will begin moving DOD families ahead of the 2021 peak
12 season.

13 My message for DOD families: we heard your call for
14 improved accountability, transparency, and quality
15 capacity, and we are committed to deliver.

16 My message for industry providers: if you provide
17 quality service for our military members, you have a place
18 in the future program. We need every quality moving
19 service, to include our small businesses, and appreciate
20 all that you do.

21 It is an exciting time to be the commander of
22 USTRANSCOM, and I could not be more proud of the team of
23 professionals that create the strategic comparative
24 advantage called the joint deployment and distribution
25 enterprise.

1 I am pleased to join General Tod Wolters today and
2 look forward to your questions. Thank you for your
3 leadership and support to our amazing service members.

4 [The prepared statement of General Lyons follows:]
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1 Chairman Inhofe: Thank you, General Lyons. I
2 appreciate your bringing up that issue. We spent a lot of
3 time on that in the defense authorization bill addressing
4 that, and I think you are carrying it out exactly as we had
5 intended you to do that.

6 As I mentioned, General Wolters, we appreciate the
7 briefing that we got in Germany, and you covered something
8 I think that might be worth repeating here. In October
9 2019, the news report suggested that Russia deployed as
10 many as 10 submarines for some of the largest fleet
11 maneuvers since World War II. Can you describe, as you did
12 this last week, how the pace and scope of Russia's maritime
13 activity has changed in recent years and what implications
14 that has for EUCOM?

15 General Wolters: Yes, Chairman. We took note of the
16 Russian undersea activity in the summer/fall of 2018 and
17 compared it to what Russia executed in the summer of
18 2019/fall of 2019. And what we saw was a 50 percent
19 increase in the number of resources in the undersea that
20 Russia committed to both those out-of-area submarine patrol
21 operations.

22 What we also witnessed was an improved degree of good
23 order and discipline on behalf of the Russian sailors. So
24 this observation is one more reflection about how important
25 it is to continue to improve our competitive edge to buy

1 down the risk to ensure that we can operate with freedom.

2 Chairman Inhofe: Okay. That is good.

3 On that same trip we went through Rota, Spain when
4 they were talking about that they are adding the two U.S.
5 destroyers to the four that are already there. Is that
6 something you support? Where does that fall into -- what
7 level of request you have for additional forces in EUCOM?

8 General Wolters: Chairman, it is precisely in line
9 with our request for two additional destroyers. And what I
10 am also proud to report, with the support of this committee
11 through EDI, we have been in a position to where we have
12 been able to improve and mature the infrastructure at Rota.
13 If you asked me to accept two more destroyers tomorrow, we
14 actually possess the infrastructure at Rota to be able to
15 house those two additional destroyers, a reflection of the
16 value of the funds for deterrence.

17 Chairman Inhofe: Yes. They made that very clear.

18 All right. General Lyons, I commented in my opening
19 statement about the KC-46. Some of us went from here in
20 Washington up to Seattle to fly the first ones down to
21 Altus Air Force Base, and I remember at that time, we had
22 the Secretary of the Air Force, Deborah James, there. And
23 I recall making an observation, and that was that in 1959,
24 two wonderful things happened. Number one, I got married,
25 and number two, the first KCs were actually delivered to

1 Altus Air Force Base. And at that time, we did not know
2 that there was any problem. At least, I did not know, and
3 I do not think anyone else did either because we were just
4 rejoicing. The fact that that had lasted 60 years, and she
5 even commented it looks like that is going to enhance the
6 prosperity of Altus Air Force Base for the next 60 years.
7 So that was something we were not aware of.

8 And so now you got a problem, and that problem, of
9 course, is what are we going to do to fill that function.
10 And I know you have given a lot of thought to it. Why do
11 you not let us know where you are right now? You know, we
12 have been doing this for years, getting rid of old things
13 before we got the new ones online ready to perform. So
14 kind of tell us where we are. What is that going to do
15 with the preparations that we have already made for the KC-
16 135's and the KC-10's to actually be downgraded?

17 General Lyons: Chairman, thanks.

18 As you mentioned in your opening comments, aerial
19 refueling as a force element is the most stressed force
20 element in the TRANSCOM portfolio, both for day-to-day
21 operations, as well as for high-end conflict operations.

22 I will defer to the Air Force on the particular
23 programmatic and technical aspects of the KC-46 as it
24 comes online.

25 Chairman Inhofe: Yes, and I mentioned that to you

1 before this meeting that we will be having the Air Force's
2 posture hearing, and we will want to talk about that at
3 that time too.

4 General Lyons: Yes, sir.

5 And what I can describe is operationally. As we bring
6 the KC-46 on and we take on more jets and we convert more
7 crews, when that capability is not usable and it is not
8 today presentable to the joint force for some technical
9 deficiencies, that means a dip in operational capability
10 for the joint force in day-to-day operations in the active
11 component if in fact we continue to retire the KC-135 and
12 the KC-10 at the rate that was proposed by the Air Force.
13 So we are working very, very closely with the Air Force and
14 the Department to retain a level of capability, of legacy
15 capability, so we can continue to support joint operations.

16 Chairman Inhofe: So you are retaining some that you
17 had not planned on retaining had we not had the problem
18 with the KC-46, I assume.

19 General Lyons: Sir, we are working Air Force now.
20 There was some number of planes that were retired, were
21 programmed for retirement in fiscal year 2021, as you saw
22 in the budget submission, that we believe must be retained,
23 13 KC-135's and 10 KC-10's that we believe must be retained
24 during the conversion.

25 Chairman Inhofe: That is good.

1 Senator Reed?

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

4 General Wolters, the European Command's strategy
5 document states meeting the challenge of countering the
6 Kremlin-sponsored malign influence campaign necessitates a
7 whole-of-government solution. So do you assess currently
8 that we have a synchronized campaign prosecuted in a
9 unified manner to address malign influence, particularly
10 directed at the 2020 election?

11 General Wolters: Senator, I think our campaign
12 momentum is improving in that area. As you are familiar
13 with, we established 2 years ago the Russia integration
14 group that bears the responsibility to represent USEUCOM
15 with the United States and with many NATO nations to align
16 a whole-of-nation, whole-of-government activity and
17 activities below the level of actual kinetic conflict to
18 ensure that we can have better control of the information
19 domain.

20 I think we are to a point to where we expect to do
21 better, and I think that is a good place for military
22 leaders to be. I will tell you that I am pleased with the
23 campaign momentum. I have had the opportunity to visit
24 with many of the U.S. entities and national entities that
25 represent whole-of-government and whole-of-nation activity

1 to provide more influence in the information domain, and I
2 am pleased with the progress.

3 Senator Reed: Thank you.

4 Can you just give me your assessment of the current
5 state of alliance cohesion within NATO? And I would assume
6 that at a military level, there is one sort of analysis and
7 at a political level, another. Can you touch on both?

8 General Wolters: Senator Reed, the mil-to-mil
9 alignment that I see with the United States and NATO with
10 the north Atlantic extension through the Euro-Atlantic is
11 as strong as I have ever witnessed. And I have had the
12 opportunity to serve in NATO since 1983.

13 And I am pleased to report that at the political
14 level, as a result of recent documents that were approved
15 at NATO at the political level, we are seeing greater
16 cohesion as well. For the first time in over 6 decades, we
17 at NATO approved the first NATO military strategy. It is a
18 document that is classified NATO secret that codifies the
19 threat and codifies the activities that we need to embrace
20 to more comprehensively defend. All 29 nations agreed to
21 that NATO military strategy, and I think that is a
22 reflection at the political level and the military level of
23 improving cohesion.

24 Senator Reed: Thank you.

25 General Lyons, we talked about the shipbuilding

1 program. Can you just give us a quick sort of summary of
2 where are at and where we have to go?

3 General Lyons: Yes, Senator, I sure can.

4 As you know, we depend on sealift to carry about 90
5 percent of our cargo capacity in a wartime scenario. Our
6 current readiness of the fleet is below where we need it to
7 be. You indicated that it is rapidly reaching end of
8 useful life. We are working very closely with the Navy.
9 You mentioned the authorization to buy seven used vessels.
10 I anticipate we will purchase two, the first two, in 2021,
11 working very, very closely with MARAD and the Navy. My
12 view is we should have that first vessel in the first
13 quarter of fiscal year 2021.

14 Senator Reed: But we are far below what we would need
15 for a surge -- a significant military operation at this
16 point. Correct?

17 General Lyons: Yes, sir. That is correct. We need a
18 much longer plan.

19 Senator Reed: And the chairman touched upon the air
20 refueling, which I think is another critical weakness. We
21 talked about that in the office.

22 One of the areas that is ubiquitous everywhere is
23 cyber, and you are in the position where you not only have
24 to have a military organization that you have to keep sort
25 of ahead of the curve, but you have literally hundreds of

1 private companies, some large, some small. Can you give us
2 an idea of the cyber challenges that you are facing, and do
3 we have a significant vulnerability there?

4 General Lyons: Senator, the way I would characterize
5 the cyber vulnerability is probably the most consequential
6 to the mobility enterprise as we look at it. So we spend a
7 lot of time on this particular issue looking at resiliency,
8 looking at a number of other issues to harden our defenses,
9 et cetera. Particularly with regard to the commercial
10 carriers which is I think what you are asking, we have
11 included contract language in all of our contracts. We
12 check compliance. We have self-reporting mechanisms. We
13 believe that their level of cyber hygiene has increased
14 significantly from this level of effort.

15 I would not come here today and tell you that they
16 could survive a threat from a persistent threat actor. And
17 so we have sufficient resiliency in our contracts as well.

18 Senator Reed: Just to follow on, do you have the
19 ability to check, you know, send in teams, no-notice
20 inspections? You know, the old line, a unit only does what
21 the commander checks. If you are not checking, you could
22 have everything in the contract you wanted and you would
23 have nothing.

24 General Lyons: Senator, we do not have the authority
25 that you are describing.

1 Senator Reed: Do you need that?

2 General Lyons: There are some second and third
3 implications on those kinds of activities.

4 Senator Reed: Can you get back to us on that?

5 General Lyons: I can, yes, sir.

6 Senator Reed: And I am not surprised the 1st Brigade
7 of the 82nd conducted an outstanding operation. Thank you.

8 General Lyons: Airborne, sir.

9 Chairman Inhofe: Thank you, Senator Reed.

10 Senator Wicker?

11 Senator Wicker: Thank you, Mr. Chairman.

12 And, gentlemen, thank you for your great service to
13 the United States.

14 Let me ask you, General Wolters. The proposed OMB
15 fiscal year 2021 budget requests \$705.4 billion for DOD.
16 This represents three-tenths of 1 percent over the current
17 fiscal year. In other words, the proposed budget buys us
18 less resources than the current year considering inflation.
19 Am I correct there?

