

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
SENATE COMMITTEE ON ARMED SERVICES

STATEMENT OF

THE HONORABLE CARLOS DEL TORO
SECRETARY OF THE NAVY

ON DEPARTMENT OF THE NAVY POSTURE

BEFORE THE
SENATE COMMITTEE ON ARMED SERVICES

APRIL 18, 2023

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Introduction

Chairman Reed, Ranking Member Wicker, distinguished members of the committee, it is an honor to appear before you alongside General Berger and Admiral Gilday to discuss the posture of the Department of the Navy (DON). We appreciate your trust and confidence in us to lead the DON, and appreciate opportunities like this to come together with you and address how to best to recruit, train, equip, and prepare our Sailors and Marines so they can fulfill their vital role in support of the Joint Force, protecting our national security interests.

The United States requires a strong Navy and Marine Corps. The national and economic security of our Nation depends on free and open access to the sea. Ninety percent of international trade travels over the seas and one third of that transits the South China Sea. Over 400 undersea fiber-optic cables carry more than a trillion dollars in transactions every day. And the rules-based international order that benefits us all requires a strong maritime force, campaigning forward alongside allies and partners to provide the sea control and integrated deterrence we need to counter strategic competitors today and into the future.

We find ourselves at an inflection point, one that demands we renew our commitment to naval primacy as we chart a course through this century of intense maritime competition. Over the past two decades, the People's Republic of China (PRC) has more than quadrupled its export trade and used its growing wealth and economic power to rapidly expand and modernize its military and its navy. The People's Liberation Army Navy has added over one hundred combatants to its fleet in that time—a naval buildup that is a key component of its increasingly aggressive military posture. Today it has approximately 340 ships, and is moving towards a fleet of 440 ships by 2030. The PRC is conducting active, aggressive maritime activities in the South China Sea and

beyond that have the potential to undermine our system of international law, including the freedom of the seas, a foundational U.S. interest.

Our maritime challenges are not confined to the Indo-Pacific. Moscow has not abated in its efforts to control large swaths of the Black, Baltic, and Arctic Seas, trying to intimidate and deny other countries the opportunity to exercise their rights to free passage. That is why six of seven of NATO's priority operating regions are maritime-focused, and NATO is moving to adopt its first maritime strategy.

Our Navy and Marine Corps team are meeting these threats on the sea, under the sea, in the air, and in cyberspace every single day. To defend freedom of the sea, we must ensure our Sailors and Marines have the capability and forward presence to stand by our allies and our partners. That is why I have directed our Navy and Marine Corps team to prioritize our investment in readiness, to make sure our ships and aircraft are always prepared to deploy. This approach will deliver the integrated deterrence at sea required by our National Defense Strategy.

Three Enduring Priorities Guiding the Department of the Navy

Last year I had the privilege of introducing my strategic vision for the Department of the Navy to this committee, centered on our Department's three enduring priorities, which are complementary to and supportive of both the CNO's *Navigation Plan 2022* and the Commandant's *Force Design 2030*.

First, we are strengthening our maritime dominance so that we can deter potential adversaries, and if called upon, fight and win our Nation's wars. Second, we are building a culture of warfighting excellence, founded on strong leadership, and rooted in treating each other with dignity and respect. And third, we are enhancing our strategic partnerships, across the Joint

Force, with industry, with academia, and with our allies and partners around the globe. Over the past year and a half, our DON team has made irreversible progress across our three enduring priorities, supporting positive growth and modernization in our naval force. I highlight the progress we've made and successes we've enjoyed over the past year through the support of the committee and your other colleagues throughout Congress.

Strengthening maritime dominance requires us to rapidly field the concepts and capabilities that create advantage relative to our pacing threat, with the sustainment necessary to generate integrated, all-domain naval power. That is why we are making the investments now, guided by the CNO's *Navigation Plan* and *Marine Corps Force Design 2030*, to ensure we remain the most lethal, capable, and globally postured force on this planet for decades to come.

Last June, our shipbuilders laid the keel for USS District of Columbia, the first of a new class of nuclear-powered ballistic missile submarines that will underwrite the Nation's nuclear deterrent out to the year 2080. The second Columbia-class hull, USS Wisconsin, has begun pre-construction activities.

In July, we commissioned USS Fort Lauderdale, an amphibious warship that will help modernize our amphibious fleet and extend the reach of our Marines to fight from the sea wherever there is a need.

What's more, USS Tripoli, the second of our America-class amphibious assault ships, completed its maiden deployment in 2022, operating throughout the Indo-Pacific with our larger, traditional aircraft carriers as a test of our F-35B "Lightning Carrier / Assault Carrier" concept. Deployments like this one highlight the Navy and Marine Corps' interoperability as well as the strategic and operational advantages that amphibious ships continue to provide to the Joint Force.

With regard to aircraft carriers, we've made significant progress on USS Gerald R. Ford, the first new carrier to be deployed in almost 50 years. We are taking the lessons learned from the Ford as we build the future USS John F. Kennedy, USS Enterprise, and USS Doris Miller. Our carriers are not only vital to deterrence, they are also the cornerstone of our interoperability with our allies.

Our most advanced fighter aircraft, the F-35 Lightning II, now brings fifth-generation stealth and multi-role, multi-mission reach and power wherever we need to fight. Meanwhile, the F/A-18E/F Super Hornet will be the numerically predominant aircraft in the carrier air wing well into the 2030s. Service-life modification initiatives and capability upgrades enhance our inventory by advancing the tactical relevance of the F/A-18 E/F and closing the Navy's strike-fighter gap. We are working with industry to ensure trained mechanics are prepared to support induction schedules, and that they are bringing electrical and avionics experts onboard to support Block III transition efforts.

