RECORD VERSION

STATEMENT BY

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Introduction

Chairman Tillis, Ranking Member Gillibrand, distinguished members of this subcommittee, thank you for the opportunity to speak on behalf of nearly 2.3 million Soldiers, Families, and the Army Civilians who make our all-volunteer force the world's premiere organization. I am truly honored to provide an update on the quality of life for the men and women of your U.S. Army with whom I so proudly serve.

The Army is grateful for Congress' support for the FY18 and FY19 appropriations. This funding will go a long way in advancing Army readiness and modernization consistent with the National Defense Strategy. Based on budgetary increases, the Army has more units, more ready, more often than any time in recent years past.

Our budget requests reflect the Army's priorities: grow and maintain a ready high-end force, build our future force through key modernization efforts, continue to take care of our people, and institute reforms that lead the Army to be even better stewards of taxpayer dollars. One of the Army's focused priorities is reform to ensure we are earning the trust of the American people, prudently spending our allocated resources and aggressively seeking opportunities to improve our efficiency.

In order to provide the assured capabilities necessary for us to deploy, fight and win, we must maintain the requisite personnel and Family readiness programs necessary to sustain the Total Army's quality of life. Personnel readiness is critical to the Army's success, and we must continue to provide care and resources from the best programs available to support our all-volunteer force.

Readiness

Ready forces ensure that the Army can compete against our adversaries, deter conflict and win decisively. So, it is no surprise my Secretary and Chief continue to emphasize readiness as our number one priority. We build readiness by sufficiently manning, training and equipping our Soldiers. Building readiness is predicated upon every Soldier being able to deploy. We have made strides in reaching that goal over the past year. Unit commanders improved medical tracking, implemented unit injury prevention and physical therapy programs, and established enhanced readiness personnel accounts.

The outcome of these commander-led efforts is more units prepared for war. By focusing our training efforts, we have increased Soldier lethality and maintained our competitive advantage in the current security environment.

We have also brought a number of efforts to bear as we rebuild readiness across the Total Army. To develop more lethal, disciplined and resilient Soldiers, we added eight additional weeks to Infantry One Station Unit Training. This will help young Soldiers build on combat fundamentals and better prepare them to operate effectively when joining their units.

The Army Combat Fitness Test will be implemented to ensure Soldiers are physically fit and mentally tough enough to meet the rigors of combat. We believe it will change the Army's fitness culture, and reduce preventable injuries and enhance mental toughness. Additionally, the ACFT will help further reduce nondeployables, which was at 15 percent in 2015; today, we are at approximately seven percent.

Thanks to resources provided by Congress, we were able to increase the number of Combined Training Center rotations to over 20 per year. These increased training opportunities, including the doubling of select Army Reserve and Army National Guard units, was key in substantially increasing readiness.

Finally, we've taken great measures to reduce non-essential training and tasks. Secretary Esper consolidated, reduced or eliminated dozens of required activities, reallocating a resource we can never replenish – time. This has granted our formations more time to spend building and sustaining combat readiness.

Overall, FY17 and FY18 authorizations and appropriations enabled readiness improvements in training – we are grateful to Congress for that.

As a result of that support, 28 Army Brigade Combat Teams (BCTs) were at their highest state of readiness at the end of FY18, as compared to 19 BCTs at the end of FY17. We will continue to train to standard as a means of sustaining those readiness gains.

Barring a significant increase in demand for land forces, coupled with continued stable and sufficient funding, we will remain on track to meet our readiness recovery goals by FY22. In order to meet those goals, we will continue to require predictable, consistent funding to maintain the momentum we have built.

Modernization

The goal of the Army Modernization Strategy, submitted to Congress in 2018, is to increase the lethality of Soldiers and units in combat. Through a clear, driven strategy, the Army's modernization efforts have already begun to streamline and accelerate acquisition, while rapidly delivering warfighter capabilities to the force.

The July 2018 establishment of Army Futures Command, our most significant reorganization since 1973, continues to work toward reducing the requirements development process from approximately five years to 18 months which will benefit today's Soldiers and the future force.

Leveraging Cross Functional Teams (CFTs), we shifted significant science and technology funding to the Army's six modernization priorities. Those CFTs focus on the Army's six priorities of Long-Range Precision Fires, Next Generation Combat Vehicle, Future Vertical Lift, Army Network, Air and Missile Defense and Soldier Lethality.