20 General Wolters: Yes, Senator.

21 Senator Wicker: And let me just ask you this. Do we
22 need less security resources in the European Command next
23 year than we do this year?

24 General Wolters: Senator, we need more.

25 Senator Wicker: And in addition to that, the

1 Secretary of Defense, the Joint Chiefs of Staff, and the
2 National Defense Strategy Commission have all endorsed 3.5
3 percent real growth. Is that also your opinion, General
4 Wolters?

5 General Wolters: Yes, Senator.

6 Senator Wicker: And, General Lyons, is that your
7 opinion also?

8 General Lyons: Yes, Senator.

9 Senator Wicker: I appreciate the distinguished
10 chairman mentioning early on in his questioning Rota,
11 Spain, and I am glad that he and his team visited there --
12 a bipartisan delegation visited there just the other day.

13 The DDGs are the workhorse of the Navy. General
14 Wolters, in European Command how does a mere three-tenths
15 of 1 percent increase over the current fiscal year affect
16 what we are going to be able to do there with the DDGs,
17 with the two extra DDGs?

18 General Wolters: Senator, every cent counts. Those
19 two additional DDGs would allow us the opportunity to
20 continue to improve our ability to get indications and
21 warnings in the potential battle space and also
22 dramatically improve our ability to better command and
23 control. And because of the flexibility of those
24 resources, they can comprehensively defend in all
25 geographical areas in support of Europe. So those

1 destroyers are critical to improve the campaign to deliver
2 peace, particularly in the areas of indications and
3 warnings and command and control.

4 Senator Wicker: Thank you. Thank you for that. And
5 we are going to certainly try to help you I think up and
6 down the dais here on a bipartisan basis on the resources
7 that we need to defend America and Americans.

8 It is interesting that the leader of EUCOM would
9 mention in the first few seconds of his statement not only
10 Russia but China. And so could you enlighten us about
11 where you are seeing increased problems with China and
12 increased influence in the European theater from China?

13 General Wolters: Senator, two areas. The first is
14 seaport equities, and the second is 5G Huawei.

15 And what we have seen in several critical nations on
16 the periphery of Europe is an economic majority on behalf
17 of China investment for seaports in critical nations like
18 Belgium, Italy, France, and Greece. And that is a large
19 concern to all of the NATO nations. And when you start to
20 do the collective math, you discover that China has access
21 to 10 percent of the shipping rights into and out of
22 Europe. Those are daunting figures that should lead one to
23 believe that we need to continue to be vigilant with
24 respect to seaport equities on the economic side.

25 The second issue happens to be Huawei and 5G. I am

1 firmly aware of several European nations who have a
2 tendency to lean towards Huawei and 5G. My concern goes
3 back to the soldiers. Without the appropriate network
4 protection, there is a potential compromise of technical
5 data and personal data, and that is not to the good order
6 and discipline of our U.S. soldiers and our NATO soldiers.

7 Senator Wicker: And finally, General Wolters, a
8 number of us have been involved on a member-to-member basis
9 with our parliamentary brothers and sisters in the OSCE
10 Parliamentary Assembly. We have a great new Ambassador to
11 the OSCE, Ambassador Jim Gilmore. To what extent is the
12 OSCE organization important to you and to providing you
13 information that you need?

14 General Wolters: Very important, Senator, and I think
15 it builds incredible trust for the Euro-Atlantic link.
16 Your hearings that you held in Gdansk last year were a huge
17 boost in trust not only between the U.S. and Poland but
18 throughout all of NATO.

19 Senator Wicker: Thank you.

20 Thank you, Mr. Chairman.

21 Chairman Inhofe: Thank you, Senator Wicker.

22 Senator Blumenthal?

23 Senator Blumenthal: Thanks, Mr. Chairman.

24 Thank you both for your service and thank you for
25 being here.

1 Many of my colleagues and I have received briefings as
2 recently as this morning from other departments and
3 agencies in the administration about the coordinated
4 response to the coronavirus. I am also concerned about the
5 Department of Defense response to protect service members
6 and family members that are stationed at military
7 installations abroad, the rapid spread of this virus, as
8 well as the number of diagnoses and deaths in countries
9 where Americans are stationed -- a lot of Americans are
10 stationed in, for example, South Korea -- is very, very
11 concerning. I am focused on ensuring that the Department
12 is reevaluating and updating procedures and actions
13 necessary to keep our service members and their families
14 safe.

15 General Lyons, your command manages the inter-theater
16 movement of our service members in and out of areas that
17 have been impacted by the coronavirus, making you really
18 uniquely positioned to address this issue. What action has
19 your command taken to mitigate the spread of COVID-19 and
20 ensure the well-being of our service members and their
21 families? And do you need additional resources? Is there
22 more we can do to help you? And what more do you think
23 should be done?

24 General Lyons: Senator, I agree with your concern.
25 And the Secretary of Defense has indicated that protection

1 of the force is his number one priority regarding the
2 coronavirus.

3 U.S. Northern Command is the lead for the Department,
4 working very closely in support of Health and Human
5 Services. We are connected with them on a daily basis, a
6 frequent number of times a day. And so we are watching
7 this very, very closely for any implications on global
8 mobility.

9 Senator Blumenthal: And what specific actions are you
10 taking?

11 General Lyons: Inside the transportation enterprise,
12 locations like Travis Air Force Base has become a receiver
13 for potential folks coming out of the theater particularly
14 the Indo-Pacific. So we are not taking particular health
15 protection measures inside the command other than to
16 protect the force, but in a more board sense, we are in
17 support of Health and Human Services and that is done
18 through the lead of USNORTHCOM.

19 Senator Blumenthal: And, General Wolters, do you feel
20 you have been given the necessary resources and other tools
21 to protect American service men and women and their
22 families in Europe?

23 General Wolters: Yes, Senator, and we have also been
24 given the appropriate authorities. As we speak in Europe
25 today, we have over 300 cases, and the nation that is of

1 most concern is Italy with six reported deaths. We have
2 restricted travel to certain zones, and we require all mil
3 air arrival flights to be screened for the virus.

4 Senator Blumenthal: Are you taking any additional
5 steps to constrain travel by service men and women or their
6 families on leave and so forth?

7 General Wolters: We have in what we feel are the
8 affected areas, in particular two states inside of Italy.

9 Senator Blumenthal: And do you have plans to restrict
10 travel in any other states?

11 General Wolters: We anticipate the need may arise in
12 Germany, but that is still to be determined.

13 Senator Blumenthal: General Wolters, in your posture
14 statement, you highlight American service members on the
15 ground in the Joint Military Training Group Ukraine work,
16 and you note they serve shoulder to shoulder with Ukrainian
17 forces. Can you expand on the important efforts to deter
18 Russian aggression there?

19 General Wolters: Yes, Senator. The Joint Military
20 Training Group initiated military training team activity on
21 a rotational basis starting in 2016, and they also began
22 about 6 months later to rotate military training teams in
23 the special operations category. There are several phases
24 of the long-range plan, and here we are 3 and a half years
25 later and we are to phase 3, which puts those military

1 training teams that represent the Joint Military Training
2 Group -- Canada and UK are other participants. Those teams
3 are now in observer status because of the demonstrated
4 expertise of the Ukrainian armed forces and the
5 conventional force in the SOF side of the house. We are
6 very pleased with the progress of the Ukrainian armed
7 forces, and the stronger that they are and the more that
8 they embrace democratic values, the greater the alignment
9 with the West, which is exactly where need to head.

10 Senator Blumenthal: Thank you. Thank you very much,
11 gentlemen. My time has expired. Thanks for your service.

12 Chairman Inhofe: Senator Fischer?

13 Senator Fischer: Thank you, Mr. Chairman.

14 And I would like to thank both of you gentlemen for
15 your service and also to thank the men and women who serve
16 under you.

17 General Wolters, how would you assess the progress
18 that has been made in implementing the NDS and its emphasis
19 on prioritizing strategic competition with Russia?

20 General Wolters: Senator, I am very pleased. As I
21 mentioned earlier on one of the questions from your
22 colleagues, for the first time in many decades, we approved
23 the NATO military strategy, and it looks very similar to
24 the United States' National Defense Strategy. And I
25 believe this is one area that reflects the powerful

1 alignment and a willingness on behalf of NATO to lean
2 forward with respect to what we do across the full spectrum
3 from competition to crisis to conflict, which is exactly
4 what we called for in the NDS. So I am pleased with the
5 ever-improving alignment in NATO and with our European
6 nations.

7 Senator Fischer: What do you think is the biggest
8 challenge that you have in fulfilling the goals of the NDS
9 in Europe?

10 General Wolters: It is to do what we can to cure the
11 malign influence on behalf of Russia, and that requires a
12 more concentrated effort in the competition phase of
13 embracing a potential foe. And what we have heard
14 throughout many of the questions today are the activities
15 that we have to embrace in 21st century military below the
16 actual activities of kinetic conflict and understanding
17 what we are doing and what the return on investment is.
18 And we are making rapid improvement in those areas.

19 Senator Fischer: So in order to improve, basically
20 you need to work together more on your training?

21 General Wolters: Yes, ma'am.

22 Senator Fischer: Do you feel that you have come
23 together or are coming together with other NATO partners in
24 facing what the threats are?

25 General Wolters: We are, and the reflection of that

1 is the approval of a NATO military strategy that actually
2 codifies those threats and agreement on behalf of the 29
3 nations to identify those threats.

4 Senator Fischer: You and I yesterday -- we discussed
5 the growing recognition that there is among the NATO
6 partners on the important role of our nuclear deterrence in
7 keeping the peace. Obviously, we all understand that our
8 deterrent, the triad, is the bedrock of the security of
9 this country.

10 Can you tell us a little bit about what you are
11 hearing from our NATO partners when it comes to the
12 deterrence in private conversations, if you can share that,
13 but also in public the support that you see?