Marine aviation continues to build capability and capacity in the image of the future force. Recently, we stood up Marine Aerial Refueler Transport Squadron 153 in Kaneohe Bay, Hawaii, significantly increasing the reach and sustainment capabilities of Marines in the Pacific theater.

The fifteen KC-130J tanker aircraft that VMGR-153 will have by 2026 will enhance the organic mobility available to Marines during training, in response to crisis, or in conflict. We are approaching one year since the CH-53K Sea Stallion program became operational, and we are well underway transitioning Marine Heavy Helicopter Squadron 461 into our first fully operational Sea Stallion squadron. While it is still in transition, HMM-461 is already conducting heavy-lift assault support missions previously impossible with legacy aircraft.

Over the past year, DON personnel have also demonstrated the immense potential of unmanned and autonomous vehicles. The Overlord Surface Vessel Ranger successfully transited from the Gulf Coast to the West Coast without an embarked crew. These unmanned surface vehicles will reduce the risk to our personnel, lower operating costs, and protect access to areas like the South China Sea. In addition, U.S. Naval Forces Central Command's Task Force 59, a new, first-of-its-kind task force, is rapidly integrating unmanned systems and artificial intelligence into maritime domain awareness in the Fifth Fleet area of operations, and we will soon expand that capability to other regions of the world.

In addition to procuring the modern platforms, we are also expanding the areas available for our personnel to train. With our partners in Congress, through the National Defense Authorization Act of 2023, we are expanding and modernizing our training ranges at Naval Air Station Fallon. This initiative will provide our pilots with the airspace and ground necessary to hone their skills in the advanced aircraft we field.

Another area of improvement is shipyard performance: our significant investment in the Shipyard Infrastructure Optimization Program, known as SIOP, is modernizing our four aging public shipyards by optimizing facilities and infrastructure as well as increasing dry-dock capacity and capability. We are also looking at establishing a parallel high-end technical track in nuclear welding, robotics, hull technology, software and electronics integration, as well as additive manufacturing for high-paying blue collar career.

We have made significant improvements to surface ship readiness. Working with industry partners, we have reduced maintenance delays on major maintenance periods in private shipyards by 39% since 2019. On-time completion of availabilities has also steadily increased

from 34% in FY19 to 41% for all maintenance periods completed in FY22. We have brought data and advanced analytics to inform the plan for each maintenance and repair availability period, and improved our processes to better scope work and structure each availability well before ship arrival dates.

Public shipyards are also improving from FY19 in both fewer days of maintenance delay and increases to on-time completion percentages. In FY22, despite lingering COVID challenges to production, the public shipyards reduced number of days of maintenance delay by 29% from 2019 with on-time completions now at 33%.

Our second enduring priority, building a culture of warfighting excellence, demands more aggressive recruiting, more “training like we fight,” and a stronger commitment to retaining a strong, diverse, and healthy force—a force that is ready at all times and focused on warfighting and strong, positive leadership at every level. That’s why we have expanded community- and school-based outreach while simultaneously increasing media campaigns in underserved and minority markets. We must attract the broadest possible talent pool from throughout our all Nation, including more women.

Recognizing that quality of life for our service members and families is inseparable from warfighting excellence, we have directed substantial investments in quality-of-life initiatives, infrastructure improvement, and the largest military pay raise in over 20 years. All of these efforts are centered on one goal: combat readiness. Our Sailors and Marines are better prepared and more focused when they know their families are being cared for and doing well.

Our third strategic priority, enhancing our strategic partnerships, sustains and expands our advantage by seeking to achieve seamless integration, communication, and collaboration with

each of our partners. With our Government partners, we have strived toward greater agility, adaptability, trust, and transparency in support of our warfighters. Globally, we have strengthened our relationships with like-minded maritime nations, deepening interoperability and interchangeability in order to enable mutual action to address shared challenges.

Our actions in the face of adversity will long be remembered by our allies and partners. Since the start of the conflict in Ukraine, the Navy and Marine Corps have supported our Ukrainian partners as they continue to defend their sovereign territory in the face of unprovoked Russian aggression. Together, we have risen to the occasion, supplying an unprecedented volume of capabilities to assist in their time of need. In 2022 alone, the Department of the Navy coordinated the identification, adjudication, and delivery of over \$1.3 billion in critical systems, weapons platforms, munitions, and support equipment to address critical Ukrainian needs.

Beyond tending to our international partnerships, we are working to expand on relationships here at home. We have made a concerted effort to support our defense industrial base, with special attention paid to supporting entrepreneurs leading small and medium-sized businesses. As a direct result of the President of the United States' Executive Order 13985, "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government," the DON took action to further develop and refine our strategic and tactical approaches to maximize small-business utilization across a diverse industrial base. These deliberate actions have increased our outreach to small businesses, improved subcontracting compliance and oversight, fostered more opportunities to fully utilize the Department of Defense (DOD) Mentor-Protégé Program, and increased Phase III Small Business Innovation Research program funding by 16% over the previous year.

All of these endeavors contribute to our desired expansion of the DOD's supply chain marketplace.

The FY2024 President's Budget

Despite the successes and progress highlighted above, there is still work to be done on all fronts. The President's Budget for Fiscal Year 2024 (PB24) request to Congress is a clear signal of President Biden's support for our Navy and Marine Corps team and of the recognition of our critical role in the Joint Force especially in light of the complex strategic environment. Our request this year totals \$255.8 billion, a 4.5% increase over last year. Every dollar of this request will contribute to the warfighting strength of our Navy and Marine Corps, from research and development of next-generation technologies and systems to procurement of high-end platforms critical to defending our Nation, infrastructure improvements, and most importantly, taking care of our Sailors, Marines, and their families who sacrifice so much.

