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Before the

COMMITTEE ON  
ARMED SERVICES

## **UNITED STATES SENATE**

HEARING TO RECEIVE TESTIMONY ON DEPARTMENT OF  
DEFENSE SUPPORT TO THE COVID-19 RESPONSE

Thursday, February 25, 2021

Washington, D.C.

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1 HEARING TO RECEIVE TESTIMONY ON  
2 DEPARTMENT OF DEFENSE SUPPORT TO THE COVID-19 RESPONSE

3  
4 Thursday, February 25, 2021

5  
6 U.S. Senate  
7 Committee on Armed Services  
8 Washington, D.C.  
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10 The committee met, pursuant to notice, at 9:31 a.m. in  
11 Room SD-G50, Dirksen Senate Office Building, Hon. Jack Reed,  
12 chairman of the committee, presiding.

13 Committee Members Present: Senators Reed [presiding],  
14 Shaheen, Gillibrand, Blumenthal, Hirono, Kaine, King,  
15 Warren, Peters, Manchin, Duckworth, Rosen, Kelly, Inhofe,  
16 Fischer, Cotton, Rounds, Ernst, Tillis, Cramer, Scott,  
17 Blackburn, Hawley, and Tuberville.

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

3           Chairman Reed: Good morning. Today the committee is  
4 holding this hearing to receive testimony on the Defense  
5 Department's role in the Federal response to the COVID-19  
6 crisis. Our witnesses are Ms. Stacy Cummings, who is  
7 performing the duties of the Under Secretary of Defense for  
8 Acquisition and Sustainment; Mr. Robert Salesses, who is  
9 performing the duties of the Assistant Secretary of Defense  
10 for Homeland Defense and Global Security; and General Gus  
11 Perna, who is the Chief Operating Officer for the Federal  
12 COVID-19 Response for Vaccines and Therapeutics. The  
13 organization was formerly known as Operation Warp Speed.

14           I want to welcome our witnesses and thank them, not  
15 only for appearing today but for their tireless work in  
16 helping our nation address this terrible pandemic.

17           America recently passed a grim milestone, over 500,000  
18 recorded deaths from COVID-19. The impact of these losses  
19 is tragic and immeasurable. Yet recent developments and  
20 trends offer a glimmer of hope. The CDC reports that the  
21 daily number of new cases has declined approximately 70  
22 percent from their peak in mid-January. Positivity rates  
23 for testing are down, and the rate of hospitalizations and  
24 the number of new deaths are decreasing.

25           More than 65 million vaccines have been administered

1 and the daily vaccination average is now over 1.6 million  
2 doses. However, more needs to be done. The goal remains to  
3 accelerate vaccination efforts nationwide and scale up our  
4 ability to get shots to the people who need them. This  
5 requires transparency, clear communication, and  
6 accountability at every level of government.

7 The Department of Defense's support to civil  
8 authorities has been critical for delivering help to  
9 pandemic-stricken Americans and their communities. The  
10 committee is interested in hearing about the Department of  
11 Defense's contributions to the whole-of-government response  
12 to the COVID-19 crisis, and what more the Department can to  
13 do help get this pandemic under control and allow Americans  
14 to return to normalcy.

15 The public-private partnership, originally known as  
16 Operation Warp Speed, mobilized the Defense Department's  
17 extensive contracting capabilities to accelerate efforts to  
18 develop and produce COVID-19 vaccines. The Department's  
19 contracting capabilities, including in-depth experience  
20 managing large-dollar contracting with drug manufacturers  
21 through DoD's Joint Program Executive Office for Chemical,  
22 Radiological, Biological, and Nuclear Defense. This office  
23 has overseen billions of dollars in contracts for various  
24 aspects of the response, including helping to support  
25 research activities, conduct clinical trials, increase the

1 production of tests, and manufacture hundreds of millions of  
2 additional vaccine doses. General Perna, the committee is  
3 interested in knowing more about this element of your effort  
4 and what we can do to further aid the necessary research on,  
5 and production of, COVID-19 vaccines.

6 The Office of the Under Secretary for Acquisition and  
7 Sustainment has helped lead efforts by the Defense  
8 Department's acquisition workforce to support the  
9 interagency COVID-19 response efforts. Ms. Cummings, I  
10 would appreciate if you could tell us about the Defense  
11 Department's role in that effort, as well as actions by the  
12 Department to support the defense industrial base during  
13 this economically challenging time. We are particularly  
14 interested in the use of the Defense Production Act and  
15 other acquisition authorities, and whether those authorities  
16 need to be enhanced or adjusted to support this important  
17 work. The ability to improve the rollout of the vaccine  
18 across the nation will depend critically on the government's  
19 ability to procure the vaccines and the associated equipment  
20 needed to administer millions of doses. We are depending on  
21 the DOD acquisition workforce to help make sure that this is  
22 done as quickly as possible.

23 The Department has also responded to requests for  
24 support from the states and the Federal Emergency Management  
25 Agency by deploying significant military personnel, from

1 both the National Guard and active-duty units. Missions  
2 being conducted by more than 28,000 National Guard members  
3 across the country include giving vaccinations and providing  
4 medical treatment.

5 Earlier this week, the Department announced the  
6 deployment of a second Army Vaccination Support Team,  
7 consisting of approximately 140 personnel, to Texas to  
8 support the COVID-19 response and assist in vaccination  
9 efforts, and additional Vaccination Support Teams are being  
10 readied. Mr. Salesses, these missions are critically  
11 important for getting shots in the arms of Americans, but  
12 these deployments must also have an impact on readiness, and  
13 I am hoping you can give us information on that topic.

14 Finally, the committee is concerned about the impact of  
15 the pandemic on the health and safety of our Defense  
16 Department personnel and operations. The Department reports  
17 that it has administered nearly 1 million vaccines to DOD  
18 personnel, including both first and second doses. At the  
19 same time, however, it is reported that nearly one-third of  
20 servicemembers are opting not to voluntarily receive the  
21 COVID-19 vaccine. Mr. Salesses, I hope you can address the  
22 Department's vaccination policies and plans, the latest  
23 transmission rates of the virus among military personnel,  
24 and how the Department's response is impacting our military  
25 operations at home and abroad.

1           Thank you again to our witnesses for appearing this  
2 morning, and I look forward to your testimony, and let me  
3 recognize the ranking member, Senator Inhofe. Thank you.

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1 STATEMENT OF HON. JAMES M. INHOFE, U.S. SENATOR FROM  
2 OKLAHOMA

3 Senator Inhofe: Well, thank you, Mr. Chairman. I  
4 think that we all know this is something that has not been  
5 preceded and we have never experienced it before. It is  
6 one of the most trying periods in our nation's history, and  
7 we mourn the loss of over 500,000 Americans. We are  
8 thinking of the thousands of Americans who are infected  
9 every day and for those who still suffer from the disease's  
10 long-term effects. Speaking of long-term effects, we are  
11 devastated by the continued closure of the schools and the  
12 shutdowns of businesses. The pandemic created unprecedented  
13 challenges for Federal, state, and local governments.

14 The Defense Department played a vital role in the  
15 pandemic response from the beginning, starting by assisting  
16 HHS and Housing in housing Americans who had been evacuated  
17 from China. In the months that followed, over 47,000  
18 Guardsmen, including hundreds from my state of Oklahoma,  
19 mobilized to staff testing centers and delivery of food, and  
20 provided medical support. The Army Corps of Engineers  
21 constructed 38 new alternative care facilities around the  
22 country, adding over 17,000 hospital beds to handle the  
23 surge of patients. DOD partnered with HHS in Operation Warp  
24 Speed, promising to deliver a safe and effective vaccine by  
25 2021, and they did.



1 Many doubted that the vaccine could be discovered so  
2 quickly. For example, when the previous administration  
3 announced plans of having the vaccine by the end of the  
4 year, an NBC News fact check said he would need a miracle to  
5 be right. We are talking about the Trump administration.  
6 He would need a miracle to be right. But by the end of  
7 2020, the Trump administration's effort paid off and we had  
8 the miracle. Simple as that. I do not know why people are  
9 not talking about that right now. We had two safe and  
10 extremely effective vaccines that were discovered, and we  
11 have got another one that is coming on, it is my  
12 understanding, this weekend.

13 As the National Institutes of Health Director, Francis  
14 Collins, who was an Obama appointee, recently remarked,  
15 Operation Warp Speed, quote, "was an effort that many of us  
16 were not initially convinced was going to be necessary. The  
17 Trump administration's success in record time," in his  
18 words, and this is Francis Collins making this statement, he  
19 said, "it was just breathtaking."

20 So thanks to you, General Perna, and your team. You  
21 know, I have watched this happen. When you first announced,  
22 it was back in the summertime, and we had a hearing right  
23 after that, you said Warp Speed -- I never did understand  
24 where "Warp Speed" came from. It was not my idea. It was  
25 not Jack's idea. But anyway, it was a success, a huge

1 success. Especially remarkable is how the Operation Warp  
2 Speed has revolutionized our previous way of doing things.  
3 Under your leadership, General Perna -- and I believe it was  
4 your leadership -- we are seeing vaccines move from the  
5 conveyor belt to the supplier to the American families in  
6 just days. This has never happened before. I am heartened  
7 by this program, that there is certainly more work to be  
8 done. We understand that. But I hope we will learn, in  
9 this hearing, about DOD's efforts to accelerate vaccine  
10 production and administration.

11 I want to conclude by thanking our three witnesses,  
12 each of whom oversees a vital part of the response effort  
13 and the thousands of men and women in uniform who have  
14 served admirably during this incredibly difficult period.

15 Let me just add one thing, which is probably not  
16 germane to this. We had a hearing yesterday, and I heard  
17 from -- it was classified -- but I am not at all satisfied  
18 that we need to have all of these resources out there now.  
19 We have all of these individuals that are here, the Guard.  
20 This is not their job. This is not what they are trained  
21 for. This is not what they are capable of doing. And all  
22 the barbed wire, I think it has seen its day. And so let me  
23 just voice, as an opinion that you may agree or disagree  
24 with.

25 Thank you, Mr. Chair.

1 Chairman Reed: Thank you, Senator Inhofe, and now let  
2 me recognize the witnesses. We will begin with Mr.  
3 Saleses, and that is not because you are from Rhode Island.  
4 It is the proper way to begin. Go ahead, please.

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1 STATEMENT OF ROBERT G. SALESSES, PERFORMING THE DUTIES  
2 OF ASSISTANT SECRETARY OF DEFENSE FOR HOMELAND DEFENSE AND  
3 GLOBAL SECURITY

4 Mr. Saleses: Thank you, Senator. Chairman Reed,  
5 Ranking Member Inhofe, distinguished members of the  
6 committee, thank you for the opportunity to testify before  
7 you today on the Department of Defense's response to the  
8 COVID-19 pandemic.

9 The COVID-19 pandemic has posed an unprecedented  
10 challenge on our nation. Since the start, DOD has protected  
11 its people, supported the national response, and ensured the  
12 readiness of the force to meet its national security  
13 missions. To protect DOD personnel from the pandemic, DOD  
14 implemented measures that contain and mitigate the effects  
15 on the force, including force health protection guidance,  
16 restriction of movement orders, social distancing, mask-  
17 wearing, telework on an unprecedented scale, testing, and  
18 contact tracing.

19 DOD has also established their tiered vaccination plan,  
20 following CDC guidance tailored to DOD's unique  
21 requirements. As of 23 February, DOD has administered over  
22 1 million doses of vaccine.

23 DOD's support for the national response to the COVID  
24 pandemic has evolved over the last 13 months. DOD  
25 assistance began in late January 2020, supporting the

1 repatriation of U.S. citizens and U.S. persons to the United  
2 States. In support of the State Department, USTRANSCOM  
3 facilitated a safe return of more than 4,500 Americans. In  
4 support of HHS, USNORTHCOM and Indo-PACOM and the military  
5 departments aided in the quarantine of more than 3,000  
6 individuals on 13 DOD installations.

7 As the pandemic spread over the late winter/early  
8 spring of 2020, hospitalizations increased rapidly, and  
9 state and local demand rose for both medical facilities and  
10 medical providers. HHS and FEMA turned to DOD to help meet  
11 this demand. NORTHCOM deployed over 15,000 DOD personnel,  
12 including 5,000 active-duty and reserve medical  
13 professionals, to ten states and multiple locations within  
14 those states. Indo-PACOM provided similar support in  
15 Hawaii, Guam, and the Northern Mariana Islands. The U.S.  
16 Army Corps of Engineers designed and constructed 38  
17 alternate care facilities, providing additional medical bed  
18 capacity in multiple states, up to 16,000 beds.

19 Working with FEMA, DOD also authorized National Guard  
20 personnel to carry out FEMA COVID-19 mission assignments in  
21 Title 32 status. More than 47,000 National Guard personnel  
22 supported testing, emergency medical care, medical  
23 sheltering, public health, communications, transportation,  
24 logistics, and first responder support.

25 The National Guard is also supporting state vaccine

1 efforts in 43 states, at over 350 sites, and have  
2 administered over 1 million doses of vaccine.

3 DOD also played a critical role in strengthening the  
4 national supply chain for medical resources and PPE in short  
5 supply. With DOD assistance, FEMA and HHS established the  
6 Supply Chain Task Force in late March of 2020, to accelerate  
7 acquisition, expand production by generating new capacity,  
8 and allocate key resources and supplies to priority hotspots  
9 around the nation.

10 In late March of 2020, DOD also established the COVID  
11 Joint Acquisition Task Force to serve as the DOD nexus for  
12 supporting Federal acquisition and logistics needs to  
13 restock the strategic national stockpile and expand the  
14 domestic industrial base for medical supplies and equipment.

15 Building on decades of work studying infectious disease  
16 in the Department, such as Ebola and the coronaviruses, DOD  
17 experts helped genetically sequence COVID-19 and establish  
18 the first treatment protocol for remdesivir in the spring.  
19 Further, DARPA-funded projects helped lay the groundwork for  
20 rapid development of RNA COVID-19 vaccines, produced by  
21 Moderna and AstraZeneca.