14 General Wolters: Senator, there is a greater degree
15 of awareness of the importance of deterrence, and as we
16 look at the success that NATO has had for the last 7
17 decades to deliver peace, one of the elements has to be the
18 triad that exists from the United States and its
19 representation to nuclear deterrence on the European
20 continent. It has been very, very effective, and the
21 nations understand more and more about that with each
22 passing day as a result of embracing deterrence to a
23 greater degree than we have in the past.

24 Senator Fischer: Would you say that our partners in
25 their embracing of this deterrence are also becoming better

1 messengers within their own countries about the importance
2 of not just a strong NATO, but of having that strong
3 nuclear deterrence, that umbrella, that is so vital in
4 their freedom as well?

5 General Wolters: Absolutely, Senator. It has to do
6 with the responsibility that we feel in NATO to generate
7 peace not just inside of the boundaries of Europe but on
8 the periphery. And as we embrace missions for NATO mission
9 Iraq and as we embrace Operation Resolute Support in
10 Afghanistan, we see how important it is to proliferate
11 deterrence to the max extent practical to achieve greater
12 peace.

13 Senator Fischer: And what are your views, sir, on
14 adopting a so-called no-first-use policy? Do you believe
15 that that would strengthen deterrence?

16 General Wolters: Senator, I am a fan of flexible
17 first-use policy.

18 Senator Fischer: And do you believe developing
19 ground-launched conventionally armed intermediate range
20 weapons will enhance your ability to deter Russia?

21 General Wolters: It will. It dramatically
22 complicates an enemy's task.

23 Senator Fischer: Thank you, sir.

24 Chairman Inhofe: Senator Kaine?

25 Senator Kaine: Thank you, Mr. Chair.

1 And thanks to the witnesses. I appreciated the
2 opportunity to visit with you each before the hearing
3 today.

4 General Wolters, I want to ask you a question. In
5 your testimony -- I think it was maybe in a back and forth
6 with Senator Reed -- you talked a little bit about
7 increased Russian sub activity in the Atlantic. The
8 President's budget proposes to cut the Virginia class sub
9 program 50 percent by only funding one of the two in the
10 block buy. And on February 13, the DOD used its general
11 transfer authority to move \$3.8 billion of Pentagon money
12 to the general drug account for use on the southern border.

13 And part of those funds that were moved was a
14 reduction of \$180 million from the P-8 Poseidon aircraft
15 program. As you know, that airplane is a modified Boeing
16 737 that is used as a sub hunter. It usually operates from
17 Iceland or elsewhere in Europe to work with the fast attack
18 subs like the Virginia class to track Russian sub activity
19 coming from the Greenland-Iceland-UK gap.

20 Without commenting on the budget, I would like you to
21 talk about the importance of both the Virginia class sub
22 and the P-8 Poseidon in countering Russian sub activity.

23 General Wolters: Senator, they are vital
24 capabilities, and what they contribute to overall maritime
25 patrol activity has proven over time to be very, very

1 successful.

2 We are lucky to be part of NATO. We lean on our
3 brothers and sisters from a national perspective to ask
4 them to take a look at the resources they can contribute
5 when we are in situations with respect to some decrements
6 in the maritime patrol area. Norway has been a great
7 contributor on the P-8 side of the house, and we see the
8 effectiveness of that system. They are vital resources and
9 very much needed to improve our overall deterrence posture.

10 Senator Kaine: Both of those platforms, the Virginia
11 class and then the P-8 Poseidon.

12 General Wolters: Yes, Senator.

13 Senator Kaine: General Lyons, I want to ask you a
14 question. On pages 5 and 6 of your written testimony, you
15 talk about military sealift issues. And again, Senator
16 Reed asked you a little bit about it. There was an IG
17 report about military sealift command and readiness
18 reporting, and one of the areas that they focused on was
19 that the readiness reporting was coming from the ship
20 captains and they were sort of doing a self-report about
21 readiness. These are our assets, but the operation of the
22 ship was contracted. And there was sort of a question
23 about whether there was an incentive for the captains
24 really to accurately report readiness. What is their
25 incentive to say, hey, we are really not ready?

1 What are you guys doing? You talk about in TRANSCOM
2 the current readiness measurement, but what are you doing
3 to make sure that the reporting of readiness from the ship
4 level up is as accurate as it can be?

5 General Lyons: Senator, it is a great question. And
6 I concur with that assessment. A lot of activity has taken
7 place and I think we have made a lot of improvements to
8 elucidate the readiness that we see today. Part of that is
9 the reason we are seeing such low readiness rates in the
10 50th and 60th percentile about our Ready Reserve Fleet
11 readiness to generate as we discovered during our no-notice
12 activation back in September.

13 What I would say is really back about 3 years ago in
14 2017, the military sealift commander really started to take
15 this very, very seriously, deep diving. He has come up
16 with a comprehensive readiness plan. The DOD IG reflected
17 his findings in 2017 in a 2018 report that you are
18 referring to, and there is a lot of work still to be done.

19 Senator Kaine: Just to your written testimony, there
20 is a goal of 85 percent readiness, but the current measure
21 is at 59 percent. And vessel material, condition, and age
22 are the primary factors, and those continue to degrade
23 readiness. You have some additional testimony about the
24 sealift fleet will lose 1 million to 2 million square feet
25 of capacity each year as the ships reach the end of their

1 useful life.

2 So tell the committee a little bit in my remaining
3 minute just about what are the plans to restore that
4 readiness and hopefully get more near the 85 percent goal?

5 General Lyons: It is a significant issue. It is a
6 top priority for TRANSCOM. We are working very, very
7 closely with the Navy on this.

8 We have a fleet that is about 43 years old on average.
9 If you compare that to the civilian industry, they are
10 going to wash out their ships between 15 and 25, depending
11 on the business case. It is no secret that when you retain
12 a large fixed plant facility like one of our large sealift
13 platforms, it becomes increasingly more expensive the older
14 it gets.

15 And so what we would like to see very much is a little
16 bit less in terms of service life extension, in other
17 words, extending these ships beyond 50 to 60 years. That
18 is not returning the investment that we thought it would.
19 We are a very strong advocate of the acquired use strategy.
20 You granted the authorization to do seven. We need to
21 execute what you granted us the ability to do, and then I
22 think we need to come back to you with a long-range plan to
23 consistently recapitalize over the next 15 to 20 years.

24 Senator Kaine: Thank you very much.

25 Thanks, Mr. Chair.

1 Chairman Inhofe: Senator Cotton?

2 Senator Cotton: Thank you, gentlemen, for your
3 appearance and for your service.

4 General Wolters, let us talk a little bit more about
5 coronavirus and its impact in the European theater. I am
6 reading here from a "Stars and Stripes" report on Sunday
7 saying that at Vicenza, there has been a temporary closing
8 Monday through Wednesday of all dependents schools,
9 activity centers, fitness centers, theaters, and chapels.
10 Is that report accurate?

11 General Wolters: Yes, Senator.

12 Senator Cotton: Are there any updates from that
13 report on Sunday in "Stars and Stripes"?

14 General Wolters: Those facilities remained closed and
15 travel to the two states are still prohibited in Italy.

16 Senator Cotton: Do you expect that those facilities
17 in the Vicenza community will reopen on Thursday as
18 initially planned, or do you think that closure might have
19 to be extended?

20 General Wolters: Senator, I would give it about a
21 50/50 right now about potentially extending the closure.

22 Senator Cotton: How many U.S. troops do we have at
23 Vicenza roughly speaking?

24 General Wolters: Sure. We have got about 6,000 or
25 7,000.

1 Senator Cotton: How many of those have accompanied
2 spouses or children?

3 General Wolters: 70 to 80 percent.

4 Senator Cotton: So maybe about 4,000 to 4,500
5 husbands and wives and then some larger number of children
6 probably?

7 General Wolters: Absolutely, and over 35,000 U.S.
8 military members in Italy.

9 Senator Cotton: And they are all mostly just sitting
10 at home right now trying to avoid the coronavirus?

11 General Wolters: Not mostly but there is a fair
12 amount, yes, sir.

13 Senator Cotton: Coronavirus has been present in
14 Germany as well. In fact, that was one of the first
15 European nations in which it appeared. It has not appeared
16 in the numbers yet that have exploded in Italy in the last
17 few days.

18 First off, has there been any such closures at our
19 military bases in Germany?

20 General Wolters: Not yet, Senator, but we are
21 anticipating an increase in the number of cases reported in
22 Germany and we are prepared to execute.

23 Senator Cotton: It is a troubling situation.

24 Let us move to another troubling situation, which you
25 have spoken about briefly as well, Huawei, the Chinese

1 telecom company. You state in your written testimony that
2 5G networks by Huawei will place intellectual property,
3 sensitive technology, and private personal information at
4 heightened risk of acquisition and exploitation by the
5 Chinese Government. You further say that this ongoing
6 initiative, coupled with China's growing interest and
7 investment in European ports and infrastructure,
8 complicates steady state and contingency operations.

9 It sounds like you consider the use of Huawei and 5G
10 networks in Europe to be a threat to our national security.
11 Is that correct?

12 General Wolters: It is certainly a threat to the
13 soldiers, sailors, airmen, and marines in Europe.

14 Senator Cotton: My next question was, is it a threat
15 to the troopers that you lead?

16 General Wolters: Affirm, Senator.

17 Senator Cotton: Unfortunately, some European nations
18 are moving forward with Huawei technology in their
19 networks, most notably our NATO allies in the United
20 Kingdom and Germany. What are we to do about that and how
21 can we guarantee the security of our troopers, as well as
22 our NATO command and control systems?

23 General Wolters: Senator Cotton, it is vigilance,
24 education, and going back to the basics with respect to
25 network protection of the critical data on the technical

1 side of the house and the personal side of the house for
2 our soldiers, sailors, airmen, and marines, not just in the
3 U.S. but all of our NATO forces.

4 Senator Cotton: Do your military counterparts
5 understand the threat that Huawei poses?

6 General Wolters: Yes, Senator.

7 Senator Cotton: So the problem may be at the
8 political leadership level. A statement, not a question.

9 Finally, I want to conclude on a somewhat related
10 matter. We discussed this yesterday in our meeting. I
11 want to bring everyone's attention to an alarming poll by
12 the Pew Research Center among 16 NATO countries. Happily
13 it shows that NATO's favorability rating is pretty strong,
14 2 to 1 in fact. 53 to 27 of the peoples of these 16
15 countries have a favorable impression of NATO. Not
16 surprisingly, NATO scored pretty low in Russia.

