

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE ARMED SERVICES COMMITTEE
SUBCOMMITTEE ON READINESS

STATEMENT OF

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BEFORE THE

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Chairman Waltz, Ranking Member Garamendi, and distinguished members of the House Armed Services Committee Subcommittee on Readiness, thank you for the opportunity to testify on the readiness posture of the United States Navy. I look forward to discussing the actions the Navy is taking to deliver operationally ready forces. Our full Navy team appreciates the committee's continued partnership and support as we work together to deliver these outcomes.

Every day, the United States Navy is meeting our expanded mission to organize, train, and equip forces for the peacetime promotion of the national security interests of the United States, while simultaneously delivering warfighting advantage to the Joint Force, through our survivable strategic deterrence capacity and combat-credible forces deployed forward across all domains. Whether in day-to-day competition, crisis, or conflict, our globally distributed forces, bases, and operations provide a clear message of U.S. resolve to our adversaries. As our adversaries seek to undermine the international rules-based order through the buildup of military forces and coercive behavior, our Sailors work hard to defend American interests and maintain the competitive edge that keeps our nation safe and the global economy working.

Our Navy continues to prioritize readiness first. Since 2013, we have made significant investments in combat readiness. We are witnessing the results of this investment as our forces protect U.S. strategic interests, support our Allies and partners, and send a clear message to our adversaries. For the last seven months, deployed Navy ships and aircraft have demonstrated their warfighting readiness, facing near-continuous threats in the Red Sea. We have been rapidly analyzing data from these engagements, taking lessons learned, and innovating our Tactics, Techniques, and Procedures to make our Navy more capable. To meet the ongoing changes, the Navy will remain postured to best capitalize on new and existing technologies and scale them to the Fleet for operational use.

Navy Readiness Priorities

To ensure we remain postured and ready to fight and win, we are focusing the Navy on three priorities: Warfighting, Warfighters, and the Foundation that supports them. For the Navy, Warfighting is about delivering decisive combat power at sea. We are concentrated on getting more operationally ready, capable players on the field – people and platforms. To this end, we are coordinating efforts to receive our investments on time and on cost; getting our platforms in and out of maintenance on time; and advancing stewardship by taking care of what we have so that we can keep our players on the field. We are also getting the right people, right munitions, and the right parts in the right place at the right time. Warfighters is about strengthening our Navy team. As we look to the pacing threat, we must recruit and retain talented people from across the nation. Our recruiting and manning crises are themselves existential threats. The Foundation is about building trust, aligning resources, and ensuring that we are ready. We view our bases, our places, and our installations as aircraft carriers that do not get underway. This Foundation also includes our relationships with the Joint Force, Congress, Industry, and with the American people.

To support the Chief of Naval Operations in delivering America's Warfighting Navy, I am focused on the Fleet's material readiness and warfighting readiness, including the readiness of our shipyard infrastructure and industrial base, munitions, shore readiness, and manpower. Innovation drives our Navy's readiness. We require innovative thinking, resourcing, and solutions to provide a Navy that is operationally ready to preserve the peace, respond in crisis, and win decisively in war. Underlying everything we do is building a learning culture that strives to think, act, & operate differently to realize new possibilities. This learning culture contributes to our strategic readiness for any contingency and, while we are ready today, we must be better tomorrow. Driving a mentality that values transparency, problem-solving, accountability, and continuous learning, our Navy is on trajectory of improvement.

Navy Readiness Investments

PB-25 invests funds to prioritize our people and operational readiness to deploy and fight, while investing in our industrial base to build and maintain our fleet. These facilities and this workforce are pivotal for surge production. PB-25 also allocates resources to our operations, training, maintenance, and other readiness accounts to position forward naval forces in defense of global U.S. interests.

Submarine & Aircraft Carrier Readiness

The Submarine Industrial Base (SIB) faces increased demand across the enterprise as the Navy ramps up production of the Columbia-class, invests in the industrial base to deliver two Virginia-class submarines per year by FY26, sustains in-service submarines, and supports international commitments under the AUKUS partnership. The SIB, which consists of the public shipyards and two prime shipbuilders – General Dynamics Electric Boat and Huntington Ingalls Industries Newport News Shipbuilding – along with the 16,000 suppliers across the country, supports both new-construction submarines and sustainment of the in-service submarine fleet. Health of the SIB is vital to our National Defense Strategy. The Navy is committed to these projects while also increasing SSN operational availability to meet a goal of 80% mission capable submarines. PB-25 builds on investments made in SIB-23 to reinvigorate submarine production capability and capacity, while also committing funds across six lines of effort: technology opportunities, strategic sourcing, supplier development, workforce development, infrastructure investments, and oversight.

To this end, we are investing in public infrastructure and the industrial base. Aligned with the DoD National Defense Industrial Strategy, the Navy is in the midst of a generational change of our Shipyard Infrastructure Optimization Program (SIOP). The SIOP is not only delivering dry docks to support current and planned classes of nuclear-powered warships but is also optimizing the workflow through significant changes to the shipyards' physical layout, and the replacement of obsolete capital equipment with modern technology that increases productivity and safety. Recapitalizing our dry docks and shipyard infrastructure will enable us to maintain current and future nuclear powered platforms, while improving the effectiveness and efficiency of our shipyards.