22 The Joint DoD-HHS Vaccine Task Force, established in  
23 May of 2020, accelerated the development, manufacturing, and  
24 distribution of COVID vaccine in record time.

25 As Secretary Austin made clear in his day one message

1 to the Department, DOD must move further and faster to help  
2 counter the COVID-19 pandemic. To that end, DOD, with FEMA,  
3 have developed plans to support vaccine centers able to  
4 administer up to 6,000 vaccines a day. DOD is actively  
5 supporting California, Texas, New York, and New Jersey with  
6 over 1,000 personnel, at the newly established vaccine  
7 centers.

8 FEMA has also provided mission assignments to DOD to  
9 support sites in Florida, Pennsylvania, and the U.S. Virgin  
10 Islands, with several other states making final arrangements  
11 for DOD support.

12 Going forward, DOD is actively implementing President  
13 Biden's national strategy, Executive orders, and national  
14 security policy memorandums, and it is committed to  
15 executing the President's and Secretary Austin's direction  
16 to defeat COVID-19 pandemic, defense the force against  
17 COVID-19, while protecting our nation.

18 Chairman Reed, Ranking Member Inhofe, distinguished  
19 members of the committee, thank you for the opportunity to  
20 testify before you today. I appreciate the critical role  
21 and the support Congress provides in ensuring the Department  
22 is prepared to face every challenge at home and abroad.

23 [The prepared joint statement of Mr. Salesses and Ms.  
24 Cummings follows:]

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1 Chairman Reed: Well, thank you very much. Let me now  
2 recognize Ms. Cummings. Ms. Cummings?

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1           STATEMENT OF STACY A. CUMMINGS, PERFORMING THE DUTIES  
2           OF UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND  
3           SUSTAINMENT

4           Ms. Cummings: Thank you. Chairman Reed, Ranking  
5           Member Inhofe, and distinguished members of the Senate Armed  
6           Services Committee, thank you for the opportunity to testify  
7           today to showcase the accomplishments of the Defense  
8           Acquisition and Logistics workforce in response to the  
9           COVID-19 global pandemic.

10           DOD has played a vital role supporting the interagency  
11           to acquire and deliver medical resources, to include PPE and  
12           to establish and strengthen the domestic medical industrial  
13           base. Leveraging various acquisition tools, to include the  
14           Defense Production Act, the DOD executed contracts and  
15           agreements valued at over \$30 billion in support of the  
16           national response. This include over \$3 billion in direct  
17           assisted acquisition to procure and deliver medical items  
18           and PPE requested by FEMA and HHS. Additionally, through 34  
19           awards, valued at \$1.8 billion, we have established and  
20           expanded domestic PPE and medical supply chains in  
21           partnership with HHS. We also coordinated the shipment and  
22           delivery of COVID-19 test kits, needles, and syringes from  
23           abroad through the U.S. Transportation Command.

24           The CARES Act provided \$1 billion in Defense Production  
25           Act Title III funding to prevent, prepare for, and respond

1 to the coronavirus. As documented in the Department's spend  
2 plan, we allocated \$213 million to increase production  
3 capacity for critical health resources, targeting N95  
4 respirators and COVID-19 testing capacity; \$687 million was  
5 allocated to mitigate financial impacts to companies within  
6 the defense industrial base to ensure the survival of  
7 national security critical capabilities; and \$1 million  
8 allocated to establish a loan program in partnership with  
9 the U.S. International Development Finance Corporation.

10 The defense industrial base is the nexus of national  
11 and economic security. With congressional support, the DoD  
12 took immediate steps to mitigate the impact of COVID-19 on  
13 the defense industrial base, beginning with frequent and  
14 meaningful engagement with industry and a series of formal  
15 issuances to ensure DoD contracting officers and industry  
16 partners had the information and tools they needed to  
17 sustain mission-critical operations.

18 Our resulting implementation approach was incorporated  
19 across 46 policy documents, focusing on three broad areas:  
20 first, allowing companies to continue to work safely;  
21 second, providing liquidity to the defense industrial base;  
22 and third, implementing legislation, such as Section 3610 of  
23 the CARES Act, to ensure complete spending transparency.

24 I would also like to note that like their commercial  
25 counterparts, the organic industrial base experienced

1 financial and production challenges that would have had  
2 negative long-term impacts to military readiness had  
3 Congress and the Department not intervened. The Department  
4 undertook actions to restore production operations to normal  
5 levels, and the organic industrial base continues to manage  
6 and stabilize depot-level production, due in large part to a  
7 \$1.5 billion cash infusion to the defense working capital  
8 fund.

9 I am incredibly proud of the Department's response to  
10 this national emergency and of the dedicated individuals who  
11 have worked so hard on behalf of the American people. I am  
12 grateful for the transparency and dialogue with professional  
13 staff members of the defense committees, and I thank you for  
14 your support and the opportunity to testify before you  
15 today. I look forward to answering your questions.

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1 Chairman Reed: Thank you very much, and let me join  
2 Senator Inhofe in commending you, General Perna, for your  
3 extraordinary work over the many months. You are recognized  
4 now. Thank you.

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1           STATEMENT OF GENERAL GUSTAVE P. PERNA, CHIEF OPERATING  
2 OFFICER, FEDERAL COVID-19 RESPONSE FOR VACCINE AND  
3 THERAPEUTICS

4           General Perna: Chairman Reed, Ranking Member Inhofe,  
5 distinguished members of the committee, thank you for the  
6 opportunity and true honor to testify before you today on  
7 the vaccines and therapeutics operation under COVID-19  
8 response.

9           Over the past nine months, I have had the privilege to  
10 co-lead the operation with Dr. Moncef Slaoui and now Dr.  
11 David Kessler. Our mission was to accelerate development,  
12 manufacturing, and delivery of vaccines and therapeutics to  
13 our nation.

14           I know you agree with me when I say this virus attacked  
15 our nation. It attacked our way of life, and it impacted  
16 every American. But it became obvious that our nation had  
17 never fought this type of enemy before, and that there was  
18 no single government or private organization that had the  
19 capacity, capability, or expertise to execute the mission of  
20 defeating this virus.

21           We also lacked unity of command and effort to develop,  
22 manufacture, and distribute the vaccines to the entire  
23 American population, much less at the scale and speed  
24 required to defeat this pandemic. Thus, the reason for  
25 Operation Warp Speed and our strategy of whole-of-America

1 approach. We approached this mission with the urgency,  
2 resolve, and steadfast determination our nation deserves,  
3 and as we were fighting a near-peer competitor in a large  
4 combat operation, we gave it everything, every day.

5 We operationalized our effort through three key tenets.  
6 First, all of our decisions were rooted in science and data.  
7 We refused to sacrifice safety for speed. Second, we are  
8 leveraging all resources available to scale up domestic  
9 manufacturing and assessing every contract for use with the  
10 Defense Production Act authorities. Finally, we built our  
11 distribution strategy on existing vaccine infrastructure, a  
12 tested network that could expand to new requirements,  
13 refined by the professionals at the CDC, and almost  
14 virtually flawlessly executed by private industry.

15 And through unprecedented collaboration from our best  
16 public and private experts and science, logistics,  
17 manufacturing, and security, our nation rose to the  
18 challenge. Because of our whole-of-America approach and the  
19 collective efforts of the Federal, state, and local  
20 governments, private industry, and the health care  
21 community, today I can report that we have developed two  
22 safe and effective vaccines and three safe and effective  
23 therapeutics authorized for us. There will be more soon.

24 We steadily increased our manufacturing capacity that  
25 will result in enough doses available to all Americans by

1 this summer, and we have delivered more than 90 million  
2 doses of vaccine to date across 50 states and 8 territories,  
3 to the right locations, in the right conditions, in near  
4 flawless execution.

5 Those are our nation's accomplishments, and all  
6 Americans can be proud of how far we have come in a short  
7 amount of time. More importantly, Americans can have hope  
8 and optimism that we are on the offense and we will defeat  
9 this virus. We will win.

10 We have a lot of work in front of us, and we will not  
11 rest until every American has access to vaccine and  
12 therapeutics. We continue to learn and we continue to get  
13 better every day, constantly improving our processes,  
14 remaining agile and adaptive to the challenges and obstacles  
15 in front of us. Like we do in every combat situation, we  
16 always assess ourselves, the environment, and the enemy, and  
17 we adjust accordingly.

18 I am incredibly proud of the small team of 100 DOD  
19 service members and civilians who have selfishly served in  
20 the background of this operation for the past nine months,  
21 and will continue to do so until the mission is complete.  
22 Through the pandemic and changing environment, our team  
23 remains 100 percent committed and focused on executing the  
24 mission asked of us. We took an oath to support and defend  
25 our nation, and every single day we bring intensity and

1 vigor to get this job done.

2 Your congressional support and advocacy have been  
3 pivotal to accomplishing these milestones that we have  
4 achieved so far and those that we will achieve. Thank you  
5 for your support, and I look forward to your questions.

6 [The prepared statement of General Perna follows:]

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1 Chairman Reed: Thank you very much, sir. With some  
2 Senators attending remotely, I wanted to let everyone know  
3 how the hearing will run. Since it is impossible to know  
4 exactly when our colleagues who will be joining via the  
5 computer arrive, we will not be following our standard Early  
6 Bird timing rule. Instead, we will handle the order of  
7 questions by seniority, alternating sides until we have gone  
8 through everyone. Once we reach the end, if there anyone we  
9 missed we will start back at the top of the list and  
10 continue until everyone has had their turn. We will do the  
11 standard five-minute rounds, and I ask my colleagues on  
12 their computers to please keep an eye on the clock, which  
13 you should see on your screen.

14 Finally, to allow for everyone to be heard, whether in  
15 the room or on a computer, I ask all colleagues to please  
16 mute your microphone when not speaking. Thank you very  
17 much.

18 I have a question I would like to address to the whole  
19 panel, beginning with Ms. Cummings, and then a final  
20 question for General Perna. Basically, Ms. Cummings, what  
21 do you think are the greatest challenges in your area of  
22 responsibility, and what resources and/or policy changes do  
23 you feel you need?

24 Ms. Cummings: Thank you for that question, Chairman  
25 Reed. So throughout the opportunity for the DOD to

1 participate in the national response we have done so in  
2 support of our colleagues at HHS. We leveraged many, many  
3 authorities, including the Economy Act, which allowed HHS to  
4 use their authority and funding and share that with the DOD,  
5 as well as the Defense Production Act.

6 There are certainly flexibilities that the CARES Act  
7 provided to the DOD under the Defense Production Act in that  
8 authority for the way that we spent our Title III funding.  
9 So additional flexibilities in the Defense Production Act,  
10 we would be happy to work with your staff to talk more about  
11 how we might be able to work together to do that.

12 Chairman Reed: Thank you very much. Mr. Salesses.

13 Mr. Salesses: Sorry, Chairman. My view is that we  
14 need to continue our aggressive mitigation efforts -- mask-  
15 wearing, social distancing, all of those types of things --  
16 continue to increase our testing capacity and our contact  
17 tracing capabilities, and thirdly, get the vaccine.

18 Chairman Reed: Well, thank you very much. General  
19 Perna, your comments about the challenges you face and the  
20 resources or policy changes you would need.

21 General Perna: Chairman, as I mentioned, you know, we  
22 have never done this as a nation before.

23 Chairman Reed: Is your microphone on, sir?

24 General Perna: I apologize, Chairman.

25 Chairman Reed: That is okay.

1 General Perna: I am trainable.

2 [Laughter.]

3 General Perna: Chairman, as I talked about in my  
4 opening comments, we have never faced these challenges  
5 before. I think the success that we achieved by coming  
6 together at the Federal level, HHS and the Department of  
7 Defense, invoking the partnership with industry, academia,  
8 and then bringing the states and local governments into play  
9 from the beginning, early on planning and then execution and  
10 remaining flexible and adaptable to our challenges has been  
11 our greatest success to date.

12 Now clearly we could not have done what we have done so  
13 far if we did not have the backbone that was already  
14 established in the work by our great scientists to develop  
15 and have the capability to bring vaccines rapidly into  
16 place, and we must continue to sustain that research and  
17 support to that end.

18 Second, the use of the DPA has been immeasurable in our  
19 ability to manage supply chain for materials, consumables,  
20 and equipment, as well as production, to ensure that we have  
21 capability to deliver the vaccines.

22 And then the last part -- and therapeutics. And then  
23 the last part, I will say, I would be remiss if I did not  
24 thank, publicly, the heroic work that currently Pfizer,  
25 Moderna, McKesson, FedEx, and UPS are doing to distribute

1 the vaccine. It is their infrastructure, their leadership,  
2 their workforce, and their ability to handle the vaccine.  
3 When many people thought we could not handle the cold chain,  
4 these leaders and organizations did so, and it is leading to  
5 our success.

6 Chairman Reed: Well, thank you very much. And since  
7 you have been so instrument in everything that has gone on  
8 and performed, I would say heroically, and I thank you very  
9 much.

10 Just looking ahead, what do you think the way ahead is  
11 for the COVID response? We have looked back at what we have  
12 done. Looking ahead, give us an idea of what you think  
13 might happen.

14 General Perna: Chairman, I would coach us all  
15 collectively not to continue in the same thought process.  
16 In other words, we created solutions for one purpose and we  
17 are just going to continue to exercise. We must take a  
18 moment and truly understand what is the potential future  
19 requirements, and hence the purpose of what might need to be  
20 done. For example -- and truly a White House policy  
21 decision that will lead to everything else. You know, what  
22 is the role going to be in helping the rest of the world  
23 after we take care of the United States with vaccines? What  
24 will be the requirement for booster shots, if any, or shots  
25 required for mutation support? And what will be the

1 decision about how much manufacturing and supply chain  
2 capability do we want inside of the country?

3       Once we determine, and not limited to those questions,  
4 then we must really understand how we are going to go about  
5 that. What is the organization that must do that? Is it  
6 going to be a specified, already organization in place, or  
7 will we create an organization, and then what will we do to  
8 resource it, man it, prioritize it, and support it, is the  
9 way we need to look at the future?

10       Chairman Reed: Thank you very much. Indeed, thank you  
11 all for your testimony, and your hours and hours of  
12 dedicated service to the country at a critical moment.  
13 Thank you.