17 Somewhat disappointingly though, when asked who should
18 fight Russia if there were a conflict between a NATO ally
19 and Russia, only 38 percent of peoples in these nations
20 said my nation should fight Russia, whereas 50 percent said
21 the United States should fight Russia. And in some of the
22 biggest NATO allies, it was even more alarming. In Italy,
23 25 percent said we will fight them. 75 percent said you
24 Americans go fight. In Germany, it was 34-63. So that is
25 a little better I guess but not too much.

1 General Wolters, can the Europeans expect Americans to
2 care more about their security and their kids than they
3 care about their security?

4 General Wolters: Senator, in my consultations at the
5 mil-to-mil level with chiefs of defense and ministers of
6 defense, I see a very, very eager desire and willingness to
7 fight the Russians, and those nations that I continually
8 communicate with show that desire, if required, to protect
9 themselves.

10 Senator Cotton: And I hear the same thing when I
11 consult with European defense leaders not surprisingly.
12 These are men and women who have dedicated themselves --
13 dedicated their lives to the service of their country and
14 the defense of their country. So it is a really a
15 political problem at the level of political leadership in
16 Europe both in the leaders and the leadership that they
17 show to their peoples to demonstrate that they have to be
18 willing to fight as hard for their future and their
19 security as they expect Americans to fight for them.

20 Thank you.

21 Chairman Inhofe: Senator Peters?

22 Senator Peters: Thank you, Mr. Chairman.

23 And, gentlemen, thank you for your testimony here
24 today and for your service as well.

25 General Wolters, I would like to focus on the Baltics.

1 In 2017, I visited Latvia and Lithuania to observe the U.S.
2 Army's Europe Operation Saber Strike exercise. The
3 Michigan National Guard regularly participates in this
4 exercise as Latvia's counterpart in the National Guard
5 State Partnership Program, as you know.

6 Similarly, Latvian forces participate in the Michigan
7 National Guard's annual Northern Strike exercise, which is
8 a joint multinational exercise hosted at Camp Grayling in
9 Michigan.

10 The Latvian military particularly benefits from this
11 training in Michigan because it offers an opportunity for
12 them to certify as JTACs, and as a result of this program,
13 Latvia is one of only eight allied countries that are
14 certified to call in United States close air support in
15 combat. And part of the reason the Michigan National Guard
16 and the Latvian military have a strong relationship is
17 because the Latvian military is built around integrating
18 reserve and their regular forces as a major component of
19 their national defense strategy.

20 So my question to you, sir, is, could you discuss how
21 EUCOM tailors its training and partner strategies to
22 support the Baltic States' reliance on these reserve forces
23 and specifically the State partnership with our National
24 Guard and how integral that is to all of this?

25 General Wolters: Senator, I can.

1 First of all, for the Baltics writ large the insertion
2 of the four battalion-sized battle groups into Estonia,
3 Latvia, Lithuania, and Poland in the summer of 2016 has
4 dramatically improved our all-domain security awareness.
5 And in particular, as you well know, with the participation
6 of your Michigan Air National Guardsmen who have been very,
7 very integral in the air-land integration piece, the lead
8 nation in Latvia at that battalion-sized battle group
9 happens to be Canada. And we have many force elements that
10 are intermixed amongst the other nations.

11 The overall improvement day in and day out of those
12 battle groups to be able to see the battle space and defend
13 their sovereign territory is palpable, and they are doing
14 so in all domains and all functions. And our next step is
15 to make sure that those battalion-sized battle groups that
16 represent generating peace in the Baltics are aware of all
17 the activities in the southeastern sector of Europe, as
18 well as the western portion of Europe. So we are very,
19 very pleased with the continued transparency and alignment
20 and very, very pleased with the air-land integration that
21 we have seen improving in Latvia for the last 2 years.

22 Senator Peters: Well, thank you.

23 My next question is related to the development of the
24 next generation combat vehicle which is now taking place in
25 Michigan with a cross-functional team. The first platform

1 was intended to replace the Bradley fighting vehicle that
2 the Army has just recently restarted the program. And much
3 of the debate has basically focused on the tradeoff between
4 armor and mobility and specifically how readily the vehicle
5 can be positioned in a crisis zone.

6 However, in the European theater, the size and weight
7 of the vehicle could be equally problematic for its
8 maneuverability through European terrain and civilian
9 infrastructure, particularly the bridges there.

10 General Wolters, you seemed to address this issue in
11 your written statement where you mentioned the EU, in
12 consultation with NATO, is investing 6.5 billion euros in
13 the improvement of civilian and military dual use.
14 However, I am concerned this approach may not address the
15 core issue that I just mentioned.

16 But my question to you is, what is more realistic?
17 Should the next generation of combat vehicles be built to
18 accommodate European infrastructure limits, particularly in
19 Poland and the Baltics, or is the solution to reinforce
20 transportation infrastructure throughout eastern Europe?

21 General Wolters: Senator, I hate to give you this
22 answer, but I think it is a little bit of both, and I know
23 that General McConville leading our United States Army has
24 his experts taking a peak at that. And I know that he
25 steps up even one more level. It gets into a discussion

1 about armor versus mobility, and I think from a global
2 perspective, there are some tradeoffs and from a regional
3 perspective, there are some tradeoffs. And it all has to
4 do with the demonstrated capability of the nations in
5 Europe, as well as other regions. So I know that we are
6 taking a very, very serious look at that.

7 Senator Peters: So my follow-up question is, how do
8 our western European allies, who also produce heavy
9 military equipment -- how do they accommodate limitations
10 in civilian infrastructure particularly in Poland and the
11 Baltics?

12 General Wolters: A greater degree of education on the
13 challenges that we face from a bridging perspective in
14 eastern Europe versus western Europe. And it was an issue
15 that all of Europe was very, very aware of in the mid-
16 1980s, and they are getting themselves reacquainted with it
17 today and they understand the imperative of making sure
18 that we have bridging programs in the regions in the
19 northeast and the southeast of Europe to ensure that we can
20 shoot, move, and communicate fast.

21 Senator Peters: Thank you so much. I appreciate it.

22 Chairman Inhofe: Senator Ernst?

23 Senator Ernst: Thank you, Mr. Chair.

24 Gentlemen, thank you very much.

25 General Lyons, we have already discussed a little bit

1 of the KC-46's. So I will not dive into that. But just
2 for note, our Iowa Air National Guard does have the 185th
3 air refueling wing that operates the KC-135's. And
4 certainly we want to make sure that this incredible unit is
5 able to sustain operations ongoing. So it is something we
6 will definitely want to discuss with the Air Force during
7 their posture review.

8 But, General Wolters, I am going to pick up where my
9 colleague, Senator Peters, left off. He was talking about
10 the State Partnership Program that his Michigan National
11 Guard has with those Baltic State members while Iowa, our
12 National Guard, has a partnership with Kosovo. And I am
13 just always very excited about that and have relationships
14 that I have carried on for about the decade of time that
15 the Iowa Army National Guard has been involved with those
16 partners.

17 So as the only force that both the Kosovars and
18 Serbians trust, how can KFOR best posture itself to ensure
19 that there is enduring stability between the two sides,
20 Kosovo and Serbia?

21 General Wolters: Thanks, Senator. And I cannot thank
22 you enough for the contributions of your State to Kosovo.

23 Senator Ernst: Thank you.

24 General Wolters: And as we sit today, KFOR is very,
25 very active and engaged more so than they were 1 year ago

1 as a result of the continued involvement of U.S. operations
2 activities and investments in Kosovo and Serbia, as well as
3 the NATO investments of operations activities.

4 We typically rotate in NATO military training teams,
5 but when they land at those locations, to be able to have a
6 soft landing with the force element from your National
7 Guard State Partnership Program affords us the opportunity
8 to reintegrate at a much faster pace. We are very, very
9 concerned about the security disposition in the Balkans.
10 We are very, very pleased with the efforts of KFOR, and
11 KFOR is far more capable today as a result of learning from
12 the experiences of the State Partnership Program like yours
13 as they reveal themselves in Kosovo.

14 Senator Ernst: Great. Thank you. And obviously, a
15 number of us here do support those State Partnership
16 Programs.

17 What is NATO's role for peacekeeping as the KSF
18 transitions into a full army? Will it be able to guarantee
19 Kosovo's territorial integrity? Do you see that in their
20 future?

21 General Wolters: That is certainly the goal, Senator.
22 And again, it is by, with, and through in a very, very
23 tough neighborhood. And as you probably know better than
24 I, there are some very, very serious tendencies that exist
25 between Serbia and Kosovo that we are seeing improve over

1 the course of the last several weeks. Ambassador Grenell
2 has been very, very aggressive on getting those security
3 apparati to communicate with each other. So we hope for
4 continued good news in that area with respect to the
5 Kosovo-Serbia relationship with respect to taxation.

6 Senator Ernst: Absolutely. And I think that there is
7 undue pressure obviously coming from Russia in that region
8 as well.

9 General Lyons, if we could talk a little bit about
10 autonomous vehicles and how that impacts logistics and
11 delivery. I am really excited. I chair the Subcommittee
12 on Emerging Threats and Capabilities, and so we have talked
13 extensively about autonomous systems and how that can help
14 our operators. Like I had wonderful truck drivers that
15 were out on the roads and how it would reduce their risk.

16 Can you describe a little bit how you are leveraging
17 and integrating these emerging technologies into some of
18 the modernization efforts?

19 General Lyons: Senator, I agree with you. There is
20 enormous potential here for autonomous, and it can be a
21 combination of manned/unmanned. Each of the services are
22 working distinct and separate material development kinds of
23 initiatives. You mentioned the one in the Army, which was
24 a bit of a combination teaming. I think there is enormous
25 potential to expand what we are doing in the air domain and

1 then even potentially space domain in the future.

2 Senator Ernst: Absolutely. And what is the best way
3 to speed delivery of those types of systems into operations
4 today? We oftentimes see large defense contractors -- they
5 are very slow moving, but this is a great emerging
6 technology. How can we deliver that quicker?

7 General Lyons: Ma'am, it is a great question. As
8 indicated, each of the services are working these in the
9 programmatic sense. As a combatant commander, I have the
10 requirements out there, but the services present capability
11 and so I cannot speak specifically to the timelines that
12 they are working. But it is a great question.