Strengthening Maritime Dominance

Fleet Investments

A modern, capable, and lethal Navy requires sustained investment across a variety of platforms to complete missions in all environments. PB24 prioritizes the development, procurement, and sustainment of our Navy's ships to provide our Nation with the most capable platforms. The request includes the full funding for two destroyers, two nuclear-powered attack submarines, two frigates, one T-AO fleet replenishment oiler, and one AS(X) submarine tender, while providing

the next increment of funding for construction of CVN 80, CVN 81, and LHA 9, as well as the first year of incremental funding for the second Columbia-class ballistic missile submarine.

The budget request also includes a significant investment in submarine maintenance with the goal of reducing maintenance periods and improving the operational availability of these critical assets. These funds are aimed at improving material availability and strengthening the private and public industrial bases.

PB24 prioritizes modernization of the Zumwalt Class (DDG-1000) guided-missile destroyer to enable the Navy's first fielding of the conventional prompt strike sea-based hypersonic weapon system. It also includes key enablers for the Integrated Combat System such as Infrastructure-as-Service. The Integrated Combat System will allow the Navy to deliver future capabilities through software uploads instead of hardware installations.

Fleet Divestments

Within PB24 is the request for the divestment of eight surface combatants: three cruisers (CG); three Landing Ships, Dock (LSD); and two Littoral Combat Ships (LCS). The three CGs—USS Cowpens (CG-63), USS Shiloh (CG-67), and USS Vicksburg (CG-69) are all within three years of their end-of-service-life dates. While these cruisers have a large vertical-launch capacity for a variety of weapons, the cost associated with repairing, modernizing, and sustaining the hulls requested significantly outweigh any warfighting contribution they provide to the fleet, and occupy limited, valuable private shipyard space that could be better used for maintaining more-lethal ships.

In addition to the three cruisers, we are requesting divestment of USS Jackson (LCS-06) and USS Montgomery (LCS-08), both Independence-Class LCS variants. We acknowledge that both

hulls are a third of the way through their projected service life of 25 years. However, these platforms are less lethal, less capable, and far more expensive to sustain than what is needed for the contested seas our Navy now finds itself operating in.

Finally, we are requesting the divestment of USS Germantown (LSD-42), USS Gunston Hall (LSD-44), and USS Tortuga (LSD-46), three amphibious ships that are all at or over 34 years of service and in unsatisfactory material condition. The planning and repair periods required for these ships to reach a deployable status would put all three at or near their 40-year end-of-service-life mark. Undertaking the repair of these ships, with potential cost growth, would tie up funding, shipyard capacity, and take an enormous personal toll on our Sailors assigned to the projects. However, we recognize this request brings us below the 31 amphibious ships we are required to maintain per the National Defense Authorization Act for Fiscal Year 2023. The CNO, Commandant, and I are committed to ensuring we meet this requirement and doing so in a timely manner, but with a capable, sustainable mix of ship classes that will support our Marines and Sailors for decades to come.

In PB23, the DON proposed 16 ship divestments, but was only allowed to divest four.

Ultimately, it is our Sailors and Marines who pay the price when we are restricted from retiring legacy platforms and investing in the capabilities needed for the future.

Research and Development (R&D) of Enhanced Capabilities

PB24 requests a total of \$26.9 billion to increase innovation and modernization efforts in R&D.

The budget request commits \$718 million of R&D funding to the recapitalization of all portions of the undersea leg of the triad including Columbia-class submarines, Take Charge and Move Out (TACAMO) capability, and the Trident D5 life extension 2. The next-generation air defense

family of systems includes the F/A-XX, the “Quarterback” of the manned/unmanned team concept, directing multiple tactical platforms at the leading edge of the battlespace. PB24 also funds \$861 million in R&D for unmanned platforms, including the MQ-4 Triton, the MQ-25 Stingray, the Large Unmanned Surface Vessel, the Extra Large Unmanned Undersea Vehicle, and the MQ-9A Reaper.

Sustaining Maritime Information Superiority

Information is combat power, and we will continue modernizing our information technology infrastructure, ashore and afloat to ensure this essential backbone of our maritime power remains secure and survivable and continues to deliver information everywhere to maintain decision advantage over our adversaries. PB24 budgets approximately \$13B for enterprise IT, cyber activities, business systems, and other communications across the DON.

These investments are a critical warfighting priority for the Department. The DON is building information superiority to win the naval fight by modernizing its infrastructure, innovating and deploying new capabilities, and defending its information. These initiatives are enabled by data that is managed as a strategic asset.

Bringing the DON’s enterprise infrastructure to parity with Industry is essential for us to maintain our advantage in competition, crisis and conflict. We have charted a path to a digital work environment where users can securely access their data anywhere on any device with performance that rivals best-in-class experiences in Industry.

The DON is accelerating the modernization and transformation of our IT capabilities by ensuring that decisions made to sunset or rationalize unneeded, obsolete, unproductive, insecure, and un-auditable IT applications are realized. This effort, coined Cattle Drive, will accelerate

modernization within multiple business and core IT portfolios and self-identify funds for potential re-alignment to transformational investments

The DON is accelerating adoption of game-changing low-earth orbit commercial satellite technology to provide resilient, low-latency, high-speed communications for warfighting, support, and quality-of-life-and-work solutions. We are adopting a new approach to cybersecurity that will move the DON from its current ineffective compliance-based cybersecurity approach to one based on readiness where the right to operate is earned and managed every day.