Our CFTs have already demonstrated the capability to shave time from anticipated acquisition timelines, allowing us to maintain pace and stay ahead of our potential adversaries. Ultimately, modernizing for tomorrow's fight leads to equipment and vehicles reaching our Soldiers and units more quickly enhancing their lethality to deploy, fight and win our Nation's wars.

Also part of the Army's modernization efforts, the Integrated Personnel and Pay System-Army, an online human resources system, will provide integrated personnel pay and talent management capabilities in a single system. It provides three capabilities: total force visibility, talent management and auditability by consolidating over 200 human resources and pay systems.

This is part of our new Talent Management strategy which will match the knowledge, skills, behaviors and preferences of Army personnel with suitable jobs across the Total Army. By better understanding the talent of the workforce, the Army can maximize Soldier's talents to allow the placement of the right Soldier, in the right job, at the right time.

Better management of the Army's talent marketplace will yield benefits such as new capabilities, cost savings, and new human capital investments, along with increased productivity. Led by our Talent Management Task Force, established in 2016, this strategy developed a more deliberate Talent Management system that demonstrates our institutional adaptability and our strength as a learning organization.

Through these efforts, Army modernization will improve the impact of every dollar spent, exemplifying our commitment to being good stewards of resources appropriated by Congress.

<u>Reform</u>

The Army has aggressively implemented reforms to free up time, money and manpower for our highest readiness and modernization priorities. Our reform initiatives empower subordinate commanders to make more effective, timely decisions. Through acquisition reform, scrutinized contract management and closely monitored contract services, we will increase efficiencies and enhance the impact of every dollar spent.

Through the Army Reform Initiative, we have garnered over 700 ideas to eliminate, delegate, consolidate or streamline Army policies, programs and practices. This has saved precious resources for higher priorities.

The Army is also on track to save hundreds of millions of dollars by reducing contract redundancies and improving competition processes.

The establishment of Command Accountability and Execution Review, a senior commander program with oversight from the Secretary and Chief, has optimized the purchasing power of our operating budget. It leverages monthly venues to focus on supply chain, transportation and contract management at multiple echelons. This approach has generated a marked improvement in the efficiency with which we execute the Army's budget.

The Army is also taking steps to improve business practices and management resources. In FY18, we conducted our first full financial statement audit, to include sensitive and classified activities. We are aggressively implementing necessary corrective actions to address auditor findings and ensure the Army is transparent, auditable, and most importantly, accountable to Congress and the American people with timely, accurate accounting information.

<u>Personnel</u>

This year, Fiscal 19 (FY19) accession missions are 68,000 for the Active Component; 15,600 for the Army Reserve and 39,000 for the Army National Guard. These missions will be significantly challenging for all three components since only 29 percent of young adults, between the ages of 17 to 24, meet the Army entry requirements to serve without requiring a waiver.

The fact that only 13 percent of young adults have a propensity to serve further complicates recruiting efforts. However, we are on track to achieve FY19 recruiting goals for all three components. In order to better address challenges in the recruiting environment, the Army has streamlined its recruiting efforts and resources.

To increase unity of accession efforts and funding, the commanding general for Training and Doctrine Command was designated as the Senior Responsible Official for accessions strategy and goals tied to end strength increases. We have implemented a new accessions campaign with 22 focus cities, upgraded accessions information technology bandwidth, increased social media through e-gaming venues (e-Sports), improved micro-marketing, and produced new advertisements and commercials.

We have also instituted key recruiting initiatives such as increased recruiter strength, more robust training capacity, maximum use of enlistment bonuses, and the improvement, upgrading, and relocation of recruiting centers.

The Army remains committed to quality over quantity and maintaining standards of excellence in order to build a ready force. Our stringent standards exceed Department of Defense requirements, thereby, ensuring we are well above their stated guidelines for recruiting. This ensures we are recruiting America's most qualified, talented young people to serve our Nation in uniform.

Nutrition and Fitness

In order to meet the rigorous demands of an ever-changing global environment, where the Army can be called upon to serve under any combat condition, we must ensure our Soldiers are prepared. This requires a comprehensive approach to health, nutrition and fitness using evidenced-based strategies to optimize the ground combat power readiness of each and every Soldier.