13 Senator Ernst: If you come up with the answer to
14 that, let us know because I think we really need to be much
15 more nimble on delivering emerging technologies to our men
16 and women in uniform.

17 General Lyons: I agree.

18 Senator Ernst: Thank you, gentlemen, very much.

19 Chairman Inhofe: Senator Jones?

20 Senator Jones: Thank you, Mr. Chairman.

21 Thank you both for your service. We really appreciate
22 you being here today.

23 General Wolters, we have taken the first steps to
24 begin the Defender-Europe 20 military exercise, the largest
25 of its kind in 25 years. I think there are 18 countries

1 participating across 10 countries.

2 So what are the biggest challenges you see in
3 executing the Defender 20 program, and what are the key
4 takeaways you hope to see coming out of the exercise?

5 General Wolters: Senator, on the logistics side of
6 the house, the environment in Europe has to be mature
7 enough to be able to absorb 20,000 soldiers and get those
8 soldiers to the right prepositioned locations to be able to
9 grab the appropriate gear that they are supposed to get and
10 get to their foxhole and be able to execute. And what we
11 want to do is count every second that it takes to get the
12 soldier from the first point of entry all the way to his or
13 her foxhole to be successful to adequately defend.

14 And we anticipate that there will be some snags. I
15 want to applaud this committee on the fact that 2 years ago
16 we could not exercise Defender-Europe 20. We were not
17 mature enough with respect to the prepositioned stockpiles
18 to have a soldier show up at location X and be able to grab
19 resources. Today we can do that. We know the fitness of
20 the resources, and now we will be able to examine their
21 speed with which they can get to the foxhole and be able to
22 execute.

23 Senator Jones: Is Turkey participating?

24 General Wolters: Senator, they are as observers and
25 they are in certain areas with respect to activity on the

1 periphery of Georgia.

2 Senator Jones: Just to follow up real quick, what, if
3 any, response, reaction are you seeing from Russia, or do
4 you expect from the Russians or any of our other
5 adversaries?

6 General Wolters: Senator, we have seen a fair amount
7 of response from Russia. They are not overly pleased with
8 Defender-Europe 20. We are concerned mostly about the
9 readiness of our forces, and we are doing all that in
10 accordance with international law in sovereign space, in
11 sovereign seas, in sovereign land.

12 Senator Jones: Thank you.

13 General Lyons, we have got a air refueling wing in
14 Alabama too, the 117th, winner of an Omaha trophy this
15 year. In your remarks to the Atlantic Council, you were
16 quoted as saying across TRANSCOM, the aerial refueling
17 force element is the most stressed and probably the one
18 that is pushing the red line or exceeding the red line.

19 Now, were you speaking strictly about the number
20 available aircraft there or also about the demands or the
21 need for more crew?

22 General Lyons: Senator, it is a combination of both.
23 I spoke earlier about the iron, the tails, that we have to
24 retain, legacy tails, during the conversion before the KC-
25 46 becomes available to the joint force. But I would also

1 comment that -- and this is true across all components,
2 reserve and the guard -- the high tempo of our airmen that
3 are running these missions. Particularly in the Guard, I
4 would say we do come very, very close. In some cases we
5 penetrate the mob to dwell in that particular force
6 element. And I would highlight, Senator, that the
7 contributions that the Air Force Reserve makes in day-to-
8 day competition is absolutely extraordinary between
9 volunteerism -- involunteerism that still exists in the
10 CENTCOM AOR and then long-term MPA pilots who we have
11 flying every day.

12 Senator Jones: I take it you could use more crew? Is
13 that fair?

14 General Lyons: Senator, crew is a friction point.
15 There is no question about that.

16 Senator Jones: What can we do to try to get more crew
17 to the air refueling in the Guard or wherever it might be?

18 General Lyons: Well, Senator, we are doing that
19 today. The Air Force is working some of this as a
20 combination of what the KC-46 will bring. Some of this is
21 a function of what we must retain. Then there is obviously
22 a certain level of friction between what systems, how many
23 systems you can crew and then the associated output to the
24 joint force.

25 Senator Jones: Thank you.

1 I think that is all I have, Mr. Chairman. I yield the
2 remainder.

3 Chairman Inhofe: Senator Tillis?

4 Senator Tillis: Thank you, Mr. Chairman.

5 Gentlemen, thank you for your years of service.

6 General Lyons, I want to start with you on the HHG
7 program. It is not in your lanes, but I have got a little
8 history with military housing and trying to fix that
9 problem and improve accountability and really put the
10 family at the tip of the spear in terms of our focus. So I
11 like the idea that you are moving forward with the program.
12 It should reduce costs and improve service. That is really
13 what we set out to do with military housing. We did it for
14 a while.

15 So with this program, can you tell me a little bit
16 about how it is going to execute, what your expectations
17 are for performance in the upcoming PCS season? And more
18 importantly, I would like to know the mechanics. How does
19 that family member who is coordinating the move -- the
20 spouse may be deployed somewhere -- to what extent are they
21 going to have power over really assessing the completeness
22 and the satisfaction of the move?

23 General Lyons: Senator, all great questions. And you
24 brought up the housing issue. And part of what got us into
25 the housing issue was a lack of clear accountability with

1 the private sector and the appropriate governance structure
2 to manage that large contract. And that is exactly what is
3 driving us here in the household goods industry to
4 restructure our relationship so that we do have defined
5 levels of accountability, key performance parameters if you
6 would, and that is the design of the global household goods
7 contract. It is not designed to put any providers out of
8 business. It is designed to gain accountability, clarify
9 responsibility inside the Department, and then through a
10 longer-range relationship with industry, incentivize the
11 growth of capacity to meet the peak season. And I think
12 for family members, we owe them that.

13 Now, we will not in the 2020 peak season see this come
14 to fruition. We intend to award in 2020 and prepare for
15 the 2021, and then there will be a rather long transition
16 to grow this capacity over time. But key will be
17 accountability and transparency for family members.

18 Senator Tillis: I think that is important because we
19 do a lot of housing town halls down at Fort Bragg and Camp
20 Lejeune, and I have heard some rumblings about a less than
21 satisfactory experience with the status quo. So I think
22 you are right. I appreciate you taking the lead and trying
23 to get it right and have a consistent experience across the
24 globe. So I appreciate the work on that.

25 I am interested. We will do it maybe with a meeting

1 in my office if I could get with some of the people who are
2 working on the contracting. I would like to see how they
3 are going after key performance indicators, customer
4 satisfaction, those sort of things built into it. Now we
5 are trying to retrofit that into the housing program. It
6 looks like you are going to be ahead of it. So I thank you
7 for your work there.

8 General Wolters, tell me a little bit about how well
9 your area of responsibility, your partners are closing the
10 gap on their cyber capabilities, how well we are actually
11 coordinating, and your assessment of our -- if you take a
12 look at Russia, they are all over the place. Anytime I
13 have traveled to that part of the world, you are talking
14 about Russia, information campaigns, and their malign
15 activities. So give me some hope on how we are either
16 creating a gap or filling holes that we have right now?

17 General Wolters: Senator, we are improving our
18 strategic transparency and alignment in the cyber domain.
19 I would say that over the course of the last 2 years, the
20 NATO nations have done a much better job of understanding
21 the challenges that they face on the defensive side of the
22 house from a hygiene perspective. And once they have got
23 their back yard in order, now they are in a position to
24 understand where they start with respect to network
25 protection. And that truly has come about as a result of

1 our USCYBERCOM's willingness to lead from the front.

2 Senator Tillis: And actually as you move into that
3 answer, I would also like for you to talk about Huawei,
4 ZTE, and whether or not we have gotten to a good place
5 where clearly they are going to allow that infrastructure
6 to be present. But in terms of critical infrastructure,
7 are we getting to a good place?

8 General Wolters: Senator, that is a great point and
9 that is exactly where I was headed. The hygiene piece, the
10 defensive cyber piece has to be applied with respect to
11 what is about to become an issue in Europe with respect to
12 proliferation of 5G activity in Huawei. Network protection
13 is going to be job one. So we are right back to the
14 basics. And as you well know from your time with General
15 Nakasone, he is keen on that, and we have seen a marked
16 improvement in the manning for defensive cyber ops on the
17 U.S. side in Europe, and we have seen an increase in
18 manning on the defensive cyber ops side of the house for
19 the NATO nations in Europe.

20 Senator Tillis: Well, thank you, and thank you both.
21 I have got a lot of questions. But, General Lyons, we will
22 be in touch so I can get a little bit more insight into the
23 direction of HHG. Thank you both for your time.

24 General Lyons: Yes, sir. Happy to do so.

25 Chairman Inhofe: Senator King?

1 Senator King: Thank you, Mr. Chairman.

2 General Lyons, we have touched several times on the
3 transition of the KC-46. I want to put a finer point on
4 it. In your testimony, you say this is your number one
5 shortfall, and you go on to say it will create a critical
6 and deepening gap in taskable aerial refueling aircraft and
7 air crews for the next 5 to 7 years. You do a very good
8 job of outlining the problem, but then at the end of your
9 prepared remarks, you say we recommend reevaluating aerial
10 refueling force structure plans annually. Frankly, that
11 does not reassure me.

12 I want to know what is the plan. You have identified
13 a serious problem here. We cannot project force if we
14 cannot refuel those airplanes, and you have identified a 5
15 to 7-year -- you characterize it as a deepening gap. What
16 do we do? And perhaps you do not need to give me a full
17 answer here, but for the record, I would like to see an
18 action plan not just reevaluation.

19 General Lyons: Senator, we will be happy to work with
20 the Air Force and come back to you on that with a joint
21 plan.

22 In the near term, we had agreed with the Air Force to
23 retain 28 legacy aircraft to mitigate the conversion for
24 the KC-46. The KC-46, as we receive that aircraft, as the
25 Air Force receives that aircraft, will take some time to

1 work through the technical, the Cat-1 deficiencies, as well
2 as convert crews. And so you can appreciate there is going
3 to be tension between crews. And so in some scenarios we
4 are tail limited; in some scenarios we are crew limited.
5 So it is a bit of a combination. It is a very complex
6 program for the Air Force to work. They are pushing as
7 hard as they can with Boeing.

