

**OPENING STATEMENT OF U.S. SENATOR JACK REED
CHAIRMAN, SENATE ARMED SERVICES COMMITTEE**

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To conduct a hearing on the Department of the Navy posture in review of the Defense Authorization Request for Fiscal Year 2022 and the Future Years Defense Program

(As prepared for delivery)

REED: The committee meets today to receive testimony on the plans and programs of the Department of the Navy in review of the President's Fiscal Year 2022 Defense Budget Request.

I would like to welcome our witnesses, Acting Secretary of the Navy, Thomas Harker, Chief of Naval Operations, Admiral Michael Gilday, and Commandant of the Marine Corps, General David Berger. We are grateful for your service, for the service of the men and women under your command, and for the support of all Navy and Marine families.

The Administration's Defense Budget Request for Fiscal Year 2022 includes approximately \$211.7 billion in funding for the Department of the Navy, an increase of \$3.7 billion from the Fiscal Year 2021 enacted budget. As the leaders of the Navy and Marine Corps, you face significant challenges as you strive to balance the need to support ongoing operations and sustain readiness alongside the need to modernize and sharpen the technological edge that is so critical to our military success. I would welcome an update from all of our witnesses on how they are balancing new concept implementation with the procurement of new systems and the upgrade of existing platforms all while meeting current operational needs.

Our naval forces are maintaining extremely high operations tempo across all areas. Demand is overwhelming for attack submarines, air and missile defense cruisers, destroyers, and strike fighter inventories. The Navy is now in its eighth year of operating with fewer than the legally required eleven aircraft carriers. The *USS Gerald Ford* is listed in the Navy inventory, but that carrier is more than six years behind schedule and not yet ready to deploy. While the *Ford* has been playing an important role in training aviators by conducting carrier qualification operations, she will not be ready to deploy for several more months. However, I am glad to see that the *Ford* has begun conducting full ship shock trials—an important step in the process for ensuring she is ready to engage in unrestricted operations.

Looming on the horizon during the next decade, the Navy will also need to buy new *Columbia*-class ballistic missile submarines to replace the *Ohio*-class fleet. This is an expensive undertaking on a very tight schedule, and I trust the Navy is making every effort to keep this program on track. I would ask our witnesses to give an update.

The Navy is using tools such as multiyear procurement authority to conduct its modernization programs more efficiently. Congress has approved multiyear procurement authority for both

attack submarines and Aegis destroyers. These vessels represented the largest inventory shortfall against the goals of the 2016 Force Structure Assessment, with the actual Navy fleet 15 boats below the attack submarine goal and 14 below the goal for destroyers. With that in mind, I am concerned that the Navy is breaking faith with Congress by submitting a budget that would break the multiyear contract for the DDG-51 destroyers. I understand that the number one item on the CNO's Unfunded Priority List is a second Aegis destroyer in FY22. The Navy took a similar approach in FY21 by asking for only one *Virginia*-class submarine, and then making the submarine the number one item on its Unfunded Priority List. That year, the second submarine was merely an option on the underlying multiyear contract, but in this case, the absence of the second destroyer in the FY22 budget would violate the terms of the current destroyer multiyear procurement contract. I would like an explanation of this decision, and assurance that such actions of cutting a ship only to put it on the Unfunded Priority List is not a trend.

The Marine Corps is restructuring around two concepts, Littoral Operations in a Contested Environment and Expeditionary Advanced Base Operations. The key element of these concepts is a more flexible amphibious force that can support a broader naval fight once ashore. Rather than simply acting as a landing force, the Marine Corps hopes to help control the sea and air around them in support of the Navy. To accomplish this, the Marine Corps is prioritizing modernization of its ground vehicles, including partnership with the Army on the Joint Light Tactical Vehicle, or JLTV, to replace the Humvee, and targeted investments in the High Mobility Artillery Rocket System, or HIMARS, to provide Marines with ground based indirect fire support. In addition, programs like the Amphibious Combat Vehicle, Ground Based Anti-Ship Missiles, and Long Range Precision Fires will provide critical modernization, increased force protection, and enhanced lethality to Marines. General Berger, while this restructuring has been ongoing for many months, due to COVID you have not really had an opportunity to explain it to a wide audience, and I invite you to do that in this hearing.

Finally, in 2016 Admiral Richardson released a Force Structure Assessment that identified a new force structure goal: a fleet of 355 ships. Last year, we received from Secretary Esper what was portrayed as an updated assessment which called for expanding the goal for the Navy fleet to include 400-500 ships, with roughly 100 of those vessels unmanned.

I would like to know how the Navy intends to maintain a fleet of 355 ships, or even 400-500 ships, when it is frankly unable to maintain the current fleet of 294 ships on a consistent schedule. Deferred ship maintenance, reduced steaming and flying hours, and cancelled training and deployments have created serious readiness problems within the Navy. We remember too well the collisions of the *McCain* and *Fitzgerald* and the loss of life that resulted. I am interested in hearing about the progress the Navy is making in continuing to implement changes that will ensure such incidents will not happen in the future.

Again, I want to thank the witnesses for appearing today and I look forward to their testimonies.

I would now recognize the Ranking Member, Senator Inhofe.