The DON is a leader within the DOD on the initiative to implement a more effective cybersecurity model called zero trust that is better adapted to today's threat and computing environments. Finally, data management and analytics progress the DON is making on multiple fronts is enabling us to improve decision-making, sustain information superiority and meet the goals of the DOD data strategy by ensuring quality data are accessible, understood, and shared to the point of need.

Enabling Cyberspace Superiority

In addition to building information superiority, the Department will ensure our networks and systems are secure, our critical infrastructure and weapon systems are survivable, and our cyber forces can impose costs on adversaries in and through cyberspace when required.

Adversaries and competitors worldwide leverage cyber vulnerabilities to hold our capacity and capabilities at risk. This malign behavior requires a robust response, and we will prioritize building cyber resilience and strengthening our capacity to withstand, fight through, and recover quickly from disruption. To do this, the Department must "bake in" cybersecurity to new

capabilities and platforms we procure while “bolting on” cybersecurity capabilities to legacy platforms. This strategy also requires training our Sailors and Marines to operate in cyber contested environments.

In addition to building cyber resilience, the Department is advancing the technology, tactics, and readiness of our military cyberspace operations forces. One example of this force development is the Navy’s forthcoming establishment of a specific cyber warfare officer designator and enlisted rating. The Department is similarly committed to improving the readiness of the cyber forces we present to U.S. Cyber Command, and we will expand the integration of non-kinetic effects afloat.

Marine Corps Information Command, which operates under the Marine Forces Command, achieved initial operational capacity in January 2023. Marine Corps Information Command provides critical linkages at the operational level as well as task-organized elements to support campaign objectives by providing decision-makers the ability to leverage authorities and approvals across the cyber, space, influence, and intelligence functions, generating multi-domain advantages.

Our information space requires new approaches to training, such as the Persistent Cyber Training Environment, which integrates capabilities to continuously evolve cyber training and exercises. This joint capability has expanded access over the last year, enabling force readiness and driving decisions on the tactical, operational, and strategic levels.

Munitions Procurement

PB24 takes full advantage of new authorities granted by Congress in the FY 2023 National Defense Authorization Act that provided a streamlined multiyear procurement process for critical munitions. Not only will this authority allow the Department to replenish munitions

stockpiles which are reduced in support of the war in Ukraine, it will also support efforts to strengthen the industrial base capacity to develop, produce, and field munitions. We are requesting funding for the procurement of 34 Block V Tactical Tomahawk missiles for the Marine Corps, as well as several hundred Tactical Tomahawk recertification kits, navigation and communications kits, and Maritime Strike Tomahawk kits for the Navy. Additionally, PB24 supports the awarding of multi-year procurement contracts for critical munitions, including Standard Missile (SM-6), the Naval Strike Missile, and Long Range Anti-Ship Missile (LRASM). Overall, funding for these and other weapons increased by \$2 billion in this budget—a growth of nearly 50% compared to last year.

Organic Industrial Base

The DON's organic industrial base is vital to our national security, and the DON is committed to ongoing depot modernization and optimization efforts. A modernized and ready organic industrial base generates Fleet readiness and strengthens our Nation's security.

PB24 continues the investment in our industrial base to further efforts to train, recruit, and retain the workforce, expand capacity and enable the development and integration of new technologies. Deliberate investments in the planning and design of facilities and optimization within the depots, as well as contract execution in dry-dock repair and refurbishment are focus areas of the budget cycle.

PB24 reflects the three named efforts within the Organic Industrial Base where these investments highlight the commitment to the Nation's security with regard to maintaining our wartime assets. First, the Shipyard Infrastructure Optimization Program consists of four public shipyards located in Portsmouth, VA; Kittery, ME; Bremerton, WA; and Pearl Harbor, HI. PB24 funding totals

\$2.7 billion across multiple accounts. Replacing Dry Dock 3 at Pearl Harbor Naval Shipyard is a critical enabler of increased naval capability. This project will construct a graving dock in order to support Pearl Harbor Naval Shipyard's ability to continue serving the Navy decades into the future by maintaining and modernizing the Pacific Fleet's nuclear-powered submarines. Second, the Fleet Readiness Center Infrastructure Optimization Program consists of three Fleet Readiness Centers located in NAS North Island San Diego, CA; NAS Jacksonville, FL; MCAS Cherry Point, NC. And finally, the Marine Corps Organic Industrial Base consists of two Marine Corps production plants located in Albany, GA and Barstow, CA.

The Presidential Budget request funds public shipyard depot maintenance to 100%, and increases the overall workforce from 37,089 to 37,234 full-time employees, adding an additional 145 full-time employees for the Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility Guam Detachment. PB24 also aligns funding to improve supply-chain capability and materiel availability in order to make proper budget and schedule decisions for items such as long-lead-time materiel.

Aviation Investments

The F/A-18E/F Super Hornet will be the numerically predominant aircraft in the carrier air wing into the 2030s. PB24 funds service-life modification initiatives and capability upgrades that enhance our strike-fighter inventory by maintaining the tactical relevance of the F/A-18 E/F and minimizing the Navy's strike-fighter shortfall. The presidential budget request also funds delivery and support of survivable, reliable, and resilient airborne command, control, and communications through the installation of critical modifications to the existing E-6B fleet, along with platform recapitalization to procure a follow-on TACAMO capability.

We will prioritize the continued development and production of unmanned aircraft systems to support current Fleet intelligence, surveillance, and reconnaissance requirements and to support future unmanned aircraft system integration into the carrier air wing. The budget funds two MQ-4 Tritons, three MQ-25 Stingrays, and five MQ-9A Reapers for the Marine Corps. PB24 requests funding for 35 F-35s: 19 F-35C variants for the Navy and Marine Corps and 16 F-35B variants for the Marine Corps. These aircraft will be the backbone of DON air combat superiority for decades to come, complementing the carrier strike group with a dominant, multirole, fifth-generation aircraft capable of projecting U.S. power and deterring potential adversaries.