8 Senator King: If you could give to the committee a
9 detailed analysis of what you identify as the gap, how many
10 tails, how many crews, and what the solution is because if
11 we have a crisis and need that capacity, saying well, you
12 know, it was a complicated problem is not going to cut it.

13 General Lyons: Senator, I agree. And the issue is
14 not when there is conflict. Actually it is in day-to-day
15 competition. So just to be clear, in today's day-to-day
16 competition, that is where we are taking the reduction.

17 Senator King: We are stressed right now.

18 General Lyons: We are stressed today and that is
19 where the 10 and the 13 that are in the current fiscal year
20 2021 reduction that we are working with the Air Force and
21 the Department to bring those back.

22 Senator King: I look forward to working with you on
23 that.

24 General Lyons: Yes, sir.

25 Senator King: General Wolters, a quick question. Do

1 we have sufficient visibility of Russian submarines in the
2 Atlantic? Do we know where they are?

3 General Wolters: We do but not for 100 percent of the
4 time.

5 Senator King: I do not whatever the missing percent
6 is to be off the coast of Maine.

7 General Wolters: I agree, Senator.

8 Senator King: Or New York, not to be too parochial
9 about it.

10 [Laughter.]

11 Senator King: I think it is unlikely -- I hope I am
12 right -- that Russian tanks are going to roll across the
13 border into the Baltics. But what is our thinking and
14 strategic thinking about a hybrid kind of activity
15 involving Russian language, a kind of Crimea model? Is
16 that a concern, and do we have a strategic response?

17 General Wolters: It is very much a concern, Senator,
18 and it has to do with the posture of our forces as we sit
19 today in competition and attempt to effectively deter. And
20 we are improving in our ability to do so, and we have to do
21 so to a point to where we compel any potential enemy of us
22 to not take those first steps against us. And NATO agreed
23 in the NATO military strategy to also recognize a whole-of-
24 government, whole-of-nation approach, and that will allow
25 us to dramatically improve our posture so that we can

1 better see the battle space from an indications and
2 warnings standpoint and better be able to more proactively
3 deploy to defend.

4 Senator King: And be prepared for a different kind,
5 for not a traditional tanks rolling over the border
6 invasion.

7 General Wolters: Absolutely, Senator.

8 Senator King: I think we should -- I am sure you
9 are -- a lot of study on Crimea and how that played out and
10 what the response could have been or might have been.

11 General Wolters: Yes, Senator.

12 Senator King: Final question. The attacks on the
13 Saudi tanker field and also the Iranian missile in Iraq
14 after Soleimani's death to me raise concerns about our
15 ability to defend against -- I do not know what you want to
16 call them -- cruise missiles, low-level missiles,
17 intermediate range, and I believe the Iranian missile was
18 an ICBM. What is our capability to defend against those
19 kinds of attacks? Because it did not work in Iraq and it
20 did not work in Saudi Arabia.

21 General Wolters: Senator, it is improving, but it has
22 to get better. And we have a plan that prefers to
23 integrated air missile defense that comprehensively takes
24 into account what happens at long ranges and long altitudes
25 and short ranges and lower altitudes. And it all has to be

1 nested together from an indications and warnings standpoint
2 and command and control standpoint.

3 Senator King: So you would agree that this is a
4 significant gap in our defense that we really need to get
5 to work on in a hurry.

6 General Wolters: It is a shortfall, Senator, and we
7 need to continue to work on it.

8 Senator King: Thank you.

9 Thank you, Mr. Chairman.

10 Chairman Inhofe: Senator Scott?

11 Senator Scott: Thank you, Mr. Chairman.

12 Thank you for your service.

13 With our NATO members that are now picking up the --
14 you know, spending the money they were supposed to spend in
15 the past, does it give us any opportunity to reduce our
16 funding, or does it give us any opportunity to reduce our
17 troop deployment in Europe?

18 General Wolters: Senator, it could in the future.

19 Senator Scott: And does it concern you that countries
20 like Germany still do not want to pay their fair share, and
21 does it impact our ability to defend? And does it give us
22 a need to start thinking about where we should have troops
23 and where we should not have troops? And are we thinking
24 about should we be in Poland more than we should be in
25 Germany?

1 General Wolters: Senator, I believe all those are a
2 concern, and in my mil-to-mil consultations with my German
3 counterparts, they are just as concerned about meeting the
4 2 percent as we are.

5 Senator Scott: But there is no action that we need to
6 be taking?

7 General Wolters: I think the vigilance that we
8 continue to show with respect to requirements collocated
9 with defense spending needs to continue. Today what we
10 have observed between fiscal year 2016 and 2020 is an
11 actual increase across NATO of an additional \$130 billion
12 of funds for defense. That is positive and we need to
13 continue on that track.

14 Senator Scott: With Turkey buying the S-400 and it
15 seems like cozying up to Moscow, does it impact your
16 ability to rely on them as a partner?

17 General Wolters: Senator, it has not to this point.
18 Turkey remains a very reliable NATO ally.

19 Senator Scott: And with Huawei, have you had to make
20 changes on the types of information you are willing to
21 share as a result of knowing that these countries are going
22 to continue to use Huawei in 5G but also even in their
23 existing infrastructure?

24 General Wolters: Senator, we have not at this point
25 because of the current posture with respect to 5G and

1 Huawei and in particular UK. But my guess would be in the
2 near future, we have to be more vigilant with respect to
3 network protection and Huawei and 5G.

4 Senator Scott: The investment that Communist China is
5 making in Europe and all around the world -- is that
6 impacting our ability to be -- not just the United States
7 but other members to be able to defend against a Russian
8 invasion but even what China is doing?

9 General Wolters: Senator, not an impact today, but it
10 could be in the future if we continue to see that economic
11 equity increase with respect to seaports on behalf of China
12 in Europe.

13 Senator Scott: And for them, it is mostly the
14 seaports that is impacting in Europe?

15 General Wolters: Today that is the biggest issue,
16 Senator.

17 Senator Scott: How about the supply chain? How
18 dependent the world is on China as a member of the supply
19 chain -- does that cause you any concern?

20 General Wolters: It does cause a concern, Senator. I
21 have not seen those reflections yet in Europe, but I
22 anticipate that we could.

23 Senator Scott: Thank you, Mr. Chairman.

24 Chairman Inhofe: Senator Sullivan?

25 Senator Sullivan: Thank you, Mr. Chairman.

1 And, gentlemen, I want to thank you for your service
2 and your testimony.

3 General Lyons, I think you mentioned at the outset
4 your combatant command does so much great work. I think
5 Alaska we have more understanding of that than most places
6 and how you do it professionally, quietly, but critical to
7 the whole military.

8 I also thought the anecdote that you mention in your
9 testimony about saving the life of one soldier was very
10 powerful. So please tell the whole TRANSCOM civilian and
11 military members that we respect and appreciate all that
12 you are doing.

13 I am glad you mentioned the personal property program
14 in your opening statement. I am going to have a number of
15 questions for the record that if you and your team can get
16 back to me on relatively soon, I would appreciate that a
17 lot.

18 You know, you talk about also the most stressed
19 capability and number one readiness concern is on the
20 aerial refueling fleet and the tankers. So I mentioned
21 this a number of times in this committee. Billy Mitchell,
22 when he was testifying in front of this committee in the
23 1930s, the father of the U.S. Air Force, mentioned that
24 Alaska was the most strategic place in the world because of
25 our location to Asia, to Europe, to other places.

1 Secretary Esper, when he was testifying here several
2 months ago, said that we are going to have over fifth
3 generation fighters located in Alaska starting in April
4 with the F-35's coming to Eielson Air Force Base to
5 collocate KC-46's with 100 fifth gen fighters. The
6 Secretary of Defense said that would provide the warning to
7 our adversaries, particularly China and Russia, that we
8 have extreme strategic reach.

9 Right now, the Air Force is looking at their OCONUS
10 decision on where to put the OCONUS KC-46 fleet. Almost
11 everything is focused in PACOM with the exception of Alaska
12 which, as you know, could be PACOM, EUCOM, any com because
13 where we are on the top of the world.

14 Can you give me your sense on that? To me, this seems
15 like a no-brainer. But I think it would help you with your
16 most stressed capability and number one readiness concern
17 if you put tankers in a place that can service EUCOM,
18 PACOM, STRATCOM, NORTHCOM versus place them all in Guam,
19 which is kind of conventional wisdom but in my view does
20 not make any sense.

21 General Lyons: Senator, thanks. There is no question
22 about the strategic significance and location of the State
23 called Alaska. As you and I have discussed before, I mean,
24 the Air Force does have a basing methodology and a basing
25 plan for the KC-46 as it comes online. I will defer to

1 them on those particular discussions.

2 Senator Sullivan: I am not telling you to make -- but
3 do you have a view on that? Does it help to have -- you
4 call it the most stressed capability, aerial refueling.
5 Does it help to have capability in a place that can help
6 TRANSCOM reach other COCOMs other than just PACOM?

7 General Lyons: Senator, I would have to look at the
8 analytics.

9 Senator Sullivan: Well, I think the answer is yes.
10 Maybe you can get back to me on that. It seems to me
11 pretty damned clear.

12 General Lyons: Senator, I will come back to you.

13 Senator Sullivan: We want to help you with your most
14 stressed capability and number one readiness concern. I
15 think there is a way to do that, which is to make this
16 decision, which to me seems like a no-brainer.

17 General Wolters, I appreciated your reference on
18 Arctic issues in your testimony. Even though that is not
19 necessarily Alaska, we are kind of in the seams. Right?
20 We got PACOM forces. We got the threat from Russia. We
21 got STRATCOM. We got TRANSCOM, NORTHCOM, everybody.

22 Let me just mention, you know, this committee has been
23 very focused on Arctic issues. The chairman mentions great
24 power competition. There has been an important Arctic
25 focus. The problem is the Pentagon has been pretty slow to

1 address some of these challenges and recognize it.

2 We have two icebreakers right now. One is broken.

3 That is the American capability. Russia has 54. And this
4 article for the record, they just recently announced they
5 have nuclear icebreakers and a Russian shipyard launches a
6 cruise missile-capable icebreaker.