14       Senator Inhofe, please.

15       Senator Inhofe: Thank you, Mr. Chairman. I think,  
16 General Perna, you pretty much cleared this up in your  
17 opening statement, and yet people are still -- I think a lot  
18 of them in the media are saying that they claim that there  
19 is no plan for distribution after it was approved.

20       Now I know this is not true, but is there anything that  
21 you did not cover in your opening statement, real briefly,  
22 to counter this, because that is a statement that -- they  
23 have got to quit talking like that.

24       General Perna: So, Senator, thank you, and as you and  
25 I have discussed many times, there was --

1           Senator Inhofe: Yeah. Talk about what that plan was  
2 first and how that was changed or has been improved since  
3 December.

4           General Perna: Sure. So initial plans, you know, in  
5 support of the directive-specified mission, develop,  
6 manufacture, and deliver vaccines were very elaborate and  
7 well defined as we had to figure out what were the vaccines  
8 that we were going to pursue for development, take it down  
9 from many possibilities down to six. We had to look at the  
10 manufacturing capacity in the country and abroad, to make  
11 sure that we had capability and capacity. We did very  
12 detailed work and analysis to ensure that we had both drug  
13 substance, development of the product, and drug product,  
14 which is the eventual fill finish. We had to make sure that  
15 space existed and that we had priority, and we had to  
16 execute it in a very precise manner to that end.

17           And then we had to manage and plan for the product  
18 coming off of the conveyor built. Normal, usual execution,  
19 when we make influenza vaccine, it is an order. The country  
20 orders vaccine, the pharmaceutical companies produce it, and  
21 then they deliver it. In this case, what we did is we were  
22 manufacturing it. We started six months ago, so that we  
23 would get through the process and have vaccines available as  
24 early as December.

25           Senator Inhofe: Okay. General, I agree with that and

1 I think that it was best said, as I mentioned in my opening  
2 statement, by Francis Collins, who was an Obama appointee,  
3 that it was just breathtaking the miracle that took place.  
4 Now I put it in that category, and I appreciate that  
5 response, but we are running out of time.

6 General Perna: I apologize.

7 MR. WITTMANN: Ms. Cummings, I want to ask you.  
8 Something I found out, and I was surprised to find this out,  
9 and I believe it came from HHS, that 80 percent of our  
10 needle and syringe supply has come from China. Is that  
11 correct, and then, what are we going to do to try to get  
12 back on top of this?

13 Ms. Cummings: That is correct, and we have assisted  
14 HHS with transportation to get those needles and syringes  
15 into the United States to support the delivery of vaccines.  
16 We have an opportunity to leverage both the authorities of  
17 the Defense Production Act but also the authorities of the  
18 Economy Act to invest in syringes and needles. We have  
19 actually invested in some innovative technology for vaccine  
20 delivery to increase the domestic production here in the  
21 United States, so that those capabilities can be made here.

22 Senator Inhofe: So you are aware of this and are  
23 addressing this problem. It was a surprise to me to hear  
24 this. Do you feel you are on the road to resolving that  
25 problem?

1 Ms. Cummings: We are on the road to seeking solutions  
2 to that problem. We have made some investments to date, and  
3 I think that there are more investments to be made in the  
4 future.

5 Senator Inhofe: That is good. Good work.

6 The last thing I wanted to bring up, because this is a  
7 thing that I have a hard time understanding why it is true.  
8 But so many people are reluctant to use the vaccine. The  
9 figure that I would use, in a recent study, is one out of  
10 three Americans, American adults, said that they definitely,  
11 or probably, will not get the vaccine when it becomes  
12 available. That is a shocker to me, because, first of all,  
13 it is not just them. It is others that are affected by  
14 their willingness to get the vaccine.

15 So I would like to ask you, or any of the witnesses,  
16 what are we doing right now to try to educate people as to  
17 why it is necessary to have this vaccine?

18 Mr. Salesses: Senator, I can talk about what the  
19 Defense Department is doing. More broadly, I think some of  
20 the things that we are doing would be helpful. There is a  
21 lot of misinformation out there about the vaccine. The  
22 vaccine is safe, as General Perna has pointed out, as many  
23 have pointed out. I think that what we need to do is ensure  
24 that we have the right level of education and awareness that  
25 goes on out there. From a DOD perspective, obviously we use



1 our military chain of command, and the opportunity to  
2 educate and train people and to clear up those  
3 misconceptions can be very helpful. We have seen that  
4 happen in the Defense Department. We have only been at this  
5 for about 60 days, but where we have seen vaccine rates a  
6 little bit lower acceptance rates, the commands are getting  
7 involved, providing education forums, having the opportunity  
8 to have town halls and those types of things, but provide  
9 that insight.

10 Senator Inhofe: That is good, and last week I think it  
11 was stated that one-third of the servicemembers are opting  
12 out, and so I am glad you are addressing that, because we  
13 are concerned about the whole public, but definitely our  
14 servicemembers. Thank you, Mr. Chairman.

15 Chairman Reed: Thank you, Senator Inhofe. Senator  
16 Shaheen, please.

17 Senator Shaheen: Thank you, Mr. Chairman, and let me  
18 echo the chairman and ranking member's thanks to each of you  
19 for all of your effort over the last year.

20 I want to pick up on Senator Inhofe's question about  
21 syringes, Ms. Cummings, because I just want to point out we  
22 have a company in New Hampshire, Smiths Medical that has  
23 been producing syringes. They have had a contract with  
24 BARDA, which I appreciate is not in your purview. But they  
25 need some certainty in order to address their supply chain

1 concerns, and right now they are waiting to hear from the  
2 Department about whether they are going to have a continued  
3 contract.

4 We have a lot of companies out there, as you all know  
5 so well, who really want to help in this effort, but they  
6 cannot make the expenditures unless they have some certainty  
7 that what they are producing is going to be needed. And one  
8 of the areas where I think the DPA has been very helpful has  
9 been with the personal protective equipment. Again, we have  
10 two companies in New Hampshire, Lydall, which is producing  
11 N95 mask materials, and American Performance Polymers, which  
12 is producing non-latex rubber gloves. Again, it has been  
13 the contract with DOD that has allowed both of them to  
14 expand in a way that is going to be able to produce what we  
15 need to help with our PPE supply.

16 So I guess one question I would have for you -- I  
17 assume this is for you, Ms. Cumming -- is to follow up, is  
18 there more that Congress needs to do with the Defense  
19 Production Act to make sure that you have the capacity you  
20 need to do the contracts with the companies so they can  
21 produce what we need to address this pandemic?

22 Ms. Cummings: So, Senator, I agree that a common theme  
23 that we heard throughout the pandemic from the industrial  
24 base, the medical and PPE industrial base, is this lack of  
25 long-term, consistent demand. And there are tools available

1 in the Defense Production Act in order to create guarantees  
2 for future procurement. Those guarantees need to come with  
3 funding, and so the Defense Production Act has the  
4 authority. It needs to have the associated appropriation  
5 that is long-term in nature, which the DPA Title III is  
6 long-term in nature. So that is a great tools.

7 We have other tools under the CARES Act and other  
8 appropriations from HHS where we have been able to make  
9 similar type investments as the DPA Title III. We have been  
10 using an authority the Congress gave to DOD called  
11 Commercial Solutions Openings, which gives us the  
12 opportunity to very quickly find those unique companies,  
13 especially commercial companies that we do not usually work  
14 within the Department, and be able to engage them to be able  
15 to make those strategic investments. We would like to  
16 continue to do that in partnership and support of HHS.

17 Senator Shaheen: Well, thank you. As I said, I think  
18 we all know there are a lot of companies that are really  
19 interested in helping.

20 I had a conversation -- Senator Rounds and I had a  
21 conversation late last fall with former Assistant Secretary  
22 Jordan Gillis about DLA's cash posture. And one concern was  
23 that they had had a significant reduction in their  
24 obligation authority which was affecting their ability to  
25 contract. Can you talk about that and whether that has been

1 cleared up, and are you comfortable that DLA has what it  
2 needs?

3 Ms. Cummings: I am actually watching that very  
4 closely. I get a bi-weekly report on their cash position.  
5 We work with the Comptroller to make sure they have  
6 everything they need to remain solvent and have the  
7 obligation authority to support both DOD needs and the vast  
8 amount of HHS and FEMA needs that they are meeting. Right  
9 now we are good in our operating position, but I will let  
10 you know if that changes.

11 Senator Shaheen: Thank you. I think that goes along  
12 with the point you made about appropriations. There also  
13 needs to be some certainty in appropriations, and I  
14 appreciate that, and I think that is something where this  
15 committee needs to reinforce the importance of that.

16 I do not know who this question is for, but I know that  
17 last night President Biden announced a new effort to deliver  
18 25 million masks to the nation's most vulnerable  
19 populations, through both DoD and the Department of Health  
20 and Human Services, and that the plan is to make those masks  
21 available beginning in March into May.

22 So has the Department met and talked about how they are  
23 going to deal with this distribution of the masks and what  
24 we need to do to support that effort?

25 Mr. Salesses: Senator, normally something like that

1 would be managed by FEMA. We could be asked, though, to  
2 support that. A good organization to kind of provide that  
3 kind of support would be the National Guard, to get that  
4 out. So I imagine that as the plan is being developed we  
5 will be part of that, and we will be working closely with  
6 FEMA, the state and local authorities, to make sure that we  
7 can maximize the distribution of those masks for those  
8 communities.

9 Senator Shaheen: And if there are companies who would  
10 like to help engage in this effort and fill this need, is  
11 there a contact person? Should they go through FEMA?  
12 Should they go through DOD? Should they go through HHS?

13 Ms. Cummings: The DoD is working closely with HHS.  
14 There will be a request for proposals through the Defense  
15 Logistics Agency. We will be following our normal processes  
16 to ensure that the masks are made in America, by Americans,  
17 and we will support the distribution as well. Thank you.

18 Senator Shaheen: Great. Thank you all very much.

19 Chairman Reed: Thank you, Senator Shaheen. Senator  
20 Cotton via WebEx. Senator Cotton?

21 Senator Cotton: Thank you, Mr. Chairman. Thank you to  
22 all of our witnesses for appearing. I want to commend you  
23 and the Department for your great efforts over these last 12  
24 months. I specifically want to commend General Perna for  
25 his leadership of Operation Warp Speed, which has helped

1 develop these vaccines in record times, and I think you have  
2 us on the cusp of turning the corner on this virus.

3 Ms. Cummings, the Defense Production Act was originally  
4 passed 70 years ago to ensure the availability of industrial  
5 resources to meet the Department's needs, and Congress has  
6 updated it several times over the years, and we continue to  
7 believe it is an effective tool that can be used to mitigate  
8 risk to the industrial base.

9 Based on the Department's experience, using those  
10 authorities during the pandemic to address both medical and  
11 defense industrial base issues, are there any changes to the  
12 legislation that could help the Department or other Federal  
13 agencies use it more effectively in the future, that you  
14 would like this committee to consider?

15 Ms. Cummings: When the pandemic began and we were  
16 looking at the opportunity under the Defense Production Act  
17 Title III, we looked at whether or not other Executive  
18 branch agencies, vis-à-vis the Economy Act, could actually  
19 transfer funding into our Defense Production Act Title III  
20 account. We learned that that was not authorized. And so  
21 that is definitely a flexibility that I think would be  
22 useful, to be able to expand the use of Defense Production  
23 Act to execute the authorities of other Executive branch  
24 departments.

25 The Defense Production Act, to your point, is extremely

1 valuable, and the authorization to be able to, through  
2 contracts across multiple Executive branch agencies,  
3 prioritize the delivery of those items rests across not just  
4 the Department of Defense but also other Executive branch  
5 agencies. For example, HHS has the authority to rate health  
6 resources, whereas in DOD we have the authority to rate  
7 contracts that are related to defense authorities. Thank  
8 you.

9         Senator Cotton: Thank you. Another question for you,  
10 Ms. Cummings, from an acquisitions perspective, has the  
11 pandemic broadened the Department's perspective on what it  
12 considers as critical for national security, for instance,  
13 things like N95 masks now, versus where you might have been  
14 a year ago? Are there areas where we are not self-  
15 sufficient in any new perspective that we should be?

16         Ms. Cummings: So thank you, Senator. Yes, we realized  
17 early on that our dependence on a global supply chain became  
18 a national security risk when those lines of transportation  
19 were cut. I am pleased to say that in the Department, to  
20 meet our departmental needs, we actually have very good  
21 processes in place to stockpile or to have war stock or  
22 programs, so that we did not find ourselves in a situation  
23 where we were not prepared to be able to support our medical  
24 community with the items that they needed.

25         Now there are still critical PPE items that we need to

1 continue to work on, onshoring, such as nitrile gloves.  
2 Those are only made, almost exclusively only made outside of  
3 the United States. But it was not just medical supply  
4 chains. Also, our national security supply chains, the  
5 defense industrial base, we have identified, in our  
6 Industrial Capabilities Report, which we published in  
7 January, other fragile supply chains that we intend to work  
8 with the interagency to ensure that we are coming up with  
9 solutions to onshore and support the long-term  
10 sustainability of those supply chains domestically.

11 Senator Cotton: Good. Thank you. I think it is  
12 really vital that we look at it through a new perspective  
13 and that we identify parts of our supply chains that are  
14 entirely offshore and that we try to get them at least back  
15 to the United States, and that we are not relying on solely  
16 committed sourced products on China, and secondarily out of  
17 Taiwan, and third, out of any country within missile range  
18 of Mainland China.

19 Finally, General Perna, I want to direct this to you,  
20 since you are still wearing the uniform. You had a long  
21 career of serving with soldiers and leading soldiers. There  
22 have been some concerning reports in the news about vaccine  
23 decline rates among servicemembers. Can you give us  
24 thoughts on why that is and what we can do to make sure all  
25 of our servicemembers are getting vaccinated as soon as the



1 vaccine is available to them?

