

**Opening Statement (As Prepared)**  
**Chairman Adam Smith**  
**House Armed Services Committee Hearing on:**  
***“The Fiscal Year 2021 National Defense Authorization Budget Request for the***  
***Department of the Navy”***  
**February 27, 2020**

**Live stream the hearing here: <https://armedservices.house.gov/hearings?ID=7D227481-B83D-4AE3-8A45-2D1406460126>**

Thank you to each of the witnesses for joining us today. We are joined by Thomas Modly, Acting Secretary of the Navy, Admiral Michael Gilday, Chief of Naval Operations, and General David Berger, Commandant of the Marine Corps. I believe this will be the first posture hearing before this committee for all of three of you and we welcome you and look forward to your testimony.

Yesterday we heard from the Secretary of Defense and the Chairman of the Joint Chiefs of Staff and I noted that we must invest wisely in national security, and we must be clear-eyed when it comes to resourcing identified strategic objectives and that our senior defense leaders must do the same. The testimony discussed the National Defense Strategy (NDS) and I asked about what tradeoffs and risk could be accepted to best confront the challenges identified by the NDS. Such an exercise requires hard decisions about resource allocation and the policies adopted by the Department of Defense to best protect the American people.

As I’ve reviewed the details of the fiscal year (FY) 2021 President’s budget request for the Department of the Navy, I find myself questioning how this proposal implements the NDS. We continue to hear from the Department about great power competition and long-term strategic competitors and how the current NDS is committed to addressing these challenges. However, this budget appears to do the opposite. The committee continues to patiently wait on a new Integrated Naval Force Structure Assessment that will identify a new fleet size target but, whatever that number is, we know it is more than the 293 ships we have today. Tragic events like the collisions in 2017 only further highlight the fact that our current fleet is strained to handle the steady state demand we are currently experiencing. The budget request before us and the current budget in execution take us in the opposite direction. We are seeing consistent Russian submarine activity and China is building ships and subs at an accelerated rate. Yet, the budget request reduces one Virginia (VA) class submarine and calls for the end of the P-8 production line. Last year, Congress recognized the challenges the Navy was having and added additional P-8 aircraft to help reach their stated requirement of 138 aircraft only to receive a notification this year that the Department reprogrammed funding for one of the P-8s to fund the President’s border wall. It is hard for us here in Congress to believe the Department is truly committed to growing the fleet when it forfeits the additional force structure that Congress just provided. The

Constitution is clear, Congress has the responsibility to maintain a Navy. This budget request does not appear to do that.

The Navy is also continuing to pursue unmanned and this is the second year they have requested money for two unmanned surface vessels. I believe this is the way of the future and an area where we need to be investing and learning. I am concerned, however, with the Navy's approach. The current acquisition strategy appears remarkably similar to how the Littoral Combat Ship (LCS) came into existence. Unclear requirements and unproven technologies are being overlooked in an effort to prioritize speed of acquisition. Many of us on this committee lived that nightmare with LCS and don't intend to relive it. This is an example where the Navy and senior leaders need to make hard choices. The Navy needs to decide what it actually wants and how it will operate these ships before moving into serial production. Basic questions remain unanswered and I highly encourage the Navy to ensure requirements have been set before committing substantial shipbuilding resources.

Further, sustaining and recapitalizing our maritime logistics forces has been a priority for this committee for several years now. Without a credible and capable sealift fleet, our warships won't even make it to the fight. There is some modest progress in the Navy's proposal to buy two used sealift vessels. While this is encouraging and something this committee authorized a number of years ago, it isn't enough. We need to begin the recapitalization of the current fleet now. This committee has provided a blueprint with some unique authorities that will allow this recap to be done in an affordable way. I encourage the Navy to take full advantage of that framework.

I am encouraged to see that the Navy has remained committed to fully funding the ship depot maintenance accounts. This has been an area where we have been struggling both within the public and private shipyards. With all of the challenges that our sailors face while on deployment, we cannot allow poor material readiness due to the underfunding or deferral of maintenance to be one of them.

One area of specific concern is a proposal that would create a massive 600,000-acre expansion of the Fallon Range Training Complex. While the readiness need for this expansion is compelling, the proposal has caused significant concern. It is critical that the Navy use all of the authorities at its disposal to ensure that its proposal is compatible with its responsibilities for stewardship of cultural and natural resources. The Navy must commit to working with State, local, and tribal governments in a productive and continuing way to address and allay the concerns of the various stakeholders about this proposal.

Finally, on the Marine Corps side, I am very encouraged by what I have seen in the Commandant's Planning Guidance. Moving back to the Corps' roots as an expeditionary force closely tied with its Navy family is the right move. I applaud General Berger for being willing to look at new platforms and ways of operating that may actually require the Marine Corps to get smaller rather than grow. I have been impressed with the level of integration between the Navy and Marine Corps, and I attribute that to strong leadership on both sides. The fact that we will be

seeing the first Integrated Naval Force Structure Assessment is evidence that the commitment to fighting as a singular maritime force is real. As the Marine Corps attempts to potentially re-define itself, there will be challenges and opposition. This committee stands committed to working through those challenges with the Marines.

I want to thank all of you for your service and I look forward to your testimony.

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