PB24 also requests funding for the procurement of 15 CH-53K King Stallions. These production assets will be part of a two-year block buy contract authorized by Congress in the FY23 NDAA. The program recently achieved a Full Rate Production decision.

Climate Readiness

For the Navy and Marine Corps, a changing climate means a contested operational environment. Climate change brings extreme weather events, more humanitarian crises, and heightened friction around essential natural resources. A more volatile world increases demands on our Navy and Marine Corps forces while simultaneously impacting the capacity to respond to those demands. Improving the energy performance of our platforms and weapons systems is essential to providing a combat-effective force in contested operating environments. To do this, the Department is working to establish rigorous, energy-informed requirements for new capabilities that are then sustained throughout our acquisition decision-making.

Last year, the DON published *Climate Action 2030* to maintain the superiority of our naval forces through resilience and reducing the national security threat of climate change. In support

of this initiative, last December, the Naval Postgraduate School signed an education partnership agreement with Stanford University's Doerr School of Sustainability. In bringing together these two globally recognized institutions, it is our hope to realize solutions our Navy and our Nation can employ to mitigate and reduce effects of a changing climate.

Jointly with our partners in Congress, we are constantly seeking innovative solutions, leveraging science, partnering with industry and other government entities, and investing responsibly to ensure mission readiness. Climate readiness is a tactical, operational, and strategic enabler, and we must ensure our naval forces can operate and succeed in any environment.

Building a Culture of Warfighting Excellence

Building the Future Force

The civilian work force is comprised of talented individuals from all walks of life whose experiences and skillsets are critical not just to our economic success, but to the overall security of our Nation. Today's Navy and Marine Corps team is a forward-deployed highly sophisticated network that is one of the most technologically advanced networks ever conceived and which operates either in concert with other combat units or fully self-sustained, and able to dominate in the air, sea and undersea.

As we become a more technologically advanced force, top civilian talent is increasingly critical to maintaining America's might upon the sea. Technical talent is needed for the wide array of challenges the DON faces. More than half of the civilian workforce are top-tier scientists, logisticians, engineers, mathematicians, technology specialists, or cyber experts; almost a quarter

of the workforce are artisans performing critical work at the shipyards, depots, civilian mariners, or safeguarding our facilities and activities. As one indication of the quality and expertise of our workforce, the DON was issued 225 patents (more than the Air Force and Army combined) in FY22 and holds more than 58% of all active DOD patents (4,129).

Our civilian workforce ensures a 24/7 rapid response to warfighter requirements, develops and manufactures critical systems, repairs and maintains our ships and aircraft and develops game-changing technology and equipment. The civilian workforce is present in 55 countries, supporting Sailors and Marines around the world.

We are in a competition for talent with many other employment sectors, which is driving us to re-evaluate how we manage the careers of our Sailors, Marines, and civilians, from initial recruitment to retirement. To maintain a Fleet that is prepared to defend our Nation from all potential adversaries, we must continue to enhance our ability to attract, develop, and retain a workforce equally as talented and diverse as the American people they serve. This includes maintaining an appropriate number of senior executive leadership (general officer, flag officer, and SES) billets to ensure optimal operational readiness.

The Marine Corps continues to make great strides toward retaining more experienced Marines under the Service's Talent Management program. Leveraging authorities previously enabled by Congress, the Service enacted nine initiatives in 2022, from which they will expand and accelerate in 2023 including Early Reenlistment Authority, SNCO Promotion Board Realignment, Recruiting Station Commanding Officer Selection Boards, the Special Duty Assignment volunteer program, MarineView 360-degree leadership reviews, officer promotion

opt-outs, Digital Boardroom 2.0, Separate Competitive Promotion Categories, and the Career Intermission Program.

As a result of many of these programs, the Marine Corps met or exceeded its first and subsequent term alignment program goals for the first time in 13 years and retained a statistically higher-quality group of Marines. The Service is examining numerous other evolutionary initiatives and remains committed to evolving the talent management system with the primary goal of improving warfighting readiness in an increasingly complex world.

As another example of a positive development in force development, in August 2022, Naval Special Warfare Command (NSW) formally established its Assessment Command (NSWAC) to transform how its units compete for talent by building a sustainable architecture for diversified outreach. It conducted more rigorous pre-assessments for character, cognitive, and leadership attributes, and strengthened NSW's culture of continuous assessment. NSWAC is taking a whole-person approach to identify, prepare, and mentor qualified candidates from diverse backgrounds to complete training programs and pursue a successful career in NSW. As this new command was being developed, NSW conducted 60 outreach events with more than half specifically focused on increasing force diversity and inclusivity with underrepresented demographics. These efforts will enhance the way NSW continuously assesses and selects its incoming officers and enlisted personnel.

Educational Initiatives

Last year I talked about the Targeted Re-entry Program, which empowers commanding officers to identify and nominate their Sailors for an accelerated return to active duty. This year we want

to highlight our increased partnership with the Department of Education, trade schools, and colleges and universities to develop and recruit the military and civilian workforce we need.

As we become a more technologically advanced force, education will be a crucial warfighting enabler to maintaining America's might upon the sea. Our naval education enterprise is working to develop leaders with warfighting knowledge, intellectual dynamism, and creativity to maintain a strategic advantage against competitors and global adversaries. Through our naval university system, we are creating a continuum of learning that develops such leaders to serve at every level and equips them with skills to maintain and operate increasingly complex systems in an ever-changing warfighting environment.