7 Can you talk to the challenges of the Arctic with
8 regard to Russia and how you are addressing it?

9 General Wolters: Senator, it is of great concern. As
10 we crafted the NATO military strategy, its title is
11 "Comprehensive Defense and Shared Response." And one of
12 the realizations was the fact that we need to be as focused
13 in the Arctic as we are in the Baltics, as we are in the
14 Black Sea, as we are in the Mediterranean, as we are in the
15 central portion of the Atlantic. And the Arctic needs to
16 ensure that it gets the appropriate scrutiny and the
17 appropriate resourcing.

18 We are excited about the fact of NORTHCOM serving as
19 the executive agent for capability development in the
20 Arctic. We are also pleased that in the summer of 2019,
21 DOD delivered their Arctic strategy. And I know you drove
22 that, Senator, and we appreciate that.

23 It is vital. We see a lot of activity on behalf of
24 Russia in the Arctic, and we also see activity on behalf of
25 China in the Arctic. And we think most of that has to do

1 with money and commercial fishing activity.

2 So it is of great concern and security exists on the
3 periphery in Europe, and the Arctic is a big reason why we
4 have to make sure that we maintain our vigilance.

5 Senator Sullivan: Thank you.

6 Thank you, Mr. Chairman. And generals, both of you,
7 thanks again for your service.

8 Chairman Inhofe: Senator Shaheen?

9 Senator Shaheen: Thank you, Mr. Chairman.

10 And thank you to both you, General Wolters, and you,
11 General Lyons, for your service and for being here this
12 morning.

13 I want to begin, General Wolters, with the
14 continuation of the discussion we had yesterday. And I
15 appreciated your taking time to meet with me. But earlier
16 this month, the President informed Congress that he was
17 going to divert another \$3.8 billion from the Pentagon
18 toward the border wall. This is on top of the \$3.6 billion
19 that he took from military construction projects last year.
20 And these reprogrammings would eliminate, among other
21 things, the military weapon systems. I know Senator Kaine
22 referred to one of those. But that includes eight MQ-9
23 Reapers, which are an ISR asset. And my recollection of
24 previous conversations is that ISR assets are at a premium
25 within the European theater and other areas.

1 So can you discuss how the elimination of these weapon
2 systems and MILCON projects are going to affect your
3 campaign momentum?

4 General Wolters: I would like to address the fact
5 that we had 44 projects that were MILCON-related that were
6 deferred because we could not get those projects on
7 contract by September of 2019. And the total value of the
8 44 projects was approximately \$1.3 billion, and they came
9 in two buckets. One was a set of projects -- 25 -- that
10 were European Deterrence Initiative MILCON projects. The
11 other projects were baseline MILCON, 19. The EDI MILCON
12 was about \$771 million, and the MILCON base was about \$550
13 million.

14 And when you take a look at all 44 of those deferred
15 projects, which we hope will reappear one day, what you see
16 is three major areas of reduction of campaign momentum.
17 The first has to do with advanced airfield infrastructure
18 on some of the NATO airfields in the farther eastern side
19 of Europe. The second has to do with the infrastructure
20 that supports prepositioned stockpiles for fuel and for
21 ammunition. And the final area of impact for campaign
22 momentum is the modernization of infrastructure that
23 supports a couple of military headquarters and schools.
24 All those are important to campaign momentum. It slows the
25 campaign momentum.

1 Despite all that, Senator, we still maintain positive
2 campaign momentum in the critical areas of indications and
3 warnings, as you alluded to ISR, command and control and
4 mission command. It just slows down the progress.

5 Senator Shaheen: So as you read the National Defense
6 Strategy, what is a bigger threat to our national security?
7 Is it a threat from Russia and China and the great power
8 competition? Or is it a threat from immigrants coming
9 across our southern border?

10 General Wolters: Senator, both are threats. As the
11 Commander of USEUCOM, I will tell you that I am most
12 concerned about Russia.

13 Senator Shaheen: That was a very diplomatic answer,
14 and thank you. I am sorry. I should not have put you in
15 that position. But I think it is an important point to
16 make, that the threat that you are dealing with is one that
17 has significant implications for our future when we look at
18 Russian aggression and its potential to impact the United
19 States.

20 I want to go back, General Lyons. I know there have
21 been a number of questions around the KC-46 and the delays
22 in the aircraft and what that challenge means for us. And
23 it is an issue for our National Guard, the 157th air
24 refueling wing, which lost its last KC-135 because we
25 thought the 46 aircraft would be arriving this year, and

1 obviously, due to problems, it has been delayed.

2 But last month, General Goldfein sent a letter to
3 Boeing asking them to review the remote vision system,
4 which is probably the most prominent problem at this point,
5 to give a design review by March 2020 and a flight
6 demonstration by 2020.

7 Can you tell us whether we have heard from Boeing at
8 this point and what they have said with respect to that
9 review of the remote vision system?

10 General Lyons: Senator, I really appreciate the
11 chief's focus on this particular area, and I have relayed
12 that to him as well.

13 I know there have been many contacts between Boeing
14 and the Air Force, and I do not want to get into the
15 programmatic. I know there are some design issues that
16 they are working through. I do not have a complete answer
17 yet, and I will defer to the Air Force on the particulars
18 of the program.

19 Senator Shaheen: Well, can I ask, do we expect an
20 answer from Boeing by the end of March?

21 General Lyons: Yes, ma'am. I believe the Chief
22 expects an answer. He said that explicitly and I believe
23 that will come to fruition.

24 Senator Shaheen: Okay, thank you.

25 General Wolters, I want to go back to NATO because

1 with Senator Tillis, he and I chair the Senate NATO
2 Observer Group, which is an effort to try and make sure
3 that the Senate is aware of what is happening with NATO and
4 what we need to do.

5 I wonder if you could give us an update on the new
6 Cyber Operations Center that NATO is planning to be fully
7 functional by 2023.

8 General Wolters: We are very pleased, Senator. As
9 you know, it all originated in Estonia, and it started with
10 the involvement of the U.S. and the declaration by the
11 United States USCYBERCOM to have one U.S. single military
12 commander responsible in the military for the domain of
13 cyber, and the Europeans have embraced that. We are
14 excited about the future, and NATO headquarters on the
15 political side is also very excited.

16 Senator Shaheen: And so I am out of time, but I will
17 do a follow-up question for the record on this.

18 Chairman Inhofe: Senator Hawley?

19 Senator Hawley: General Wolters, let us talk a little
20 bit, if we could, about the European Deterrence Initiative.
21 I assume that you would characterize this as a success. Is
22 that fair to say?

23 General Wolters: Yes, Senator, I would.

24 Senator Hawley: Well, can you give us some specific
25 examples of things that EUCOM would not have been able to

1 do without EDI?

2 General Wolters: Senator, the first largest example
3 is we had started Defender-Europe 20, an exercise that
4 brings over a division-sized force. We could not do that a
5 year ago. We could not do it 2 years ago. We can do this
6 exercise as a result of the benefit of EDI funds.

7 Senator Hawley: Why would EUCOM have struggled to do
8 some of these things without EDI? What specific obstacles
9 has EDI helped you overcome in your judgment?

10 General Wolters: First of all, it has funded the
11 rotational brigade combat teams that go to Poland, and that
12 teaches all of our soldiers, sailors, airmen, and marines
13 how to lift and shift larger quantities of forces across
14 the Atlantic and do so without any harm. And that in
15 itself is very important.

16 We have also through EDI been able to fund our Army
17 prepositioned stockpiles, our emergency contingency
18 operation sets for the Air Force, and our deployable
19 airbase systems for the Air Force.

20 We have also been able to dramatically improve the
21 airfield infrastructure and the reception infrastructure in
22 the eastern part of Europe to where it is equipped today to
23 safely receive those resources and effectively get those
24 resources where they need to go for our soldiers and
25 sailors and airmen and coast guardsmen and marines to be

1 effective.

2 Senator Hawley: That is an impressive record of
3 success, and it is one of the reasons I think we need
4 something similar in other theaters, PACOM in particular as
5 I have long advocated for.

6 General, staying with you, Whiteman Air Force Base.
7 My home State of Missouri, of course, is the proud home of
8 B-2 and the proud future home of the B-21. Can you just
9 speak to the role that you see the B-2 and one day the B-21
10 playing in deterring Russia from using nuclear weapons as
11 part of any attempted fait accompli in the Baltics?

12 General Wolters: Senator, those airframes are part of
13 the critical triad, and I am firmly convinced that the
14 nuclear deterrence umbrella that sits over Europe is part
15 of the great success that we have had for the last 7
16 decades in NATO to be able to generate peace. And I am
17 excited about the future of the B-21 because I think it
18 will do more of the same with even a greater impact.

19 Senator Hawley: Very good.

20 Let me shift to China for a moment, if I could. In
21 your written testimony, General Wolters, you said that
22 China's efforts to build 5G networks in Europe, coupled
23 with its growing interest and investment in European ports
24 and infrastructure, complicate steady state and contingency
25 operations.

1 Can you just say more about that? How specifically do
2 these Chinese activities complicate steady state and
3 contingency operations?

4 General Wolters: The equities that they have on the
5 shipping capacity inside and outside of Europe is very
6 alarming, and when you control the ability to take in and
7 regulate resources, you have a large impact on what
8 actually exists on the continent with respect to its
9 ability to effectively generate peace and security. That
10 is the concern.

11 Senator Hawley: How do our European allies respond
12 when you raise these concerns with them, as I am sure you
13 do?

14 General Wolters: With vigilance. In some cases they
15 are surprised to the degree of equities that China has with
16 respect to seaports, but in most cases, very concerned and
17 vigilance increases once we get past the education stage.

18 Senator Hawley: You also wrote that you are seeing
19 encouraging signs -- those are your words -- from European
20 nations as they become increasingly aware of the strings
21 attached to Chinese capital investment. Can you give us a
22 sense of what those encouraging signs are?

23 General Wolters: Several nations not willing to
24 accept 5G Huawei, and we have had reports of that in other
25 nations being a lot more stingy and scratchy with respect

1 to their willingness to engage in deliberations on port
2 equities.

3 Senator Hawley: Let me ask you for a second about our
4 allies' contribution to NATO, which is something that has
5 come up, rightly so, a number of times already this
6 morning.

7 I think that the progress towards the 2 percent mark
8 is very important but only just a first step because the
9 division of labor within NATO has to fundamentally change I
10 think as this committee has been saying now for some time.
11 What is your assessment about what would need to happen for
12 our European allies to get to the point where they are able
13 to assume primary responsibility for their security in your
14 theater?