2 General Perna: Senator, I think that I would just  
3 reassure my teammates, the soldiers, sailors, airmen,  
4 Marines, and Coast Guardsmen that served that we have the  
5 greatest scientists in the world that worked on these  
6 vaccines. Our pharmaceutical companies are the best in the  
7 world. And then our FDA is the gold standard for regulatory  
8 oversight in the world, and that I have 100 percent  
9 confidence in the vaccine, and I said so to my own parents,  
10 to that end. And I would encourage all soldiers, sailors,  
11 airmen, Marines, Coast Guardsmen to include my sons, who  
12 served in the Navy, and their families, to get the vaccine.

13 Senator Cotton: Good. Thanks, General. I add my  
14 voice to that statement. I urge them all to get the vaccine  
15 as soon as possible. Thank you.

16 Chairman Reed: Thank you very much, Senator Cotton,  
17 and let me recognize Senator Gillibrand via WebEx.

18 Senator Gillibrand: Thank you. Thank you both for  
19 being here, and thank you, Mr. Chairman.

20 Just to drill down a little bit on the questions that  
21 Senator Cotton asked, as well as Senator Shaheen, it has  
22 been reported that the Trump administration did not leave a  
23 reserve in the national vaccine stockpile for when President  
24 Biden took office, so we appear to be trying to ramp up  
25 production as fast as possible. But in recent weeks it

1 appears the daily administration of vaccines has been  
2 stalled.

3 Where is the bottleneck in the system, and what can the  
4 DOD do to facilitate an increased distribution of vaccines?

5 General Perna: Senator, this is General Perna, and I  
6 will start, if that is okay. Initially, when the vaccine  
7 came off the conveyor belts -- and I apologize for using  
8 that term, a very delicate process -- we knew that the  
9 volume was going to be low. It is the way that the vaccines  
10 are manufactured and the process that they have to do to  
11 ramp up accordingly. We knew that it would increase. After  
12 every batch that they run they would get better at it. And  
13 so as we executed the distribution, we planned according to  
14 that end.

15 We knew that as it increased we needed to be able to  
16 expand the distribution, and that is why the capability and  
17 capacity of private industry was utilized to do so. And I  
18 will pause.

19 Senator Gillibrand: Thank you. Ms. Cummings, on April  
20 5, 2020, your predecessor, Ms. Ellen Lord, issued a memo,  
21 changed the delegation of authority for use of other  
22 transactions for prototype projects in response to COVID  
23 disease 2019, which is geared, basically, towards increasing  
24 contracting with small and medium-sized firms, rather than  
25 big defense contractors. Other transaction authority can

1 empower the DOD to move faster, be more flexible in  
2 acquisitions, and develop solutions via working with non-  
3 traditional, non-defense contractors across the whole of  
4 industry and science.

5         Nevertheless, there has been recent criticism that this  
6 authority is not being used to the fullest extent. Rick  
7 Dunn, the general counsel of DARPA, recently wrote, "The  
8 deficiency of education and understanding on the transaction  
9 authority among DoD lawyers, program managers, contracting  
10 personnel, and financial managers is a profound handicap  
11 that has led to the slow embrace of this program."

12         Are you willing to engage with business leaders in  
13 order to cut out the stovepiping and increase the use of  
14 other transaction authorities, and particularly to increase  
15 the number of minority-owned businesses that we contract  
16 with?

17         Ms. Cummings: Thank you, Senator, for that question.  
18 We absolutely value the contribution of small business to  
19 the defense industrial base, and what we found during the  
20 contracting actions and other agreements such as OTAs is  
21 that we were seeing an expansion in the participation of  
22 small businesses, and I believe even more than 40 percent of  
23 the contracts that we have been tracking specifically, in  
24 response to COVID, have gone to small businesses.

25         But yes, I will commit to working with the defense

1 acquisition workforce, as well as the Defense Acquisition  
2 University and the service acquisition executives to look to  
3 expand the knowledge and understanding across all of the  
4 different parts of the workforce, to include contracts and  
5 legal. Thank you.

6 Senator Gillibrand: And then just to continue the line  
7 of questioning that Senator Cotton started, GAO previously  
8 reported that DOD plans to use about \$687 million of the \$1  
9 billion in CARES Act Defense Production Act funding to  
10 mitigate COVID-related problems in the defense industrial  
11 base. As of January 2021, DOD has already awarded 37  
12 projects valued at approximately \$663 million.

13 Please provide some specific examples of the benefits  
14 that the Department has already realized through Defense  
15 Production Act investments, and how much additional Defense  
16 Production Act funding does DOD need to mitigate its highest  
17 priority defense industrial base risk over the next two  
18 years?

19 Ms. Cummings: Sure. Thank you, and I would be happy  
20 to take, for the record, some specific outcomes of some of  
21 the awards that I am about to talk about.

22 But we made significant investments under DPA Title III  
23 in industrial capability to sustain businesses that would  
24 otherwise have been either fragile or have gone out of  
25 business, based on the impacts of COVID in the area of

1 aircraft. So that would be materials to support aircraft  
2 production, as well as aircraft engine production, ship-  
3 building, space, soldier systems to include textiles,  
4 electronics, and materials, and hypersonics. But again, I  
5 am happy to come back to you or your staff with specifics on  
6 the benefits we have seen from those investments to date.

7 Senator Gillibrand: Thank you, and I am out of time,  
8 but I would like to submit for the record some specific  
9 questions about the shortcomings of child care for military  
10 servicemembers. We have seen it across the board, in non-  
11 military child care centers as well. Last I checked there  
12 was one slot for every eight kids that needed it, and I  
13 think that is also a huge problem with the military because  
14 they have had to close their child care centers. But I will  
15 submit those for the record.

16 Thank you, Mr. Chairman.

17 Chairman Reed: Thank you, Senator Gillibrand. And  
18 before I recognize Senator Rounds via WebEx, just to clarify  
19 a point. I believe that DOD requires 17 immunizations.  
20 They can mandate it but they cannot mandate without informed  
21 consent an emergency FDA vaccine, which is the current  
22 status. Once it becomes fully approved by FDA then the  
23 Department of Defense can mandate the vaccine. Is that  
24 accurate, General Perna, or whoever is most --

25 General Perna: We did research on that, Chairman, and

1 that is a true statement.

2 Chairman Reed: Thank you very much. Senator Rounds,  
3 please.

4 Senator Rounds: Thank you, Mr. Chairman. First of  
5 all, good morning to all of you, and I want to take this  
6 time to just thank you very much for your service to our  
7 country and for providing your expert testimony on the  
8 Department of Defense's impact on the nation's COVID-19  
9 response to this committee today.

10 I would like to begin with a question for Ms. Cummings.  
11 During the very worst periods of uncertainty at the  
12 beginning of the COVID-19 crisis, we struggled mightily to  
13 increase the N95 mask production. And it seems to me that  
14 there was a high degree of confusion within DOD with respect  
15 to the DPA framework, to include leadership, processes, and  
16 situational awareness.

17 Your contributions at that time, and former Under  
18 Secretary Lord's daily involvement, were absolutely crucial  
19 to overcome bureaucratic hurdles and significant delays, and  
20 I thank you for that.

21 I am curious to know what your lessons learned are from  
22 that period, and what you recommend to fix the process so  
23 that when we need to use the DPA it will be a more effective  
24 tool for rapidly providing capacity during national  
25 emergencies.

1 Ms. Cummings: Thank you, Senator. Yes, I was, myself,  
2 personally involved in the decision and the activities in  
3 coordination with HHS to make strategic investments in the  
4 capacity for making N95 respirators here in the U.S. And I  
5 think one of the major lessons learned, that we had in the  
6 Department of Defense, was that we did not have those  
7 strategic relationships within the acquisition community, to  
8 the acquisition community at HHS and FEMA that would have  
9 been valuable at day one of the pandemic.

10 And so because of that we created, instead of the task  
11 force, which is what we established that I led beginning in  
12 March, we transitioned that to a permanent office. That  
13 permanent office is part of our Joint Rapid Acquisition  
14 cell, and the goal of that office and the mission of that  
15 office is to maintain relationships across the Executive  
16 branch so that when there is an emergency, whether it is a  
17 national, regional, local emergency, that we have the  
18 relationships and we have the agreements, interagency  
19 agreements, in place to quickly respond to that requirement,  
20 without having to re-establish or newly establish those  
21 relationships, and, frankly, of the MOUs and paperwork  
22 associated with moving money or moving requirements from one  
23 agency to another.

24 Senator Rounds: I just remember that it was a  
25 bureaucratic nightmare, and it took direct intervention in

1 order to work our way to it, and I thank you for that.

2 I would like to continue on with Ms. Cummings. How  
3 much money from the administration's COVID-19 package is DOD  
4 anticipating to devote to the Title III program for both  
5 domestic production for the supply chain and for end  
6 products, such as PPE, vaccines, and other critical medical  
7 products? And do you think this is going to be sufficient  
8 to address the most pressing and anticipated requirements  
9 that your office is tracking?

10 Ms. Cummings: I think -- am I understanding your  
11 question to be the proposal, the supplemental package that  
12 includes \$10 billion in DPA Title III funding for medical  
13 resources?

14 Senator Rounds: I am curious what your current status  
15 is.

16 Ms. Cummings: Oh, okay. So the current status is, we  
17 had, in the CARES Act, \$1 billion in DPA Title III funding.  
18 We balanced that account between both medical resources,  
19 which we allocated \$213 million to. We dedicated \$100  
20 million towards a loan program, and so that is in order to  
21 support subsidies so we can make loans. And then the third  
22 was \$687 million for the defense industrial base.

23 We have obligated almost that entire account with the  
24 exception of the \$100 million that is set-aside for subsidy.  
25 That stays in our account, again, to subsidize a larger loan



1 amount. But we did balance that between the defense  
2 industrial base and the medical industrial base.

3 But because we were able to move funding from HHS to  
4 DOD, we have thus far been able to meet every requirement  
5 given to us from HHS to expand N95 respirators, supply  
6 chains related to ventilators and surgical masks, as well as  
7 testing capacity, to include point of care and at-home  
8 testing kits.

9 Senator Rounds: I think the point I would make is that  
10 the resources that you were provided, you have basically  
11 expanded or utilized at this time. And so if we want to  
12 continue with the program it is critical that we talk about  
13 specific targeted needs that would be available for your  
14 use.

15 Ms. Cummings: Correct.

16 Senator Rounds: Thank you. Thank you, Mr. Chairman.

17 Chairman Reed: Thank you, Senator Rounds. Let me  
18 recognize Senator Blumenthal.

19 Senator Blumenthal: Thanks very much, Mr. Chairman. I  
20 would like to first of all thank you for your service. The  
21 ranking member, Senator Inhofe, referred to the miracle of  
22 our discovery and distribution of the vaccine, but as one of  
23 the great American scientists once said -- and I cannot  
24 remember who it was -- "Great inventions and innovations are  
25 1 percent inspiration and 99 percent perspiration." And so

1 I know a lot of your hard work and, equally so, the hard  
2 work at Pfizer and Moderna -- I know particularly Pfizer  
3 because I have talked to some of the scientists and managers  
4 there -- was necessary to bring this vaccine to the American  
5 people and to people around the world. So we owe you a  
6 great debt of gratitude.

7 I want to thank you, General Perna, for your work,  
8 particular and for our conversation about the really  
9 herculean steps that you are taking to make this vaccine  
10 available on a mass level, through many, many more outlets  
11 and places of vaccination around the country, which I know  
12 is essential to make the vaccine real for people, getting it  
13 into their arms.

14 And let me focus for the moment on the question that  
15 Senator Reed asked, in terms of our military men and women.  
16 Is it a regulation or a statute that bars the Pentagon from  
17 mandating vaccines? I know that it is under Emergency Use  
18 Authorization right now, and if it was given final approval  
19 it could be mandated, but that takes five, ten years. We do  
20 not know how long. So is there a specific legal provision  
21 that forbids mandatory vaccination, when it has received  
22 only Emergency Use Authorization?

23 Mr. Salesses: Senator, the Emergency Use Authorization  
24 is voluntary. As you point out, I believe it is a statute,  
25 sir that does not provide for it to be mandatory. Actually,

1 somebody just handed me the statute so I can read it to you,  
2 if you would like, the number here, sir. It is Emergency  
3 Use Authorization, it is 1107A that talks about the  
4 Emergency Use Authorization. So it is a statute and that is  
5 why it is voluntary, sir.

6 Senator Blumenthal: And let me ask you, are there some  
7 groups that have been more receptive than others within the  
8 military?

9 Mr. Salesses: What we are finding is we have been at  
10 this for about 60 days, and we have a vaccine tiering system  
11 that we are using. So, for example, in that first tier is  
12 our health care professionals, and if the population for  
13 that health care professionals is about 300,000, what we are  
14 seeing is over 60 percent taking the vaccine. And we are  
15 able to track who takes the vaccine. The remainder of the  
16 individual in that tiering that are not taking the vaccine,  
17 there may be a number of reasons why they are not taking the  
18 vaccine. They may have gotten a shot somewhere else, or  
19 they may not want to take the vaccine. We are working  
20 through that collectively right now to make the  
21 determination of what those numbers accurately are. We do  
22 track who has taken it, but again, those populations that we  
23 have in the tiering system, that is how we are reviewing  
24 that.

25 Senator Blumenthal: Isn't it available to the entire

1 force, everybody who wants it?

2 Mr. Salesses: It will be, sir, but we start with a  
3 tier, because the way the vaccine is being distributed, you  
4 can only get so much supply. So we started with our health  
5 care workers. Now we are working through our essential  
6 mission responsibilities, and then we will continue to work  
7 through that process. It will be available to everyone in  
8 the Defense Department that wants to take the vaccine.

9 Senator Blumenthal: So are you saying that so far,  
10 within our United States armed services, the vaccine has  
11 been made available only to health care workers?

12 Mr. Salesses: No, sir that is not what I am saying.  
13 What I am saying, that was the first tier. It is a tiered  
14 system. As we work through the tiers, then we have  
15 essential, like strategic forces, our military forces, those  
16 types of folks. We work through the system, the tiered  
17 system, to the last tier, which is our normal folks that are  
18 available for the vaccine, our regular forces. We also look  
19 at, in the tiering system, at those that have health  
20 conditions. Over 65 is another condition. So as we work  
21 through that tier we make the vaccine available.