The Holistic Health and Fitness (H2F) System does this by synchronizing all physical fitness and health initiatives, and legacy systems used throughout the Army. Research demonstrates how performance nutrition, body composition management, psychological and emotional health, and sleep contribute to optimal physical performance.

H2F is composed of five enduring elements: governance, programming, equipment, personnel and leadership education. These elements are essential to the future success of Army readiness; as part of the system, their goal is comprehensive support of the physical, mental and spiritual aspects of Soldier readiness.

Regarding nutrition, agencies such as AAFES, the Defense Commissary Agency, Army Joint Culinary Center for Excellence, Army Sustainment Command, Medical Command dining facilities, and Installation Management Command, are part of a tremendous group of stakeholders in a coordinated effort called Healthy Army Communities.

The first priority of this effort is to get our Soldiers back to eating in dining facilities. Healthy Army Communities is paving the way for consistent and sustainable change across the Army.

The Army has also adopted the Go for Green Program, a DoD dining facility nutrition education program. This nutritional recognition labeling system provides Soldiers in the serving line with posters and menu cards for a quick assessment of the nutritional value of menu offerings and food products in the dining facility. The menu offerings and food items are color-coded with labels providing recommended frequency of consumption based on the impact the food can have on a Soldier's performance.

Through these initiatives, and with more predictable funding in FY19, we will be afforded the opportunity to provide Soldiers with opportunities for healthier food options.

Select-Train-Educate-Promote

The Select-Train-Educate-Promote policy, also known as STEP, represents the Army's investment in our Soldiers' professional military education through a deliberate, continuous and progressive process. Since 2008, the Army has required master sergeants to graduate from the Sergeants Major Course before attaining eligibility for promotion to sergeant major. On January 1, 2016, we expanded a similar standard for promotion eligibility to all noncommissioned officer ranks.

STEP requires all Soldiers to complete the appropriate level of formal military education before being determined fully qualified for promotion to the next NCO rank. This policy has effectively eliminated conditional promotions, and created an organizational framework to develop the next generation of competent and committed NCOs who have been appropriately trained as leaders. Before we implemented STEP, the Army experienced a backlog of nearly 14,000 Active Duty Soldiers eligible for promotion who had not completed the requisite level of NCOES. In short order, we reduced that backlog to approximately 1,800 Soldiers. This also improved promotion opportunities for Soldiers who were willing to work hard to meet all of the necessary requirements and complete the requisite level of professional military education to become fully qualified.

STEP has clearly demonstrated its value as an investment tool which will allow the Army to continue developing educated and competent NCOs to lead the future force. Through this, and other initiatives such as NCO 2020, America's Army will continue to have the best, most educated enlisted force in the world.

Retention

The Army is on a glide path to again exceed its Active Component retention mission. Our combined efforts produced historic retention rates of over 90 percent of the eligible population of the Army last year. Through strong, engaged leadership, our Soldiers have demonstrated motivation and enthusiasm to serve unlike any time in previous years.

I am confident our retention rate is directly linked to trust in Army leadership, positive quality of life, and moreover, each and every Soldier's value of service to America. If this was not the case, we likely would not have 90 percent of the eligible population and 86 percent of the total population re-enlisting to serve in America's Army. Each component is set to accomplish their respective retention missions while maintaining quality standards, and meeting critical NCO requirements.

These achievements would not be possible without the support of Congress. The Army recognizes that part of these achievements is the collective investment we have made in our Soldiers, Families and civilians over the past two years. An important part of our efforts comes with improvements to, and the preservation of, Soldier and Family readiness programs.

<u>SHARP</u>

The Department of Defense released its annual report on Sexual Harassment and Violence at the Military Service Academies (MSAs) for Academic Program Year (APY) 2017-2018 on January 31, 2019. In alignment with DoD/Army goals, sexual assault reporting at the United States Military Academy (USMA) increased for the fifth straight year. In APY 2017-18, there were 56 reports of sexual assault; 43 Unrestricted Reports (UR) and 13 Restricted Reports (RR). This is an increase from 50 reports in APY 16-17. Of the 56 reports, 6 percent were for an incident that occurred prior to their arrival at USMA.

The increase in sexual assault reporting is a result of several deliberate steps USMA took to increase reporting. It is believed these steps are continuing to increase trust in the chain of command and response services.