PB24 requests a \$480.2 million investment to continue supporting and growing our naval education institutions. We maintain several world-class institutions, including the US Naval Academy, Naval Postgraduate School, Naval War College, and Marine Corps University. This requested funding will also sustain our efforts to expand our enlisted personnel's access to the Naval Community College to support their education goals. We are deeply committed to formalizing a culture of lifelong learning for both our enlisted and officer communities.

Resiliency & Readiness

Mental health concerns and rising suicide rates are national-level issues to which the Services have not been immune. We are well aware of the inextricable link between mental health, resiliency, and the readiness of our force. To that end, Admiral Gilday, General Berger, and I are committed to supporting and ensuring the mental health, safety, and well-being of all Sailors, Marines, and their families, and the Department's civilian workforce.

We must do everything we can to foster the well-being of our people and prevent suicide. No one solution applies to every Sailor, Marine, family member, or civilian. We are constantly evaluating how we do business when it comes to providing services and resources to ensure they are meeting needs. Military service entails sacrifice not just for the service members, but for their families as well, and we want to make sure family members feel seen, heard, and taken care of regardless of whether their Sailor or Marine is home, stationed overseas, or deployed. The DON offers multiple mental-health and counseling resources to all service members at all levels. As we continue to encourage positive help-seeking behaviors and combat the stigma around mental healthcare among our Marines and Sailors, PB24 requests \$87 million for mental health support, an increase of \$13.1 million from last year. This additional funding will provide for increases to our Sailor Assistance and Intercept for Life (SAIL) program, which provides rapid assistance to those in crisis, as well as the addition of two Warrior Toughness Teams for each coast.

Given the complexity of this challenge, our Office of Force Resiliency has taken an integrated approach to enhance holistic, data-driven suicide-prevention strategies which recognize the benefits of addressing common risk and protective factors to promote healthy cultures and climates. As such, our suicide prevention efforts draw from and harmonize with the Defense Strategy for Suicide Prevention and the White House Strategy to Reduce Military and Veteran Suicide. We are taking action on the recently released report from the Suicide Prevention and Response Independent Review Committee, and will work within DOD's coordination framework to implement key recommendations that will strengthen our prevention effort.

The Department of the Navy is laser-focused on countering sexual assault and sexual harassment at every level. In addition to the toll on victims, sexual assault and sexual harassment directly impact unit cohesion and ultimately undercuts our readiness. We must create environments that

foster respect, maintain the dignity of military service, and increase our warfighting readiness. Sexual assault and sexual harassment are a persistent challenge requiring a multi-pronged approach that leverages a wide range of initiatives, not only to address these issues, but also to prevent them before they occur.

I directed the establishment of an Implementation Advisory Panel for the Department of the Navy last spring, bringing leaders to the table to pinpoint strategies for the Navy and Marine Corps to implement the recommendations of the Independent Review Commission on Sexual Assault in the Military, as approved by the Secretary of Defense. Through the Implementation Advisory Panel, the DON has already made significant strides to implement the Independent Review Commission's recommendations, focusing on the committee's highest-priority efforts first. We fully recognize that we need to continue to confront and prevent these destructive behaviors. We are investing significant resources to fuel the needed changes and we have made substantial progress in standing up a dedicated prevention workforce to prevent harmful behaviors, professionalizing the sexual assault response workforce to better provide victim care and support, and establishing Offices of Special Trial Counsel.

Additionally, our Office of Force Resiliency actively synchronizes the DON's sexual assault awareness and training, prevention, victim response, and accountability initiatives with the DOD Office of Force Resiliency. Sexual assault and harassment are more than just criminal matters. They undermine the trust and commitment that are foundational to our forces and they erode faith in our leaders, institutions, shipmates, and Marines. This is a leadership issue, and you have my commitment to clearly and actively support these efforts and to demonstrate that sexual assault and sexual harassment will not be tolerated in any way, shape, or form.

Taking Care of Our People

We continue to make great strides in providing quality-of-life services and improving housing options available to our Sailors, Marines, and their families. In PB24, we are asking you to support our DON families with \$622 million aimed at sustaining our child and youth services. Additionally, we continue our investments in housing for both accompanied and unaccompanied personnel. Notably, our request includes \$131.8 million for the construction of a Bachelor's Enlisted Quarters and Support Facility at Marine Corps Barracks, here in Washington, DC. We are also requesting funding to support housing renovations at multiple bases, to include Naval Base San Diego, Naval Air Station Lemoore, Naval Air Station Oceana, and Naval Base Ventura County. These investments will yield dividends for years to come as we continue to offer safe, affordable, and convenient housing to those who defend our Nation.

Strengthening Strategic Partnerships

Community Partnerships

The DON is leveraging the Department of Defense Readiness and Environmental Protection Integration Program (REPI) to partner with local governments and non-governmental organizations to advance mission readiness through mutually beneficial, sustainable communities near our installations and ranges. The recently announced 2023 REPI Challenge includes several projects that support DON installations, to include: invasive species management and reef preservation near Pacific Missile Range Facility Barking Sands and Marine Corps Base Hawaii; habitat improvement and species management at Marine Corps Base Camp Pendleton, Naval Base Coronado, Naval Base Ventura County Point Mugu, and Naval Weapons Station Seal Beach in California; and shoreline stabilization near Marine Corps Base Quantico, Virginia.