22 Senator Blumenthal: Well, my time has expired, but I  
23 would like to know how many, and in what categories, have  
24 received, actually received the vaccine. And I understand  
25 that you are working through -- I think that was your term

1 -- the essential workers, forces. I would like to know who  
2 that is, how many have actually received the vaccine, and  
3 what the next tiers are. I would think this vaccine should  
4 be made available to all men and women in uniform.

5 Mr. Salesses: It will be, sir.

6 Senator Blumenthal: Well, it will be, but why hasn't  
7 it been already?

8 Mr. Salesses: Because the vaccine supply is coming --  
9 it is coming in, in different increments, and we are  
10 vaccinating based on the priorities. We have already  
11 vaccinated --

12 Senator Blumenthal: But shouldn't all of our men and  
13 women in uniform be a priority?

14 Mr. Salesses: They are, sir, and they will get the  
15 vaccine.

16 Senator Blumenthal: Okay. I apologize, Mr. Chairman,  
17 but I will look forward to getting more information.

18 Mr. Salesses: Yes, sir.

19 Chairman Reed: Thank you, Senator Blumenthal. Let me  
20 recognize Senator Ernst.

21 Senator Ernst: Thank you, Mr. Chair, and thank you to  
22 our witnesses today. This has been an extraordinary effort,  
23 and I think you can say that all of us are very proud of the  
24 accomplishments of those serving in the DoD when it comes to  
25 Operation Warp Speed, so thank you, General, very much for

1 your leadership in that area.

2 It really has been quite a success, and we have been  
3 able to provide an effective vaccine now to the American  
4 people in less than a year, and all Iowans are very thankful  
5 for that. And just to go over some of the things that the  
6 Department of Defense has done and undertaken since the  
7 beginning of this pandemic, a range of actions to support  
8 the defense industrial base, which includes establishing a  
9 Joint Acquisition Task Force to prioritize and increase  
10 production capacity of needed medical resources, investing  
11 in industrial-based expansion, executing the CARES Act and  
12 Defense Production Act Title III supplemental funding, and  
13 accelerating progress payments to contractors, and we could  
14 go on and on and on. Just an extraordinary effort across  
15 the board.

16 Another part of this, the players that I like to  
17 recognize all the time, are our wonderful National Guardsmen  
18 that are out there participating in efforts to support our  
19 communities. So we have over 28,000 National Guardsmen that  
20 have been activated or mobilized. They are out there in  
21 support of FEMA and other various partners across 46 of our  
22 states and 3 territories. And so what they are doing, they  
23 are supporting the vaccination missions and other medical  
24 support missions.

25 So, Mr. Salesses, at what point does the National Guard

1 and the Defense Department complete this mission and then  
2 pass the operation over to civil authorities?

3 Mr. Salesses: Senator, I do not know the exact time  
4 frame in which the mission will be complete. Obviously, we  
5 have got a lot to finish, as a nation, with the great work  
6 that you have already point out that the Guard is doing  
7 every day around the country. As we also know, we had  
8 47,000 National Guard members on duty at the peak of this,  
9 and now with the 28,000, 29,000, they have done  
10 extraordinary work.

11 I suspect that they will be there until we have  
12 vaccinated everybody and we have provided the support that  
13 we need to within the communities. They continue to do  
14 great work around the country, and I think we are going to  
15 continue to rely on them to do that.

16 As you know, the President has authored 100 percent  
17 reimbursement through the end of September, which is very  
18 helpful to the National Guard in executing this mission. So  
19 I think we should plan for at least through the end of  
20 September, and we will see what happens after that.

21 Senator Ernst: So the Department of Defense has  
22 started talking about kind of the need to transition then.  
23 We are just not sure of the date.

24 Mr. Salesses: Again, Senator, it will be up to what  
25 the governors need, really, with the National Guard. So I

1 would look to the governors in each of the states and how  
2 they want to continue to use the National Guard in that  
3 effort, and what additional Federal requirements or Federal  
4 assistance may be needed. And we are going to work closely  
5 with FEMA and with the states, the governors, and the  
6 National Guard Bureau to make sure that we are capable of  
7 continuing to provide the support that is necessary to the  
8 states.

9 Senator Ernst: Yeah, thank you, sir. I really  
10 appreciate that, and I have seen our Guardsmen out and about  
11 at various test Iowa sites, and I know in many of the states  
12 are helping with the vaccine distribution, and they are just  
13 very important players to us.

14 The initial vaccine from Pfizer received an Emergency  
15 Use Authorization on December 11, 2020, after determination  
16 was made that it was effective at preventing COVID-19. And  
17 again, this was the most efficient and fastest vaccine  
18 approval in the history of the United States, and again,  
19 such incredible work.

20 With the vaccinations that have been approved, of  
21 course there has been a number of confusing statements and  
22 issues with the vaccine distribution when it comes to what  
23 is considered a fair allocation. So I know in the state of  
24 Iowa we have had issues understanding that formula. Senator  
25 Grassley and I had sent a letter not long ago asking for



1 clarity on what formula was being used to determine what  
2 allocation our states were receiving.

3 So, General Perna, if you could shed some light on that  
4 and maybe explain what formula is being utilized so that we  
5 know that every state is receiving a "fair allocation" of  
6 the vaccines.

7 General Perna: Senator, it is an algorithm. It is  
8 based on population, fair and equitable to all. The  
9 population is total population based on the census from '18.  
10 It is reduced by the number of adolescents in the state, so  
11 18 and above is the total number that we go against. And  
12 then the percentage of that population to the percentage of  
13 available vaccine being distributed that week is the  
14 algorithm that runs. It is strictly a mathematical problem.

15 Senator Ernst: Okay. So just to make it clear for  
16 everyone, it is based on that algorithm. There are not  
17 other considerations, outside influences, that determine the  
18 allocation. Correct?

19 General Perna: Absolutely. No, you are correct 100  
20 percent.

21 Senator Ernst: Okay. Thank you very much to our  
22 witnesses today and your extraordinary efforts. We really  
23 do appreciate it. Thank you. Thank you, Mr. Chair.

24 Chairman Reed: Thank you, Senator Ernst. Let me  
25 recognize, via WebEx, Senator Hirono.

1           Senator Hirono: Thank you, Mr. Chairman. Thank you  
2 all for being here.

3           General Perna, Operation Warp Speed's goal or mission  
4 was to develop, manufacture, and distribute the vaccine, and  
5 yes, it was extraordinary, the development of these vaccines  
6 in such a short period of time. We are still involved in  
7 the distribution, and, of course, the manufacture of it.

8           So under the Biden administration, General Perna, has  
9 the DOD's involvement, engagement increased with regard to  
10 getting this pandemic under control, and if so, can you just  
11 briefly describe what additional things you are doing?

12          General Perna: Senator, if I may address what they  
13 have done with the actual distribution of the vaccine and  
14 support of administration and then pass it to my colleagues,  
15 with your permission. DoD has been, as stated earlier,  
16 Secretary Austin was clear in his guidance that the  
17 Department of Defense was going to be a part of the  
18 solution, not only to what they contributed to Operation  
19 Warp Speed but now down in support of the governors and  
20 local authorities.

21          So FEMA, they are working with FEMA on mass vaccination  
22 sites. DOD is assisting with soldiers. They are also  
23 supporting, down through the Federally Qualified Health  
24 Centers and community vaccination centers with support.

25          And with that I would have to pass to my colleague,

1 Senator.

2 Senator Hirono: Thank you. So obviously your role,  
3 DOD's role has definitely increased under the Biden  
4 administration. That is what I heard you say. So does  
5 somebody else want to give me a short response?

6 Mr. Salesses: Yes, Senator, it has increased.  
7 Obviously, the Federal vaccine centers that General Perna  
8 just alluded to, we have established one in California,  
9 Texas, and getting ready to establish other ones in Florida  
10 and Pennsylvania. These are what we call Type 1 centers.  
11 They are able to provide 6,000 shots a day. Secretary  
12 Austin was out in California yesterday, at our first site in  
13 L.A., where they are providing that 6,000 shots. We have  
14 got 4,000 military personnel prepared to support these  
15 sites, and we will be working very closely with FEMA and the  
16 states going forward in where those sites will be  
17 established.

18 Senator Hirono: Thank you. I think that is very much  
19 going to be necessary because if we are looking at  
20 vaccinating a population of some 225 million, that includes  
21 18 million veterans and over 1 million active and DoD, it is  
22 going to require all hands on deck, I would say.

23 By the way, as the Johnson & Johnson vaccine becomes  
24 available, is there going to be a push to distribute those  
25 one-dose vaccines more than the Pfizer and Moderna vaccines?

1 Is there anybody who can respond to that question?

2 General Perna: Senator, it will be the same pro rata  
3 approach based on the White House priorities. I have been  
4 given guidance to distribute to jurisdictions, to Federal  
5 pharmacy programs, as well as to FEMA and the Federally  
6 Qualified Health Centers. So --

7 Senator Hirono: I think -- excuse me. I am sorry,  
8 General. My time is running out. My question really -- it  
9 was probably not clearly stated what it was -- is there  
10 going to be more Johnson & Johnson vaccines made available,  
11 because those are just one dose that do not require the kind  
12 of refrigeration that the Pfizer vaccine needs. So you  
13 would think that having more of a one-dose vaccine is a more  
14 efficient way of vaccinating as many people as we can. Is  
15 that going to happen?

16 General Perna: Absolutely. We have already contracted  
17 for, and we will receive, 100 million doses through the  
18 month of June, and we are working with the company for what  
19 does the future look like for additional doses.

20 Senator Hirono: Question for Ms. Cummings. Under the  
21 American Rescue Plan, if passed, that includes \$10 billion  
22 in Defense Production Act funding, which the DOD will need  
23 to manage. My question is, what would this funding go for,  
24 Ms. Cummings? Ten billion, that is a lot more than the \$1.4  
25 billion or so, or the \$3 billion that DOD has administered

1 before.

2 Ms. Cummings: It is indeed, and my understanding is  
3 that that would be specifically for medical resources, to  
4 include expanding production capacity in the United States  
5 for vaccines, vaccine delivery, test capacity, PPE. We  
6 would take our lead from HHS and be in a supporting role,  
7 and so we would look to HHS and the White House to provide  
8 us with specific requirements. We would provide, through  
9 our executive agent, which is the Air Force, as well as  
10 supplemental contracting assistance throughout the  
11 Department in order to meet those requirements. But again,  
12 we would take our lead from HHS as the requirer of health  
13 resources, and that is how we would execute that, should  
14 appropriations be made available.

15 Senator Hirono: Thank you. I think -- okay, I still  
16 have 25 seconds left. For General Perna, due to weather  
17 conditions the number of vaccines that Hawaii was expecting  
18 to get, they did not receive it. Close to 40,000 vaccine  
19 doses were supposed to come to Hawaii, but due to weather  
20 conditions on the Mainland only about 10,000 of those doses  
21 came. So are there things that you are doing to ensure that  
22 there is as little delay as possible due to weather  
23 conditions in distributing the vaccine to places such as  
24 Hawaii and Alaska?

25 General Perna: So, Senator, absolutely. We completed

1 delivery of all backlog last night, throughout the country,  
2 and we will finish the final delivery of this week's  
3 vaccines by Friday. So we are caught up to that end.

4 Senator Hirono: We appreciate all you can do to catch  
5 up as quickly as possible, because you do not have control  
6 over the weather. And, by the way, I hope you are getting  
7 enough doses to Guam and American Samoa.

8 General Perna: We are treating them fair and  
9 equitably, and I am personally watching the territories to  
10 ensure that.

11 Senator Hirono: Thank you.

12 Chairman Reed: Thank you, Senator Hirono. Let me now  
13 recognize Senator Tillis, please.

14 Senator Tillis: Thank you, Mr. Chair, and thank you  
15 all for being here. Mr. Salesses, I think I will start with  
16 you, just to follow on to a line of questions that Senator  
17 Blumenthal had. It is your goal to vaccinate everybody in  
18 the DOD, correct? And the only reason you are not doing it  
19 today is you do not have a vaccine for every arm that needs  
20 it. Is that correct?

21 Mr. Salesses: That is correct.

22 Senator Tillis: Over what period of time do you think,  
23 based on the current production capability and maybe some  
24 assumptions you can make about the Johnson & Johnson  
25 vaccine, over what period of time do you think that you

1 could have provided the vaccine to everybody who was willing  
2 to take it?

3 Mr. Salesses: I think it would be late summer,  
4 Senator.

5 Senator Tillis: Late summer. Yeah. The reason I was  
6 asking that question, I think it is fair to say that there  
7 are more people willing to take the vaccine than there are  
8 vaccines to give. And one thing I want to make sure of is  
9 we do not start focusing attention on vaccine hesitancy  
10 until we reach a point to where we have a supply where there  
11 is no demand.

12 Mr. Salesses: Can I provide a clarifying comment,  
13 Senator, if you do not mind?

14 Senator Tillis: Yeah.

15 Mr. Salesses: As General Perna pointed out, with the  
16 50 states and 4 territories, there are actually 64 what we  
17 call micro plants. One of those plants is DOD, one is VA.  
18 We all fit into that plant so we get our portion of the  
19 vaccine distribution.

20 Senator Tillis: Yeah.

21 Mr. Salesses: That is how it works, and then we --

22 Senator Tillis: Yeah. I just wanted to make it very  
23 clear that there is no reduction in priority. It is more a  
24 matter of supply and demand right now, and that I have  
25 confidence you are working on it.

1           General Perna, thank you so much. I think you should  
2 be very proud of the work that you have led. I am kind of  
3 curious, because we rightfully, with the once-in-the-last-  
4 century pandemic of this nature have shifted attention over  
5 and made sure that manufacturing priorities and everything  
6 was in place to get the plumbing and get the vaccine out.  
7 Have you all been tracking any other therapeutics, like flu  
8 vaccines or other therapies that were dependent upon the  
9 same supply chain base and manufacturing base to understand  
10 vulnerabilities there, and how are we working to mitigate  
11 that? Is that a part of the problem we are trying to solve  
12 or is that another problem that we have to focus on?