Disappointingly, past year prevalence of unwanted sexual contact increased from 14.5 percent to 16.5 percent for female cadets and from 1.4 percent to 3.4 percent for male cadets over the previous academic year. This is unacceptable, and we will continue to engage leaders at all levels to inspire a culture of mutual respect, trust and personal commitment to the Army Values. We are committed to eliminating sexual assault and fostering a culture of dignity and respect for every Soldier.

USMA's approach to improving its culture is part of a long-term and deliberate effort through their leadership development system. West Point remains committed to providing relentless, persistent focus on character development, education, awareness, vigilance and discipline.

Of those cadets who experienced unwanted sexual contact, 18 percent reported the incident--an increase from 15 percent in APY 15-16. I believe this is a strong indication that our cadets have trust and confidence in their leaders.

USMA is committed to a long-term environment of dignity and respect, and have begun engaging incoming classes this past year to provide them with training about the SHARP program, resources, policies and reporting options, in order to proactively address sexual violence.

For the Army as a whole, we are working from the bottom up by investing in first-line leaders through our *Not in My Squad* (NIMS) initiative, which began about two years ago. Research has determined that squad leaders have the greatest impact on units, the individual Soldier and the organizational climate.

The NIMS initiative specifically focuses on empowering squad leaders and junior NCOs to build mutual trust and cohesion at the squad and team level. We want squad leaders to accept responsibility for the discipline and standards of their Soldiers.

We've spread NIMS across the entire Army to our 27 ready and resilience campuses across our major installations. In the first quarter of 2019, we've conducted 17 workshops with research already showing a return on investment within our ranks. We will continue to invest in NIMS in order to capitalize on our progress toward ridding our Army of sexual assault and sexual harassment.

Credentialing Assistance Program

Leveraging our *Soldier for Life* program has allowed the Army to continue attracting quality recruits by offering credentialing opportunities to earn licenses and certificates for technical training.

Through their military service, our Soldiers become trusted and experienced professionals who rejoin their community with valuable employment skills following honorable service.

One of their resources to accomplish this is the Army Credentialing Program, which allows them to capitalize on training and development opportunities throughout their military careers.

Through this program, Soldiers obtain industry-recognized credentials demonstrating individual competence that contributes to improved capabilities and readiness in our Army and local communities. It also it empowers them to serve as ambassadors of the

Army in those communities, promotes the hiring of Army veterans and inspires the next generation of Soldiers.

The Army takes great pride in enhancing our Soldiers' transition to civilian life through innovative ideas such as the Credentialing Limited User Test (LUT). As the first phase of implementation of credentialing assistance, Secretary Esper, based on my recommendation, recently directed a LUT for self-directed credentialing to occur during FY19 at Fort Hood, Texas.

With assistance from Under Secretary of the Army Ryan McCarthy, this test began in the first quarter of FY19 to validate processes and systems that will administer the program, gauge Soldier demand, validate counselor training and forecast future requirements.

The credentials available, as vetted by Human Resources Command, are expected to have minimal pre-requisites or education requirements, will be valuable for post-service employment, and obtainable by enlisted Soldiers in their first or second term of service. Currently, all Soldiers at Fort Hood are eligible to participate, and there are no restrictions to participation based on rank or component.

Our Army Credentialing Assistance Program provides financial assistance for voluntary, off-duty training and education programs in support of a Soldier's professional and personal self-development goals.

The requirements for eligibility and participation are almost identical to those for the Army's Tuition Assistance Program, and participation will be subject to approval by a Soldier's chain of command.

Pending the success of the Credentialing Limited User Test, the Army is considering follow-on locations for additional testing, with implementation Army-wide as early as FY2020.

Soldier for Life

Our Soldier for Life initiatives are critical to the readiness of our Army. This is evident in the tremendous improvements to our transition assistance efforts. From FY10 through FY12, the Army spent over \$500 million a year on unemployment compensation, peaking in FY11 at \$515 million.

With a continued emphasis on our Soldier for Life and credentialing initiatives, we are currently at less than \$100 million in unemployment compensation today. We've made significant investments in professional military education, academic equivalency, the Career Skills Program, individual skills initiatives, and partnerships with industry and academia. These combined efforts are directly linked to an increase in the individual readiness of our Soldiers while increasing their opportunities for service after military service.

Our fundamental resolve moving forward is three-fold: develop the world's finest Soldiers, enable them to become better citizens, and further strengthen our all-volunteer service. This is the true meaning of Soldier for Life. It means we value our Soldiers' service to the Nation enough to ensure that America values their skills when they take off the uniform. I don't want to ask corporations in America to hire our Soldiers. I want them knocking our doors down asking us.