15 General Wolters: Senator, I think we need to continue
16 on the current campaign that we are on. As you know, from
17 2016 to 2020, in the cash portion of contributions for
18 burden sharing, we have had a net increase of \$130 billion.
19 There is also the examination of contributions in
20 capabilities, and in NATO we have been very, very vigilant
21 with respect to our focus on improving our readiness, the
22 ability of force elements to be more resilient, more
23 responsive, and more lethal. That is all part of the
24 equation with respect to European contributions to
25 adequately defend, and we are improving.

1 Senator Hawley: Thank you very much, General. I look
2 forward to seeing you both this afternoon.

3 Thank you, Mr. Chairman.

4 Chairman Inhofe: Senator Duckworth?

5 Senator Duckworth: Thank you, Mr. Chairman.

6 General Lyons, thank you for making the time to sit
7 down with me earlier this month to talk about TRANSCOM and
8 logistics more broadly.

9 I want to touch again on the state of the sealift
10 fleet in the U.S., and I know that Ranking Member Reed
11 asked about the state of sealift in his question line. But
12 I sort of want to go a little further into this. You said
13 that our current readiness is lower than where we need to
14 be, but you are working to recapitalize on sealift
15 capability when you answered Ranking Member Reed.

16 How do you ensure that this plan continues to be
17 prioritized with the Navy and the DOD leadership when they
18 are always balancing other higher cost programs and
19 initiatives? I feel like this is sort of the plain sister
20 and it needs a little bit more attention. How do you make
21 sure that that priority is also placed on your particular
22 recapitalization plan?

23 General Lyons: Well, Senator, first let me just
24 publicly thank you for your leadership and leading our
25 logistics efforts across the Department. I appreciate your

1 particular interest here.

2 I think this is a hard decision for the Navy. They
3 have got a lot of competing requirements. Sealift is one
4 of many.

5 My own view on this, if you go back to the original
6 recapitalization of sealift back when Secretary Lehman was
7 Secretary, we had something which we have today, but we do
8 not use, the National Defense Sealift Fund. And I think
9 the way that we are going to move in a positive direction
10 is we are going to have to have an appropriation that feeds
11 the National Defense Sealift Fund. It allows us the
12 flexibility to capitalize on opportunities in the open
13 market to continue the acquired use strategy, and I think
14 that is what we need to do over a long period of time, over
15 the next 15-plus years where we have 46 vessels aging out.

16 Senator Duckworth: Thank you.

17 Another category of concern that I have in logistics
18 is based around fuel. We have talked in the past about
19 solutions for alleviating stress on the Air Force's tanker
20 fleet, but this time I would like to focus on bulk fuel
21 capacity for distribution and storage as an example.

22 How would you work with the services' logistics arms
23 to properly identify each of their needs and how to meet
24 those needs as they come around and reframe to face near-
25 peer competitors under the NDS? Because I feel like there

1 is not a lot of really good communications between the
2 services on what those bulk fuel needs and capacities. And
3 what do you need to do to push it forward into theater?

4 General Lyons: Yes, ma'am. I mean, you are alluding
5 to something that is very important across the department
6 and fuel is liquid gold essentially. We require it for
7 everything that we do in every single domain. We have got
8 a study directed by Congress that we will complete this
9 year in terms of assessing our ability to access maritime
10 tankers, for example, in an end-to-end value chain, to look
11 also at the nodes. The way we look at it today in terms of
12 global posture is very large, fixed-base facilities. We
13 need to see if that is the applicable way to go for
14 contested environments and then assess where we need to go
15 for the future for global posture and maritime
16 transportation, as well as aerial refuel that we talked
17 about.

18 Senator Duckworth: I feel like this sort of reflects
19 the struggle we had just a couple years ago when I was in
20 the House about ammunition, you know, across the services,
21 and that we were not talking to each other well enough
22 before we did a whole audit. And I feel like we are
23 getting to the same issue with fuel. I mean, you cannot
24 fight and win without class 3 and class 5. Right? I feel
25 like we are sort of in the same problem with fuel. Am I

1 correct in this sense that we have to do better with
2 communicating among the services?

3 General Lyons: Senator, I think you are absolutely
4 correct. I think we need what I would characterize as a
5 global innovative view of the end-to-end liquid energy
6 supply chain to make sure that we have sufficient not just
7 supply and posture but resiliency to continue to operate
8 under a contested environment. I agree with you
9 wholeheartedly.

10 Senator Duckworth: Thank you.

11 General Wolters, I would like to bring you into the
12 discussion here. We have been hearing a lot about
13 Defender-Europe and what we hope to learn from this
14 exercise. I am looking forward to hearing about not only
15 the successes but perhaps more importantly the challenges
16 that the exercise helps identify as well.

17 How would you classify your level of concern going
18 into Defender-Europe whether from an overall capacity
19 standpoint, from a lack of previous exercise familiarity,
20 or due to other factors inside and outside our control, and
21 how are you going to leverage that into lessons learned
22 going forward?

23 General Wolters: Senator, a great question. And I
24 would like to extend a personal thanks to you for your
25 support in the logistics area.

1 As we speak, there are soldiers downloading at
2 Bremerhaven for Defender-Europe 20 at this very moment.

3 I am concerned about the bandwidth to be able to
4 accept this large force, and I am also concerned about road
5 and rail from the center portion of Germany to the east,
6 all the way to the eastern border. And because we have the
7 appropriate resources, we now possess a white team
8 capability to examine our speed of move from east to west -
9 - correction -- from west to east. And we also have enough
10 white cell individuals to assess how safely we get stuff
11 through Bremerhaven and to the next point.

12 Bandwidth with respect to size and speed are my
13 greatest concerns.

14 Senator Duckworth: Thank you.

15 I am over time, Mr. Chairman.

16 Chairman Inhofe: Senator Blackburn?

17 Senator Blackburn: Thank you, Mr. Chairman.

18 And I know you all are so happy to see me because I am
19 the last one, and you will get to finish up and head off.

20 I want to go back, General Wolters. You told Senator
21 Reed that the Chinese controlled 10 percent of the shipping
22 rights in and out of Europe. And I would like for you to
23 expand on that just a little bit, talk about do you think
24 it is pretty much going to stay at that level, if it is
25 going to increase, the rate of increase, a little bit more

1 insight into what you think this means.

2 General Wolters: The Chinese investment covers 10
3 percent of European shipping capacity, and I would contend
4 that is a whole-of-government, whole-of-nation concern to
5 make sure that Europe has the appropriate equities with
6 respect to shipping capacity.

7 Senator Blackburn: So you see that as a floor or a
8 ceiling?

9 General Wolters: I see that as the conditions that
10 exist on the ground today. And I think the nations need to
11 understand what that means with respect to their ability to
12 effectively ship what their nation needs for their national
13 interest, and an education process needs to follow fast.

14 Senator Blackburn: Well, I think we see the need for
15 that education process not only when it comes to
16 infrastructure but the Belt and Road Initiative, the
17 implications that that may have as we look at 5G and the
18 rollout there, the implications that it has.

19 So what is NATO going to do to address this? Because
20 it does not matter if it is shipping and that
21 infrastructure or building roads and connectors or 5G with
22 that infrastructure. There is an issue, and being able to
23 communicate with our allies over a Huawei network is a very
24 difficult thing to do. So give me kind of a timeline and
25 the steps that you all are taking to implement an education

1 process.

2 General Wolters: In the NATO political paradigm,
3 there is a growing realization that this is an issue, and
4 there will have to be a common understanding at the
5 political level at NATO that this is an issue that NATO
6 should embrace. And I think that is the start of success
7 to ensure that the national interest of the 29 nations in
8 NATO are protected with respect to China proliferation, and
9 we are at that phase. And as a military member supporting
10 NATO, it is my job to report the facts and that is what we
11 are doing.

12 Senator Blackburn: Okay. So who is receptive to this
13 message? The first part of solving a problem is defining a
14 problem. So you say there is awareness in defining this
15 problem. Correct?

16 General Wolters: Correct. And the first task is to
17 ensure of the 29 nations which ones have concern and which
18 ones still need more --

19 Senator Blackburn: Okay. And out of those 29
20 nations, who is receptive to this and who are you getting
21 pushback from? Are you at a 50/50 on this, or what is the
22 standing there?

23 General Wolters: Senator, I can only speak at the
24 mil-to-mil level not the political level for the 29
25 nations, and I would say that the majority of the nations

1 are incredibly concerned about China proliferation.

2 Senator Blackburn: I hope we can talk a little bit
3 more about that this afternoon, if that would be okay.

4 General Lyons, let me move to a couple of things with
5 you, the NDS and cyber and space. Have they been
6 identified as contested warfighting domains? So talk to me
7 a little bit about how TRANSCOM is working with its private
8 sector partners to improve their cybersecurity, their
9 ability to defend because Senator Ernst asked you about
10 autonomous vehicles and as we look at building out Space
11 Command and artificial intelligence and autonomous
12 vehicles, we know that the cyber component is going to be
13 more relevant in those discussions. So talk with me for
14 just a couple of seconds about that.

15 General Lyons: Yes, ma'am. Thank you.

16 For USTRANSCOM, cyber is a very, very high priority.
17 You asked specifically about our commercial providers. We
18 have worked over the last several years now to instill
19 contract language that I would characterize as at least
20 brings our commercial providers up to a basic level of
21 minimum cyber hygiene. I think we have been successful in
22 that. I think we have been successful in gaining the
23 attention and focus of the C-suite as an issue that they
24 have to contend with whether it is for national defense or
25 whether it is for their private equities. And so we are

1 making progress.

2 But as I said earlier, I would also say that when
3 confronted with an advanced persistent threat actor, I do
4 not think any of our commercial providers necessarily are
5 in a position to protect themselves in that particular
6 scenario. And we very intentionally have multiple
7 providers in each of the commodity areas so that if we lose
8 one, we can count on others.

9 Senator Blackburn: Are you increasing the standards
10 of compliance for them?

11 General Lyons: Yes, Senator, we are. And as you may
12 have seen, the Department's cyber maturity model that they
13 just rolled out will do significant good in that area.

14 Senator Blackburn: Thank you.

15 I yield back.

16 Chairman Inhofe: Thank you very much.

17 The committee stands adjourned.

18 [Whereupon, at 11:22 a.m., the hearing was adjourned.]

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