13           General Perna: So, Senator, the way that we have been  
14 looking at it is that we apply DPA and prioritization for  
15 everything we are doing for the COVID vaccine, as I tell the  
16 team we have to be offensive and defensive, because we do  
17 not want to distract from any of the other life-saving drugs  
18 that are necessary for the American citizens.

19           So we manage it on both sides, and that is how I am  
20 able to do it to ensure that COVID vaccine continues to be  
21 produced in a timely manner but yet does not disrupt any  
22 other life-saving materials.

23           Senator Tillis: So we do not think that any of the  
24 other courses of medications are suffering any critical  
25 shortages at this point?



1           General Perna: Not at this time, but, you know, it  
2 depends on how long we are going to keep going, of course,  
3 and the impact. And it would be both for materials to  
4 produce as well as the actual materials that are needed to  
5 produce, right. So it is a combination of both.

6           Senator Tillis: Thank you very much. This could be  
7 for Mr. Salesses or Ms. Cummings. I think that we made the  
8 right decision in a crisis to really look to the DOD to lead  
9 versus a whole-of-government approach that could have taken  
10 us a year to figure out how for everybody to operate  
11 efficiently. But the question that I have is, now that we  
12 have created a real-life scenario with this pandemic  
13 response, what work in the future will we do to potentially  
14 vertically integrate the whole-of-government so that when we  
15 execute the next time maybe it is a little bit less of a  
16 demand on the DoD and a better execution for the whole-of-  
17 government? And either of you, or General Perna, if you  
18 have comments.

19           Mr. Salesses: Senator, I will start and turn it over  
20 to my colleagues. The Department has done extraordinary  
21 things, as you pointed out, supporting the other Federal  
22 departments and agencies, and, in turn, state and local  
23 authorities. We have a mission to do that, the defense  
24 support of civil authorities' mission. It went beyond the  
25 scope of providing military support, as you well know, to

1 where we worked the acquisition piece in different areas.  
2 We provided supply chain support, all of that.

3 I think as we go forward the Department recognizes that  
4 we will be called upon in these types of events to assist,  
5 but part of that will be also potentially increasing the  
6 capacity and capabilities of our Federal partner, whether it  
7 is HHS or FEMA, and contracting has a big role in how we  
8 deal with many of these emergencies around the nation. So  
9 as we look to that in the future, having the ability to  
10 leverage the private sector through our contracting  
11 capability, whatever Federal department or agency that is,  
12 and harnessing the ability of the private sector to deal  
13 with some of these crises that we go through in the nation  
14 would be very helpful.

15 Senator Tillis: Yeah, I think that an after-action --  
16 I want to make sure you are getting shots in arms and beat  
17 this pandemic, but I think an after-action on how we have a  
18 contemporary example of a pandemic response of this kind,  
19 that there is something to learn from that. It may be  
20 instructive to things that we should consider in the NDAA.

21 I am not going to take any more time except to say I am  
22 going to submit some questions for the record related to  
23 reimbursement from civil authorities and some general  
24 questions on the impact on readiness as we have focused so  
25 many resources on the COVID response. Thank you all for the

1 great work.

2 Chairman Reed: Thank you, Senator Tillis. Let me  
3 recognize Senator Kaine.

4 Senator Kaine: Thank you, Mr. Chair and Ranking Member  
5 Inhofe and to our witnesses. I am very much about giving  
6 credit where credit is due and I am going to get to that in  
7 a minute. But I think any hearing about COVID has to start  
8 with this -- it has been a catastrophe. It has been an  
9 absolute catastrophe for this country. I think the COVID  
10 response in the United States will probably go down as the  
11 worst failure of domestic governance in the history of the  
12 United States. There have been some failures on the foreign  
13 policy national security side. This is a domestic  
14 governance failure. Death toll now in excess of 500,000.  
15 The only two sort of singular events with higher death tolls  
16 in the history of the United States were the Civil War, at  
17 620,000, Spanish flu at about 675,000. More Americans have  
18 died in the last year than in the entire World War II or  
19 Vietnam War or Korean War.

20 Dr. Fauci said the other day that the U.S. has handled  
21 this worse than just about any other nation. There is no  
22 reason that a nation with the technical expertise,  
23 resources, research institutions, health care professionals  
24 that the United States has should have suffered this way.

25 The scale of suffering has been intense. Everyone in

1 this room knows people who have been sick of COVID or died  
2 of COVID. I know nine people who have died of COVID. Last  
3 time I checked, the entire nation of Taiwan -- the entire  
4 nation of Taiwan, very close to China, only had nine COVID  
5 deaths.

6 This has been an atrocity, not only in the scale of  
7 American history one of the deadliest events in the scale of  
8 American history but compared to other nations. And let's  
9 not compare to communist nations or nations that can tell  
10 their citizens to get in line and they will. Let's just  
11 compare it to other industrialized democracies. The excess  
12 deaths experienced by the United States, compared to other  
13 comparable nations, is shameful, is absolutely shameful.

14 It began with the perpetration of a big lie by a  
15 President with the biggest microphone on the planet -- this  
16 will go away, it is not a problem, anti-science messaging --  
17 and if we have ever learned how powerful a leader can be,  
18 those lies perpetrated at the beginning of this pandemic  
19 demonstrate the power of leadership and the power of a  
20 microphone that the President of the United States has.

21 There has been spectacular work. General Perna, you  
22 and the Warp Speed team that I will give the Trump  
23 administration huge credit for, and I am going to come back  
24 to that in a second. The development of vaccine has really  
25 been remarkable. The work of our health care professionals,

1 the scale and death and illness that they have seen and had  
2 to deal with day in and day out, everywhere from big-city  
3 hospitals to tiny rural health clinics has been brutal, and  
4 I think we need to do everything we can to keep our healers  
5 healthy. Our Guardsmen and women, I have seen Guardsmen and  
6 women at testing sites, and then at food banks, and now at  
7 vaccination sites, doing some amazing work.

8 And so we have to thank and celebrate some tremendous  
9 heroism during this time, but I think any discussion of  
10 COVID has to begin with the recognition that this has been  
11 an absolutely disastrous moment in the history of this  
12 country. Johns Hopkins said this nation was the best-  
13 prepared nation in the world to deal with a pandemic, and  
14 they were right. But from lies perpetrated to the CDC  
15 mistakes and the development of a testing protocol rejecting  
16 the WHO test protocol and then developing one that was  
17 faulty, we have to get ahold of this. And if we are not  
18 willing to begin with that sense of humility about our  
19 failures, then we will not be ready for the next one.

20 I have colleagues now, Mr. Chair, who are asking about  
21 a 9/11-style commission to analyze the events on January  
22 6th. We need a 9/11 commission to look at why the U.S. fell  
23 down on the job. That is what we need the commission about,  
24 because there will be another pandemic, and we have to be  
25 willing to look ourselves in the mirror and ask what went

1 wrong, and then make a commitment to what needs to go  
2 better. And I believe the DOD has some significant  
3 expertise to offer.

4 General Perna, just one question for you. President  
5 Eisenhower used to say a lot of battles get lost because of  
6 logistics. You might have all the capacity in the world but  
7 if you cannot get at the last tactical mile then you lose a  
8 lot of battles. I think some of the distribution challenges  
9 -- the development of the vaccine, I mean, has really been  
10 miraculous, as Ranking Member Inhofe said. But I think some  
11 of the distribution and logistical challenges will have  
12 significant lessons for us. One of the reasons that you  
13 were put in the spot you are in is because you are a  
14 logistics expert. Can you just share some kind of, you  
15 know, thinking for us down the road about the logistical  
16 challenges and things you have learned along the way that  
17 can inform us if we do a commission to try to figure out how  
18 to better deal with this in the future? Thank you.

19 General Perna: Senator, quickly. Yes, and I  
20 appreciate the opportunity to be a part of that because of  
21 the expertise that I brought. It was clear that the  
22 industrial base was capable of delivering the vaccine from  
23 factory down to the jurisdictions. Quite frankly, really  
24 remarkably proud. Went to all 64 jurisdictions  
25 simultaneously. We did have to ramp up, exponentially, the

1 ability to distribute to the total number of locations. We  
2 went from a registration of roughly 7,000 places to deliver  
3 the vaccine to over 130,000. Then we had to match what was  
4 available to the priority of execution, initially long-term  
5 health care facilities and frontline medical, so we were  
6 precisioned in delivery.

7 And now, as vaccine becomes available, it is about  
8 expanding it to the breadth and the depth, bringing it into  
9 mass vaccination sites and then the local pharmacies, over  
10 40,000 of them registered. We can deliver to their front  
11 doors, and that is what will bring us success as the vaccine  
12 increases in volume in March, April, and May.

13 Senator Kaine: We will keep relying on that expertise,  
14 General Perna. Thank you. Thank you, Mr. Chairman.

15 Chairman Reed: Thank you, Senator Kaine. Let me  
16 recognize Senator Cramer.

17 Senator Cramer: Thank you, Mr. Chairman, and thank all  
18 of you for your service and for being with us today. Let me  
19 start out also by thanking the Department of Defense for a  
20 heroic effort and a great job. General Perna, when I think  
21 about the contribution, the obvious contribution, I guess,  
22 and maybe I would not have thought of it at the beginning  
23 that the expertise of the military brings to Operation Warp  
24 Speed, just thank you so much.

25 And I join Senator Kaine and Senator Ernst and the

1 others who have pointed out that but for our National Guard  
2 I am not sure where many states would have been. In North  
3 Dakota, they are, along with our frontline health care  
4 workers, the unsung heroes who brought a level of expertise  
5 and logistics that provided efficiency and productivity to  
6 everything from standing up temporary hospitals to certainly  
7 the testing, and now to vaccine distribution. So thank you  
8 to all of you for that.

9 I want to ask you, General Perna, specifically about  
10 vaccine manufacturing, and I want to be able to be part of  
11 the solution perhaps. It is my understanding that a lot of  
12 the messenger RNA vaccines use raw materials that are  
13 developed at Aldevron in Fargo, North Dakota. Aldevron is  
14 both the most advanced and has the largest capacity of any  
15 DNA plasmid company in the world.

16 And for several months the company has been trying its  
17 darndest to get a meaningful meeting with somebody from  
18 Operation Warp Speed. I have tried to facilitate that. We  
19 have been largely unsuccessful, with some progress recently.  
20 On January 19, Aldevron finally sent a letter to Carlo de  
21 Notaristefani. Obviously you work closely with him at  
22 Operation Warp Speed. And it is my understanding that they  
23 finally received a return call within the last week. That  
24 has taken way too long.

25 But I think that there has been a tendency to overlook



1 some of midsized, maybe Midwestern problem-solvers, and as  
2 we build a domestic supply chain -- which I commend you and  
3 the whole-of-government for doing, we need to do that,  
4 certainly COVID-19 has exposed some frailties in our supply  
5 chain, not just of pharmaceuticals but lots of things, food  
6 supply and others. But I do not want to leave out a  
7 problem-solver that could help solve the problem.

8 Now, I am not an expert, obviously, but you are, and  
9 you have people who are. Aldevron is, and they have people  
10 who are. I guess my ask of you would be today, General,  
11 first of all, have you seen the letter, the one I referenced  
12 from Aldevron on January 19th?

13 General Perna: No.

14 Senator Cramer: I am going to leave it here, and  
15 before you leave here I am going to make sure that you have  
16 a copy of it.

17 I want to know if -- well, would you just commit to me  
18 to personally take a few minutes, and believe me, it is not  
19 lost on me that you have other things to do. But I would  
20 love the commitment that you would take some time to look at  
21 that make a call and spend some time familiarizing yourself  
22 with this fantastic company in Fargo.

23 General Perna: Senator, you have my commitment. I  
24 will personally call and talk.

25 Senator Cramer: I very much appreciate that, and as I

1 said -- and hopefully you will be inspired to send a team to  
2 Fargo.

3 General Perna: Not in the winter.

4 Senator Cramer: You have not been there if you have  
5 not been there in the winter, General. But anyway, whatever  
6 works we are grateful for that.

7 And again, let's shore up our own supply chain, and I  
8 want to be part of that solution. And with that I will  
9 yield.

10 Chairman Reed: Thank you very much, Senator Cramer,  
11 and I have been to Fargo in the winter.

12 Let me recognize Senator King via WebEx.

13 Senator King: Well, thank you very much, Mr. Chairman,  
14 and first, I want to begin by acknowledging former chair  
15 Inhofe, because these hearings really started last March.  
16 It was the only committee that I serve on that was really  
17 actively engaged in determining the role of what was going  
18 on, and I remember having hearings from quarantine and  
19 various places around the country when this was just getting  
20 started. So I want to acknowledge Chairman Inhofe's  
21 leadership for getting us engaged in this process at the  
22 very earliest stage.

23 I also want to recognize, goodness knows I have had my  
24 major differences with the prior President, but setting in  
25 motion Operation Warp Speed was an important initiative, and

1 it has been amazingly successful. The standard I use with  
2 my staff, whenever they say, "It will take a year to get  
3 this done," I always say, "Don't forget, Eisenhower retook  
4 Europe in 11 months." And, General Perna, you beat that  
5 extraordinary deadline, under very, very difficult  
6 circumstances, so I really think that has to be  
7 acknowledged. There are plenty of other failures to be  
8 discussed, as Senator Kaine mentioned, but I think it is  
9 appropriate to recognize success when we see it, in the  
10 development of the vaccine.

11 The question I am interested in is the distribution,  
12 and, General Perna, my principal question is, where are the  
13 current bottlenecks? Is it manufacturing? Is it syringes?  
14 Is it the middle mile? Is it health care professionals at  
15 the end of the line? What can we do now to try to address  
16 whatever bottlenecks are remaining to get these shots into  
17 the arms of hundreds of millions of Americans?

18 General Perna: Senator, just for reference, we  
19 purchased, and being delivered every day, all the syringes  
20 and needles and all accessories necessary for administration  
21 of the vaccine, so that is not a shortfall, and they are  
22 delivered accordingly.

23 Currently, it is the volume of supply that we have  
24 access to. With that said, I will tell you it is increasing  
25 very rapidly. When we started in December, we were shipping

1 roughly 4 million doses a week. As of this week, we are  
2 averaging 15 million doses a week, and come mid-March, maybe  
3 about 21 March, we will be shipping as much as 30 million  
4 doses.