Family Readiness

On Feb. 5, Secretary Esper announced a number of Army-wide updates to policies, based on feedback from the force, intended to improve quality of life and ease the burden on our Soldiers and their Families as they build financial readiness, PCS to and from their next assignments, secure child care, and obtain many other critical support services.

Through an AUSA-hosted Family forum, and a consolidated webpage, these changes were communicated in real-time to the force, allowing further input, and reaffirming our commitment to providing the best possible support to our people. These initiatives include procedural changes to spouse employment, home-based businesses, child care, the parental leave program, spouse credentialing, expansion of Family Readiness Group activities and events, the Exceptional Family Member Program, the Total Army Sponsorship Program, and better accountability and quality assurance for the movement of household goods.

Child care, in particular, is a significant issue, as it is our largest single investment in Family programs. The Army is actively working to reduce civilian hiring times and improve the suitability background check and adjudication process for child care providers, which will help fill vacancies for child care providers where shortages have a substantial impact.

We have developed and implemented an assignments tools, which makes it easier for child care providers to transition from one installation to another without having to go through the hiring and background check process again. We also have implemented a provisional hiring process, which allows us to more rapidly onboard applicants with no derogatory information in their FBI fingerprint check. We continue to make improvements in our adjudication timelines.

Additionally, Secretary Esper recently signed a memo directing closer management of space available patrons in Army child care programs, which requires space available patrons to relinquish their child care space within 30 days when a higher priority patron needs the space. We continue to look at innovative ways to maximize limited child care capacity. We remain committed to doing all we can to meet our families' needs.

Lastly, the Army is analyzing data from housing surveys sent to Families last month, and planning further improvements and significant investment to upgrade 100 percent of Army-owned Family housing by the end of FY26. Improving Army Housing is a top priority for Army senior leaders, and we will remain transparent, as we continue to work with Congress and installation leadership to identify and address concerns.

We have a detailed plan to get all 190 Families out of Q4 housing by 2021. Additionally, the Secretary and Chief have directed an environmental hazard screening in Army owned/leased/privatized housing.

They were also charged with consolidating and analyzing findings, and preparing a report of the results addressing concerns related to potential hazards.

The bottom line is, the Army is concerned, and will continue to take immediate actions to further protect our Soldiers and their Families. Their well-being is paramount, and we are committed to upholding health and safety standards on all of our installations.

Preserving Benefits and Family Programs

One of my biggest concerns is the potential diminishing of benefits and Family programs as budgetary decisions are made about the Army's future.

As the Army continues to balance its priorities for lethality, readiness and modernization in a complex environment, we must remain vigilant and flexible to sustain the readiness of Families and Soldiers. We need Congress's support to fully fund Soldier and Family programs, and allow our commanders the adaptability to deliver specific programs for specific unit and geographical needs. It is of the utmost importance to not only keep faith with our Soldiers, but their Families as well, as Army Families are the strength of our men and women who serve.

The unique challenges a military Family faces requires us to invest and safeguard a wide variety of Family programs to ensure their needs are met. In addition to the support from the Army, our local communities and businesses often provide additional services to our Families to ensure that, together, we reduce stress on them.

<u>Closing</u>

As the Army continues to balance its priorities for lethality, readiness and modernization in a complex environment, we must remain vigilant and flexible in sustaining the readiness of our Soldiers and their Families. Family readiness is Army readiness, and remains an enduring priority for the Army. It is critically important that we sustain our world-class Soldier and Family programs. They are a part of our commitment to our people and their quality of life. We must keep the impacts on them in mind as we make decisions about which people, services, programs and facilities to keep.

That said, we thank Congress for the FY19 budget that permits us to continue to guide those changes, improve readiness and make an increased investment in our future Army. That investment starts with the bedrock of our Army – Soldiers, their Families and Army Civilians. With timely, sufficient, predictable funding, we can continue to build toward our readiness goals, and take care of our Total Army Family.

We are a standards-based organization accountable to Congress and the American people. The only acceptable outcome from our efforts will be a lethal, well-prepared, well-disciplined Army ready to carry out its mission.

I appreciate the opportunity to speak before you today, and I look forward to continuing our dialogue. *This We'll Defend. Army Strong.*