Outside our fence lines, the communities that host our Navy and Marine Corps installations continue to utilize the Defense Community Infrastructure Pilot (DCIP) program to fund community infrastructure projects that benefit local installations, enable the DON's warfighting mission, and provide support to our service members and their families. Using 2022 DCIP grant funds, Onslow County in North Carolina will upgrade a runway at a local airport to benefit travel in southeastern North Carolina, including Marine Corps Base Camp Lejeune, Marine Corps Air Station New River, and Marine Corps Air Station Cherry Point. In Florida, a new water main will improve capacity and pressure for not only for Naval Station Mayport, but also the surrounding community where many of our Sailors, Marines, civilians and their families live. Finally, the city of Newport News in Virginia will undertake a \$15 million project at the Harwood's Mill Reservoir Dam to increase flood protection for the entire community and ensure a reliable water supply to Naval Weapons Station Yorktown.

We continue to work with our partners across the Federal Government, the State of Hawaii, and Congress to close the Red Hill Bulk Fuel Storage Facility and remediate the effects of the 2021 spill. We are committed to doing what it takes to address the concerns of service members, their families, and the people of Hawaii. As I've said before, we rebuild trust one day at a time, one action at a time. Aging infrastructure such as that at Red Hill is a challenge we face at the national level, and we appreciate Congress's support and partnership as we increase our focus on revitalizing the shore infrastructure our Navy and Marines Corps rely upon.

Joint Force and Government

The Department of the Navy is committed to providing the right mix of capabilities and remaining dominant against threats defined in the National Defense Strategy. Across both Services and throughout the DON, PB24 will invest in capabilities for maritime dominance. Successful implementation of the concepts within the *Navigation Plan* and *Force Design 2030* will be pursued through a unified, integrated effort at every echelon. But our fully integrated naval force is only part of the formidable Joint Force team that stands united in the protection of the American people. Collaboration between military departments and with the interagency is critical to the defense of the United States.

We are constantly seeking opportunities to maximize the combined efficiency and effectiveness of our Navy and Marine Corps in cooperation with the Army, Air Force, and Space Force. For example, we continue to work with our fellow Services on critical advanced research programs including hypersonic weapons. And worldwide, the Joint Strike Fighter program is yielding unprecedented reach and agility for the entire Joint Force.

The Department of the Navy, as a forward-deployed force, is a key contributor to Integrated Deterrence as our daily interactions with allies, partners, and potential adversaries impact diplomatic, economic, and intelligence equities in addition to the obvious military impacts.

Our most significant contribution as a military department is America's naval forces. The combat-credible forces of the Marine Corps and the Navy are unique as America's most timely, flexible, and forward-deployed force across the full spectrum of challenges—from naval diplomacy to strategic deterrence, resource competition, crisis, and conflict. Our allies and partners as well as our potential adversaries see these forces conducting forward operations and

training, alongside partner nations. This constant forward presence engenders trust through episodic engagements as well as urgent response in the event of a national emergency.

The iconic presence of Marines in our embassies is just one highly visible way the Department of the Navy supports the State Department and whole-of-government activities. Behind the scenes, military attachés strengthen our bonds with international partners as they facilitate and coordinate activities, from small-scale personnel exchanges to large-scale multi-lateral military exercises.

Allies and Partners

Over the past 18 months, the Department of the Navy has been fully committed to the multi-phased, commitments-based process, known as the Australia – United Kingdom – United States Partnership (AUKUS) to facilitate the development of the optimal pathway for Australia's acquisition of conventionally-armed nuclear-powered submarines, which will contribute to maintaining peace and stability in the Indo-Pacific region by enhancing deterrence. As part of this initiative, Australian sailors will embed on U.S. SSNs and the U.S. Navy will increase SSN port visits to Australia beginning this year. Additionally, as early as 2027, the Navy plans to rotate up to four U.S. Virginia-class submarines to HMAS Stirling near Perth, an initiative we are calling “Submarine Rotational Force—West (SRF-W; “Surf West”). Beginning in the early 2030s, pending statutory authority, we intend to sell Australia at least three Virginia-class SSNs, and potentially an additional two more if needed. The AUKUS partners will begin delivering the trilaterally-developed SSN-AUKUS in the late 2030s. The cost sharing through the different phases of AUKUS will be fair, transparent, and proportional—with the United States and

Australia making investments to upgrade the U.S. submarine industrial base. We will continue to lead and advance this effort as directed by the President and Secretary of Defense.

As the world has seen over the last year with Russia's unprovoked and indefensible invasion of Ukraine, and the strengthened resolve and solidarity of NATO and like-minded nations around the world, the value of allies and partners cannot be overstated; the global landscape offers a stark contrast between those countries with strong international partnerships and those who are isolated due to their antithetical stance vis-à-vis the rules-based international order. Globally, we have strengthened our relationships with like-minded maritime nations, deepening interoperability in order to enable mutual action to address shared challenges.

As we emerged from the COVID pandemic and returned to our historic operating pace, we have looked for ways to expand cooperative deployments and operations around the world. Our recent growth in cooperative efforts with our partners has been focused on increasing interoperability and moving towards interchangeability with allied and partner maritime forces. In every international engagement, I have consistently heard the same message from our allies and partners: "We want to do more with the U.S. Navy and Marine Corps"—a signal that we are the partner of choice across the globe.

In January 2023, the United States and Japan reaffirmed the necessity to optimize our force posture and enhance response capability through a readjustment in the laydown of U.S. Forces in Japan. This will provide for stationing of the 12th Marine Littoral Regiment in Japan by 2025, and with it, advanced intelligence, surveillance, and reconnaissance capabilities as well as anti-ship and transportation capabilities.

In a demonstration of the capabilities and resolve of NATO, the USS George H.W. Bush Carrier Strike Group recently completed Exercise Neptune Strike 22.2., operating under the command of Striking Forces NATO (STRIKFORNATO), and flexing the capabilities of all-domain warfare at a critical time.