5 We knew that the ability for manufacturing to meet the  
6 requirement would have to scale accordingly, and they are  
7 getting there quickly, and as hopefully we add Janssen to  
8 the portfolio this weekend, and then in the future  
9 AstraZeneca and Novavax we will have even more for  
10 distribution. It is the supply that is the holdup. Over.

11 Senator King: So there are no doses sitting somewhere  
12 in warehouses, waiting to be distributed. It is the supply  
13 at the very first stage, but the remainder of the  
14 distribution network, even down to the health care  
15 professionals and individuals sites and individual states,  
16 that is scaled up, you believe, sufficiently.

17 General Perna: I am 100 percent confident in that the  
18 state and local governments have done an exceptional job.  
19 As I alluded to earlier, we have increased provider  
20 accessibility from roughly 7,000 locations to over 130,000  
21 across the entire country. So our ability to deliver and  
22 then administer is equal to the amount of supply that is  
23 available.

24 Senator King: Well, I want to end with a question to  
25 Ms. Cummings, and really it is a reiteration of Senator

1 Cotton's question. And I think this goes for both of you.  
2 One of the most effective things about the military is the  
3 after-action review, and, of course, we are in the middle of  
4 the action right now. But to the extent you can assess, Ms.  
5 Cummings, problems in the Defense Production Act, for  
6 example -- authorities, timing, how it actually is executed  
7 -- that would be very helpful to us. And the same thing for  
8 you, General, in terms of distribution, are there  
9 authorities, are there elements of the effectuation of your  
10 work that can be improved by changes in statute and things  
11 that we can do to help?

12 So I hope both of you will supply us, after this  
13 hearing, with any written suggestions you have for authority  
14 changes or other things that we can do, based on the now  
15 extensive experience you have dealing with this catastrophic  
16 situation.

17 With that I want to thank all of our witnesses today,  
18 as all of us have, for really extraordinary work, and we  
19 want to be sure that we support you in every way possible to  
20 complete this work and end this terrible chapter in American  
21 history.

22 Thank you, Mr. Chairman.

23 Chairman Reed: Well, thank you, Senator King. Let me  
24 recognize, via WebEx, Senator Blackburn.

25 Senator Blackburn: Thank you so much. I appreciate

1 that, and, General Perna, I want to thank you for your time  
2 yesterday to talk through some of these issues. There has  
3 been a lot of conversation around the issue of red tape and  
4 things that are getting in the way, so I want to go to the  
5 other side. Are you all really compiling best practices and  
6 beginning to say, going forward, or if we have another  
7 situation, if there is another pandemic, these are going to  
8 be the methods that we will move forward with best  
9 practices?

10 General Perna: Senator, absolutely. We are being  
11 agile and adaptive to what is facing us now. We do not want  
12 to fight the plan. We want to fight the enemy and execute  
13 accordingly. And we have a very rigorous and detailed  
14 process to capture our after-action review comments and  
15 recommendations. Over.

16 Senator Blackburn: Well, thank you for that, and I  
17 think it is important as we look at bringing the J&J vaccine  
18 online and picking up the pace, as we are getting  
19 vaccinations, those shots into arms, for our active-duty,  
20 for our veterans. I think it is just so important that  
21 these best practices evolve and be put into place.

22 And yesterday, in our conversation, you mentioned  
23 FedEx, and they are a Tennessee treasure, and we are so  
24 pleased to have them participating in such an aggressive  
25 way. And I think that the relationship between DOD, FedEx,

1 and other government entities really shows that a public-  
2 private partnership and highlighting the strength of that  
3 approach, of a public-private partnership, can go a long way  
4 in tackling some of these complex issues. And we know that  
5 you are going to continue to work in that regard.

6 We also talked a little bit about our Tennessee  
7 National Guard and the good work that they are doing. They  
8 are certainly leading the nation in supported static  
9 vaccination sites, with 560 personnel at 60 sites. And as  
10 each state or metro area is responsible for its own internal  
11 distribution of the vaccine, there have been variations from  
12 jurisdiction to jurisdiction.

13 So given this flexibility, in your opinion, how have  
14 the diverse approaches to distribution enabled or hampered  
15 the ability of Americans to receive the vaccine, and then  
16 there again, what are the best practices and the lessons  
17 learned in this regard?

18 General Perna: Senator, you know, it is not lost on  
19 you. As we discussed, you know, the flu vaccine is a pull,  
20 so every year we order, you know, throughout the  
21 jurisdictions and then pharmaceutical companies manufacture  
22 and distribute directly to them. What we have been doing  
23 with the COVID vaccine is we produced, and as it comes  
24 available we are distributing it simultaneously throughout  
25 the country. And you can see great successes in many of the

1 jurisdictions because of the detailed planning, execution,  
2 support by the National Guard, et cetera, and those lessons  
3 we are capturing holistically so that we continue to not  
4 only share today in jurisdictions but that we get it ready  
5 for the future.

6 Because, you know, what we do believe is if there is  
7 another pandemic it will be the same type of situation,  
8 where we will have to push the vaccine upon availability.  
9 And so we want to get into this routine and normalize it.  
10 Thank you.

11 Senator Blackburn: Thank you. Ms. Cummings, I wanted  
12 to talk with you for just a couple of minutes about supply  
13 chain and the defense industrial base. There are some of us  
14 that were at the White House yesterday, working on the  
15 supply chain issue writ large, whether it is pharmaceuticals  
16 or semiconductor chips.

17 And I would like for you to speak briefly to what you  
18 are doing to maintain the supply chain integrity with the  
19 ongoing resource strain that you have, and really what keeps  
20 you up at night in regards to that supply chain.

21 Ms. Cummings: So thank you for that question, Senator.  
22 I would call out the Industrial Capabilities Report that our  
23 office released earlier this year that does look at  
24 fragility in the defense industrial base. I would agree,  
25 working in the interagency on the pharmaceutical industrial



1 base, onshoring those precursors and APIs is critically  
2 important to both national and economic security.

3 As far as the companies that make up the defense  
4 industrial base, we took actions very early on to increase  
5 progress payments. Through that process, we were able to  
6 infuse about \$4 billion into the defense industrial base,  
7 funding they would have received anyway, but we pushed that  
8 earlier so that they could push those progress payments, our  
9 primes, down to our second- and third-tier, mid-level and  
10 small businesses.

11 And so we had a lot of success in helping to sustain  
12 the defense industrial base and mitigate those impacts that  
13 COVID would have on those critical supply chains. So thank  
14 you.

15 Senator Blackburn: Thank you. I yield back my time.

16 Chairman Reed: Thank you very much, Senator Blackburn.  
17 Let me recognize Senator Warren via WebEx.

18 Senator Warren: So thank you, Mr. Chairman, and thank  
19 you for being here, General.

20 Last October, Senator Hirono and I requested a hearing  
21 on DOD's role in developing and distributing COVID-19  
22 vaccines, and I am fully glad that this is one of the first  
23 topics that you are addressing as chairman, so thank you  
24 very much that, Chairman Reed.

25 I asked for this hearing because the Federal vaccine

1 effort, called Operation Warp Speed by President Trump, was  
2 characterized by ethical conflicts and mismanagement. And  
3 one of my biggest concerns is lack of transparency. OWS  
4 issued billions of dollars' worth of vaccine contracts, but  
5 with too little accountability on that. Last year, DOD  
6 issued \$6 billion in contracts to a defense contractor,  
7 Advanced Technologies International, Inc. This company then  
8 issued subcontracts to various pharmaceutical firms in an  
9 arrangement called other transactions authorities that  
10 allowed pharma to bypass regulatory requirements and limited  
11 disclosures.

12 So, General Perna, what is the rationale for this  
13 subcontracting process other than to reduce transparency and  
14 avoid regulatory and ethics requirements?

15 General Perna: Senator, I cannot speak broadly, and I  
16 will defer to my colleague here at the table. But for OWS  
17 in the work that we have done, we have worked really hard to  
18 remain transparent in coordination with the GAO, and to make  
19 sure that everything we are doing is legally, ethically, and  
20 morally correct. And we provided all of our contracts to  
21 them so that they can be a part and help us see ourselves  
22 and work our way forward.

23 Senator Warren: I appreciate that, General, and I  
24 appreciate the need to move quickly. But I think that  
25 transparency, giving up transparency, particularly when

1 billions of dollars of taxpayer money is involved, is not  
2 the right approach.

3 So let me just ask you, moving forward, will DOD commit  
4 to procurement transparency on our Federal vaccine efforts?

5 General Perna: Senator, I apologize but I cannot  
6 commit for DOD. I would have to go to my colleagues.

7 Ms. Cummings: Senator, this is Stacy Cummings from  
8 Acquisitions and Sustainment. We do send a monthly report  
9 to Defense Committee staff that I will make sure that your  
10 staff has a copy of. And what I can commit to is that we  
11 will continue to be transparent in how we are spending both  
12 DOD funds as well as interagency funds.

13 The other transaction authority is a tool that helps us  
14 move quickly. It is not meant to, in any way, stop us from  
15 being transparent. I would be happy to come and brief you  
16 or your staff on other transaction authorities and the  
17 benefits. I am happy to do that at your convenience.

18 Senator Warren: Well, I appreciate you saying that you  
19 want to be transparent, but just saying you are going to  
20 continue the current level of transparency is just simply  
21 not good enough. You know, the structure of the contracts  
22 are part of the problem. The terms in these contracts were  
23 bad too.

24 Public interest groups had to fight OWS to release its  
25 contracts, and when it did it became clear that the Trump

1 administration had sold out the American public. Key  
2 contracts, including the contractors with Pfizer and Johnson  
3 & Johnson excluded critical taxpayer pricing protections.  
4 One expert described these contracts as giving away the  
5 store.

6 So let me ask the question another way, based on what  
7 we know. I will go back to you, General Perna. It seems to  
8 me that DOD should serve the American taxpayers, not massive  
9 pharmaceutical companies. So moving forward, will you  
10 commit to writing and developing vaccine contracts that  
11 protect the American people instead of pharmaceutical  
12 executives?

13 General Perna: You have my 100 percent commitment to  
14 that end.

15 Senator Warren: Good. I am very glad to hear that.  
16 You know, given the massive taxpayer investment and public  
17 health interest in COVID-19 therapeutics and vaccines and  
18 other medical products, the American people deserve to know  
19 that the Federal Government is using their tax dollars to  
20 develop medical products as quickly as possible and at the  
21 very best possible price, not to line the pockets of wealthy  
22 companies by cutting corners in consumer protection or  
23 pricing or quality.

24 So I recognize, General Perna that you may have been  
25 limited by the previous administration in many respect, but

1 I am noting for the record, here and now, that you have  
2 committed to do a good deal more, and I will hold you to  
3 that commitment.

4 Thank you very much. Thank you, Mr. Chairman.

5 Chairman Reed: Thank you, Senator Warren. Let me  
6 recognize Senator Hawley.

7 Senator Hawley: Thank you, Mr. Chairman, and thank you  
8 all for being here and for answering our questions today.

9 Mr. Salesses, could I just start with you. I have  
10 heard from constituents in my state, which is Missouri that  
11 the Department of Defense is not releasing information about  
12 the number of servicemembers on a given installation who  
13 have been vaccinated. Is that correct, to your knowledge?

14 Mr. Salesses: I do not know exactly what is being  
15 released in Missouri. We do keep track of the  
16 servicemembers that have been vaccinated, so we do have that  
17 information, if you would like that, Senator.

18 Senator Hawley: Would the Department consider -- do  
19 you think the Department should consider releasing this  
20 information so the states and local communities have a  
21 better sense of who has been vaccinated, and what the  
22 vaccination rates are around these installations?

23 Mr. Salesses: I think that is reasonable. I think  
24 what we are talking about is releasing -- when we vaccinate  
25 somebody we share that information with CDC, which can share

1 that with the public health individuals in the state to make  
2 that available to them. So I will look into that, Senator.

3 Senator Hawley: Great. I appreciate that. Thank you  
4 very much.

5 General, let me ask you, Senator Tillis, I think, asked  
6 a somewhat similar question but let me just -- I think this  
7 is important so let me just come back to it. What, in your  
8 estimation, are the most important steps that we can take to  
9 ensure that civilian agencies lead responses in future  
10 public crises with the Department supporting, of course, but  
11 in a way where the civilians are leading the response so the  
12 Department can stay focused on its vital mission, which is  
13 defense?

14 General Perna: Senator, I think the keyword I would  
15 tell you is being able to operationalize to effects. Right  
16 now, my assessment, albeit not very experienced in this  
17 world, because I have been in the Army for 38-plus years, is  
18 that very, very good policy and defining, you know, how  
19 things ought to be, but executing is a shortfall.

20 So how do you operationalize to the effects that you  
21 want is the reform, I think, that will be necessary in your  
22 assessments when you look at these organizations to do  
23 something similar in a potential future pandemic.

24 Senator Hawley: Do you have anything to add to that,  
25 Mr. Salesses?

1           Mr. Salesses:   Senator, I do.  Most of the  
2 organizations obviously are regulatory organizations.  The  
3 U.S. military and the Department of Defense have tremendous  
4 operational capability.  I think going forward there will  
5 always be that partnership where the Defense Department will  
6 partner with our Federal partners in support of state and  
7 local authorities.

8           I do think that there are opportunities for other  
9 Federal departments and agencies, particularly as you see  
10 the acquisition business that we are in now.  There may be  
11 the opportunity in the future to have that kind of  
12 contracting capability.  Because what we are doing, really,  
13 is leveraging the private sector here in the nation to  
14 respond to this crisis in a lot of ways.  So how we do that  
15 going forward as a Federal Government, across the Federal  
16 Government, will be very important.

17          Senator Hawley:  Very good.  Let me ask you while I  
18 have you still, Mr. Salesses, how COVID has affected the  
19 Department's operations around the world, and I am  
20 particularly interested, have we seen any sustained impacts  
21 in operational tempo, and particularly in Indo-PACOM, our  
22 pacing theater?

23          Mr. Salesses:  So, Senator, as you know the Department  
24 every day tracks the readiness of the Department, and I want  
25 to state unequivocally that we are prepared to meet every

1 mission that we have in the Defense Department. Now, with  
2 that, obviously we have learned a lot, how to adapt and how  
3 to operate in the COVID environment, and we are using that.  
4 Our accessions, we are meeting our accessions right now.  
5 Our follow-on MOS schools, service schools, all of those  
6 things are full-up. We are using virtual type of capability  
7 to make sure that we can continue the education programs  
8 that we need to for our military members. Our training, our  
9 exercises, obviously some of that has been curtailed. But  
10 we are finding ways to adapt and make sure that we are  
11 maximizing both the individual and collective training that  
12 we need to execute to ensure that we can meet our missions,  
13 and we are monitoring this very closely as we go forward.

14 Senator Hawley: Good. Very good. Thank you.

15 Ms. Cummings, can I just ask you, has the Department's  
16 response -- how has the Department's response, I should say,  
17 to COVID impacted the pace of modernization, and then any  
18 other priorities in the acquisition and sustainment space?

19 Ms. Cummings: So thank you for that question. We have  
20 had to adapt to telework. That is one thing. Program  
21 offices are very used to being all together in one place.  
22 We have had to adapt to that, and I think we have done a  
23 fantastic job doing that.

24 When I initiated the Joint Acquisition Task Force to  
25 assist HHS in assisted acquisition, we never met our



1 teammates. All of our work was done on the phone. We  
2 created policies so that we could do things electronically  
3 that previously all required paper, actual pen and ink, to  
4 get contracts signed. So we put a lot of different policies  
5 in place for us, on the government side, and we also created  
6 flexibilities for our industry partners so they could  
7 continue to meet our needs.

8       There are some things that did have to get pushed back.  
9 Section 3610, for example, of the CARES Act gave us the  
10 ability to reimburse contractors for paid leave due to  
11 COVID. We did not receive an appropriation for that. And  
12 so there are some things in the future that could impact  
13 modernization, and we are working through that to better  
14 understand it and be able to share that information. Thank  
15 you.

16       Senator Hawley: Very good. Thank you for that. Thank  
17 you all for your testimony and your tremendous service.  
18 Thank you, Mr. Chairman.

19       Chairman Reed: Thank you, Senator Hawley. Let me now  
20 recognize Senator Peters.

21       Senator Peters: Thank you, Mr. Chairman, and to each  
22 of our witnesses thank you for being here today and thank  
23 you for the work that you do each and every day. You  
24 certainly have a lot on your plate and we appreciate your  
25 efforts.

1 I want to start off first to just say that I concur  
2 with comments that Senator Kaine made earlier, broadly,  
3 about how we have handled or not handled this pandemic up to  
4 this point. But I want to particularly concur with the fact  
5 that we are going to need to do a completely analysis of  
6 what happened, what went well, what went bad, an after-  
7 action report, to get a sense of how we deal with a future  
8 pandemic. We know it is not if there will be pandemic, it  
9 is just when, and the unfortunate part about that, according  
10 to many scientists and epidemiologists, is that we are  
11 likely to see more of these, not fewer of them, for a  
12 variety of reasons, complexity of the world, et cetera.

13 So we better get this right next time, as we go  
14 forward, and that will be a commitment that I will be  
15 making, I am sure, of Homeland Security and Government  
16 Affairs. As an oversight committee, we plan to do a pretty  
17 in-depth investigation into this, as well as other  
18 committees I am sure will be engaged, and your continued  
19 input in that process will be appreciated and essential for  
20 us to get the kinds of answers that we need.

21 General Perna, a question for you. You have talked  
22 about the capacity that we have now to put injections in  
23 arms and supply. We talked about the increase of supply.  
24 Right now we have a situation where there is actually more  
25 capacity to deliver vaccines than there is actual vaccines

1 coming in. We are seeing that in the state of Michigan  
2 right now. We can do a whole lot more.

3 The good news is, as you mentioned, is the vaccine  
4 production is increasing. I had the privilege of being with  
5 President Biden last week in Michigan, at the Pfizer  
6 manufacturing facility outside of Kalamazoo and Portage. We  
7 take great pride in Michigan and we are making efforts and  
8 making the vaccine in our state. And when I was there they  
9 were producing 5 million doses a week. I understand next  
10 week they will be up to 10 million doses a week, and roughly  
11 300 million doses will be delivered, I believe, by July.  
12 That is about half the American population will have doses  
13 available, and that is just Pfizer. Then we have got  
14 Moderna and others that will be coming online as well.

15 So we are going to get to the point where there is  
16 going to be a whole lot more vaccine than there will be  
17 capacity to actually put it in arms, so we have to align all  
18 that. What I am finding is a problem that I am hearing from  
19 my folks is that right now the visibility of when vaccines  
20 are actually coming to them is not great. It is getting  
21 better, but I would like you to talk about how it is going  
22 to get even better, so that you know not just what you are  
23 going to get next week but what you are going to get three  
24 weeks from now, and four weeks from now, because it takes  
25 considerable planning to have that capacity ramp up to match

1 those vaccines coming in.

2           And then we are going to have to bring in even more  
3 capacity. FEMA, as you mentioned, will be setting up  
4 Federal facilities. We are hoping to get one of those in  
5 Michigan soon. Walk me through, how are we going to make  
6 these align? How are we going to have greater transparency?  
7 How are we going to make sure these are more aligned so that  
8 we do not have a mismatch of too much capacity, not enough  
9 vaccine, and then move from too much vaccine and not enough  
10 capacity?

11           General Perna: Senator, I think, to start with,  
12 communication from the White House to the governors on a  
13 weekly basis has been very helpful to get the word out, and  
14 one of their commitments was to put on Tiberius three-week  
15 projections so that everybody could see what is coming their  
16 way. The rule of thumb is we will never go backwards, so  
17 you will never receive less than what you have received  
18 already, on a weekly push, but always try to increase, but  
19 to give that predictability.

20           We are working on, and I think we have good fidelity on  
21 what we think the numbers are going to look like based on  
22 EUA for future companies and max capacity, so that we know,  
23 for instance -- and I have been to Kalamazoo many times --  
24 that both Pfizer and Moderna will probably hit their peak  
25 capacity around 21 March. And so we know that is roughly 24

1 million doses of vaccine the two companies will produce on a  
2 weekly basis.

3 We know that Janssen will come, we believe, with EUA  
4 hopefully this weekend, and they will start producing in a  
5 regular rhythm of 5 to 10 million doses a week, so that we  
6 can project to everybody what we think the mass volume is  
7 going to be pro rata, and we are working to distribute that  
8 accordingly to all the states. I am in 100 percent  
9 agreement with you.

10 Senator Peters: Great. Well, I appreciate that. In  
11 my remaining time I want to pick up on an issue related to  
12 defense establishments, and the fact that recent surveys  
13 show that about 60 percent of Americans are willing to take  
14 this vaccine now, which, when we have these vaccines come  
15 in, we actually have to make sure we have the capacity and  
16 Americans that want it. Right now the demand exceeds  
17 supply, but that will change.

18 But my concern is that surveys show that -- I think the  
19 most recent one showed that the rate among military families  
20 is about 33 percent. That is a real problem, and I am  
21 really worried about communities that host defense  
22 facilities, that a community could be doing a great job in  
23 getting 80 percent of the folks vaccinated in the community,  
24 and yet folks on the military base, in their communities, at  
25 33 percent. That is simply unacceptable. How are we going

1 to change that? That risks an entire community of military  
2 personnel who are going into the community who are simply  
3 not vaccinated. How are we going to address that?

4 Mr. Salesses: Senator, we know that the vaccine is  
5 safe. It is the right thing to do. We are meeting all the  
6 time with our leadership teams, at every level in the  
7 Defense Department, to educate people and make sure that  
8 they know the value of the vaccine and the importance of it.  
9 And I believe that that education -- again, we have been at  
10 this for about 60 days -- I really believe that that will  
11 make a huge difference in the continued emphasis by our  
12 leaders at every level in the Defense Department will make  
13 sure that we improve upon that number.

14 Senator Peters: And having transparency in that data,  
15 so a community knows, a previous question, is really  
16 important. The community has to know what is happening at  
17 that base, with all of those people there. So I hope that  
18 is a priority for you.

19 Mr. Salesses: Senator will we will.

20 Senator Peters: Great. Thank you. Thank you very  
21 much, Mr. Chairman.

22 Chairman Reed: Thank you, Senator. Senator  
23 Tuberville, please.

24 Senator Tuberville: Thank you, Mr. Chairman. Save the  
25 best for last here, I guess. I know it has been a long day.

1 Thank you for your efforts. Thank you for the miracle that  
2 you all pulled off. I know you have heard some rhetoric  
3 here today that is a little strong, but, hey, it is not  
4 against you. A lot of them did not like our President, but  
5 that is fine. He got a lot done, but you got a whole lot  
6 done.

7 You know, I was campaigning last year over the whole  
8 state of Alabama, and I was telling people, everybody was  
9 asking about, "Coach, what do you think about this virus?"  
10 And I said, "Well, I don't know but I will tell you this.  
11 China is not going to come up with the answer. Russia?  
12 Europe? United States of America is going to come up with  
13 the answer," and you did. You worked hard at it. Most of  
14 you probably have not slept a lot in the last year. Thank  
15 you for what you have done. Some are saying, you know, it  
16 has been a disaster. A lot of them in this building, 20  
17 years ago, voted to send our manufacturing to China. What  
18 the heck do they expect? We need to get our medical  
19 supplies made in this country, and quit putting the blame on  
20 other people. And I hope you would agree with that, because  
21 we have all gone through that.

22 I am proud of Alabama. We are making, in Huntsville,  
23 Alabama, Rheem Corporation is making refrigeration for the  
24 vaccine. In Auburn, where I live, we are making millions a  
25 month of vials that are plastic, that are blowing glass into

1 the vials to store the vaccine, to be given out. I am proud  
2 for what Alabama has done in a lot of the private sector. I  
3 hope you have enough money. You know, we are out there  
4 right now trying to spend money on bridges to nowhere, and  
5 tunnels, when you need every dime you can get because our  
6 kids are not in school and people are not at work and they  
7 are scared to death. But it is helping.

8 I was in Alabama last week, going to the military  
9 bases, and the commanders there are saying, "We are getting  
10 vaccine. They are communicating," and that is all we ask.  
11 Just tell them what they are going to get. Fort Rucker  
12 trains every vertical lift pilot in the country. For those  
13 of you that do not know, it is helicopters. We need them  
14 trained. They are in the air almost 24 hours. And for  
15 every pilot there are about ten people on the ground waiting  
16 for it to land, to maintain it, and put the fuel in it to  
17 continue to go, to train. They are getting their vaccine,  
18 so I want to thank you for that.

19 I just hope the day you leave, knowing that things are  
20 positive. In our state it is going down. We can see the  
21 light at the end of the tunnel. We are not there yet. We  
22 need to continue to social distance and do all the things we  
23 need to do. But I just to end on a note that we want to  
24 thank you for what you are doing. Let's say one thing. I  
25 have been in recruiting all my life, and pretty much sales,



1 being a football coach, and marketing. We are going to get  
2 to the point where people are not going to take this  
3 vaccine. We have gotten to the point, some in Alabama,  
4 where at one point, three weeks ago, 40 percent of the first  
5 responders were not taking it --40 percent. That cannot  
6 happen.

7 So I would just express upon you, and ask you your  
8 thoughts about marketing. Sooner or later, we are going to  
9 have to go on television, and we are going to have to get  
10 out there and have people get in front of the camera, well-  
11 known people, people that are average day workers, saying  
12 they have taken it and it worked. And we are going to need  
13 to do that, because we need this country to get back to  
14 work, or we are going to lose our country. It is not going  
15 to be all the mess that we have got going on right now. It  
16 is going to be this virus that is going to bring us to our  
17 knees. China is on the run. They are running past us as  
18 fast as they can, and we need to get back to work, and we  
19 need to get our eyes on other things.

20 So what are your thoughts, all three of you, thoughts  
21 on marketing, probably starting in the very near future.

22 General Perna: Senator, I agree with you 100 percent,  
23 and I know HHS and the CDC are developing and working that  
24 now, to start expanding that as we go forward. And so we  
25 believe, simply said, it just needs to be a reflection of

1 society saying that they took the vaccine, so that others  
2 can see it, and that is what they are working on now.

3 Mr. Salesses: Senator, I agree. It is building  
4 confidence, and using the right people to reassure the  
5 public and make sure that the American citizens know how  
6 important it is to take the vaccine, not just for themselves  
7 but the others that they work around -- their families, co-  
8 workers, and those kinds of things. And building that  
9 confidence with credibility is what will turn the table on  
10 this.

11 Ms. Cummings: So I have worked for the Federal  
12 Government my whole career so I am not a marketing expert.  
13 I can tell you my husband and I actually participated in a  
14 vaccine trial, and I think that the best way to give people  
15 confidence is that they understand the process, the  
16 diligence that went behind the trials, and that real people,  
17 real Americans, participate to ensure it was safe and  
18 effective for them.

19 Senator Tuberville: I hear 75 percent of people have  
20 to have a vaccination before we feel safe. Is that true or  
21 false?

22 General Perna: I cannot speak to that specifically,  
23 Senator. I know it is something similar to that, but the  
24 scientists would have to give you an update on that.

25 Senator Tuberville: Thank you. Thank you very much.

1 Chairman Reed: Thank you, Senator Tuberville. I want  
2 to thank the panel for a very informative and thought-  
3 provoking hearing. I particularly want to thank you for  
4 your individual tireless efforts to deal with this crisis  
5 and to be innovative and creative. It has been a very  
6 significant challenge and you have met that challenge in  
7 many respects.

8 But I think we understand there is more work to be  
9 done. We look forward to working with you to get that work  
10 done, not only to defeat COVID but to prepare ourselves for  
11 other pandemics that could be coming down the road.

12 So thank you again, and with that I will adjourn the h  
13 earing.

14 General Perna: Thank you, Chairman.

15 Mr. Salesses: Thank you.

16 [Whereupon, at 11:43 a.m., the hearing was adjourned.]

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