During the same period, we employed the USS Gerald R. Ford Carrier Strike Group for the first time with our NATO allies during Exercise Silent Wolverine. The exercise was designed to test the carrier's capabilities through integrated high-end naval warfare scenarios, leading to its inaugural deployment this year. The USS Kearsarge Amphibious Ready Group and 22 Marine Expeditionary Unit provided persistent presence in the Baltic Sea. This demonstration of capability exemplifies the unparalleled power of alliance and partnerships.

Last year, I personally witnessed the power of partnership during RIMPAC 2022, when forces from 26 nations from nearly every continent converged at Pearl Harbor. We came together as capable, adaptive partners, and declared our commitment to work together, to grow our collective capability, and to nurture and enhance relationships that are critical to ensuring the safety of the sea lanes and the security of the world's interconnected oceans.

Strengthening maritime dominance requires us to rapidly field the concepts and capabilities that create advantage relative to our pacing threat with the sustainment necessary to generate integrated, all-domain naval power.

Alongside our Filipino allies, Marines from 3rd Marine Littoral Regiment completed the largest iteration of Exercise Balikatan last April. This was the initial operational employment of 3rd Marine Littoral Regiment, and they used it to flex their capability to deploy from Hawaii and carry out amphibious landings in northern Luzon, ultimately enabling combined coastal defense

training. This exercise not only strengthened the bond with our Filipino partners but tested small, distributed, and austere encampments, resulting in refinements of the concepts integral to the Marine Littoral Regiment.

This month, Marines and Sailors with the 31st Marine Expeditionary Unit completed the first Japan-based Iron Fist exercise, which increased interoperability and strengthened relationships between the DON and the Japan Self-Defense Forces, and demonstrated the commitment of U.S. and Japan forces to maintain a free and open Indo-Pacific.

Last November I had the chance to visit my Indian counterparts in an effort to drive forward high-end navy-to-navy cooperation to address challenges in the undersea warfare domain. While we continue to advance thinking on concepts and technology, we are furthering our defense information sharing and exercising in ways that are relevant to our shared goals, as exemplified by the USS Ronald Reagan Carrier Strike Group's participation in Exercise Malabar with India, Australia, and Japan, and which included high-end tactical anti-submarine warfare.

While in Brazil, I had the privilege of presiding over the opening ceremony of the longest-running maritime exercise, UNITAS, and took the opportunity to spotlight the importance of partnerships in our own hemisphere and the Atlantic basin. It was a particular honor to meet with the Cameroonian Head of Navy and visit his two ships, which had conducted their first-ever trans-Atlantic voyage in order to participate in the exercise. Their pride, determination, and dedication to being a part of this U.S.-led multinational exercise were evident as they celebrated this exceptional achievement. Strengthening our relationships across Africa and the Western Hemisphere is an important aspect of furthering the National Defense Strategy as the PRC endeavors to extend its influence over our neighbors and African partners.

One of the most significant detriments to local economies is illegal, unreported, and unregulated (IUU) fishing. I have been keenly interested in this complex challenge, and we are working with our partners across the globe to increase maritime domain awareness, information sharing, and information operations to counter this scourge. Massive fishing fleets from countries such as the PRC prey on countries with weak capabilities to protect their exclusive economic zones. Closely linked to the IUU fishing problem is a country's ability to effectively conduct maritime domain awareness.

As the Navy and Marine Corps team works tirelessly to ensure our forward presence, we are in an intense global competition with the PRC for strategic access and influence. That competition is particularly concentrated in the Indo-Pacific. To prevail, we will continue to innovate, leveraging our naval diplomacy to maximum advantage. Improving ports and enabling enhanced maritime patrolling capacity from modern airfields serves U.S. security interests as well as island nations' interests.

Combined, these critical enablers of U.S. influence, posture, and readiness in the Indo-Pacific are also the core components of the DOD's ability to deliver humanitarian assistance and disaster relief in the region as the catastrophic consequences of climate change accelerate. A resilient, distributed posture to meet our operational needs and outcompeting the PRC for strategic access and influence in the Indo-Pacific go hand in hand.

PB24 will strengthen global alliances and partnerships with funding for joint operations and exercises around the world, including CARAT, Malabar, and Balikatan in the Indo-Pacific; NATO operations in the Mediterranean; and exercises like UNITAS in our own hemisphere.

We will continue to foster opportunities for Sailors, Marines, and DON civilians to train, learn, and operate side-by side with their counterparts in partner and allied forces. We will work on operationally integrating with our allies and partners through shared warfighting concepts, continually campaigning forward to deter adversaries and protect the rules-based international order.

Our Sailors, Marines and civilians are warrior-diplomats for our Nation. Their professionalism and dedication promote the connections that strengthen our collective security and cultivate shared ideals that send the message that the United States is a friend worth having.

Closing

The United States Navy and Marine Corps Team is on the front lines of defending the free and open rules-based international order against those who would cast us into a new dark age defined by the principle of “might makes right.”

I have a sacred obligation to Congress and to the American people to ensure that our Navy and Marine Corps are always prepared to defend those liberties, those non-negotiable American values wherever the Nation’s interests may be threatened. The Navy and Marine Corps remain, after all, this Nation’s single most versatile instrument of national power.

For this, I am grateful for your sustained, bipartisan support of a strong Navy and Marine Corps. I look forward to working with old friends and new partners in Congress to advance the Nation’s security with a Navy and Marine Corps supremely able, first and foremost, to deter all potential adversaries, and if called upon to fight and win our Nation’s wars.