The nation's four public shipyards – Norfolk Naval Shipyard, Portsmouth Naval Shipyard, Puget Sound Naval Shipyard and Intermediate Maintenance Facility, and Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility – are critical to submarine and aircraft carrier readiness and are essential to our national defense. Investments in our shipyards aligns with the National Defense Strategy priority of “building a resilient Joint Force and defense ecosystem.” I am committed to improving maintenance processes and reducing maintenance delays through a data driven approach. Since last November, I visited Norfolk Naval Shipyard, Portsmouth Naval Shipyard, and Puget Sound Naval Shipyard, and Admiral Franchetti visited Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility. I observed the challenges unique to each location, as well as some that are common to all. I saw the USS John C. Stennis (CVN 74) first-hand, as it continues its Refueling Complex Overhaul in Newport News. I toured the drydocks at Puget Sound, where we also discussed the required infrastructure upgrades, to include recent seismic activity mitigation measures. I recognize these maintenance and industrial challenges; the Navy is committed to improving them.

Over the last five years, we have been using data analytics to improve availability planning, award contracts, procure material, and integrate schedules, so industry and government can better maximize every day in an availability. The metric that most clearly demonstrates the severity of not attaining an on-time delivery of an availability is Days of Maintenance Delay (DoMD). While DoMD for submarines is projected to increase in FY24 due to the re-baselining of several projects, there is a continuing reduction in submarine idle time, with a 45% reduction since FY22, and a 37% reduction since FY23.

Surface Ship Readiness

The Navy continues to prioritize surface ship operational readiness. Navy surface ships are unique as a timely, flexible, and forward-deployed force across the full spectrum of conflict – from naval diplomacy and strategic competition, to crisis and conflict. Our Navy and Marine Corps integrate resources across domains and elements of national power to deter adversaries and campaign forward. Amphibious Ready Groups, together with embarked Marine Expeditionary Units, are critical components of our crisis response capability. Per Congressional direction in the FY23 NDAA, the FY25 Shipbuilding Plan maintains thirty-one amphibious warships across the Future Years Defense Program (FYDP). Over the FYDP, the Navy is committed to procuring three LPDs, one LHA, and eight LSMs.

We are committed to improving maintenance processes and reducing maintenance delays for surface ship operational readiness through a data driven approach. To this end, we continue to work closely with our private sector partners to break down barriers and to fix issues. As a part of this effort and informed by Performance To Plan (P2P) assessments, the Navy is working to ensure that availability planning milestones are consistently achieved, resulting in work

package maturity for our industrial base partners to bid on as well as providing sufficient time for them to execute their in-house planning activities after contract award. This enables our industrial base partners to effectively allocate their resources (e.g., align sub-contractors, order material, receive government furnished material, etc.) and integrate across contracted modernization efforts to develop an integrated production schedule. DoMD in private shipyards peaked in FY19 and has trended downward since then. From FY22 to FY23 the Navy reduced surface ship DoMD by 18% – from 3,456 days to 2,839 days – and saw a slight improvement in on-time availability completion (from 36% in FY22 to 41% in FY23). PB-25 will continue to improve shipyard performance and reduce DoMD, particularly for our amphibious fleet.

Aviation Readiness

Naval aviation requires sufficient and stable funding to achieve operational readiness goals and maintain or improve our Mission Capable (MC) aircraft rates. Our Flying Hour Program (FHP) supports global operations including those in the Red Sea and land operations over Iraq and Syria. In FY23, Naval Aviation executed 100% of its FHP funding. Aircraft Depot Maintenance (ADM) executed 99% of its allocated funds. PB-25 requests \$6.8B in funding for nearly 600,000 flight hours in FHP and \$1.3B for ADM.

Similar to SIOP, the Fleet Readiness Centers (FRC) Infrastructure Optimization and Modernization Plan (FIOP) is a strategic investment plan for NAVAIR's depot facilities, equipment, and infrastructure related to the aviation Organic Industrial Base. It transforms WWII-era organic aviation depots into modernized Maintenance, Repair, and Overhaul (MRO) repair centers by streamlining production workflows, upgrading aged equipment and facilities, building new optimized facilities, and implementing digital technologies to increase readiness at

a reduced cost. The Navy's FRCs perform a vital role in national defense by executing maintenance, repair, and overhaul on aircraft, engines and components, providing combat-ready weapons systems to the Fleet. Without major upgrades, the Navy's FRCs will further degrade, negatively affecting aviation readiness.

FIOP enables the aviation depots to synchronize business process improvements with facility, equipment, and digital technology upgrades to improve repair cycle times and reduce operating costs for current platforms while also posturing for next generation weapons systems requirements. It also provides a holistic investment strategy that integrates all infrastructure and industrial plant equipment investments to improve Navy maintenance capabilities by expanding depot capacity and optimizing depot configuration. PB-25 continues to expand PB-24 investments and includes \$850M across the FYDP for FIOP MILCON. Total FIOP accounts across the FYDP is \$1.9B. These investments incorporate the latest criteria and code requirements while addressing resiliency, durability, and climate change impacts for the expected service life of new infrastructure.

Munitions Readiness

Hand-in-hand with our need for a capable force is our need for enough munitions. Given the Department's strategic priority to prepare for a high-end, sustained warfight against a strategic competitor such as China or Russia, investments in munitions are necessary and are a budget priority. Industry has a limited ability to rapidly surge production during a time of crisis, and therefore this capability must exist before conflict starts. The Ukraine and Israel conflicts, as well as the expenditure of munitions in the Red Sea, demonstrates the need for additional investments to support Allies and partners, further revealing our need for increased industrial

capacity. As the Navy analyzes industrial base capacity, we also place emphasis on recertification of munitions as a cost effective way to build inventories. PB-25 continues our investments in critical munitions, such as Tomahawk, Standard Missile, Long Range Anti-Ship Missile, Advanced Anti-Radiation Guided Missile-Extended Range, AIM-9X, AIM-120, MK 48 Heavyweight Torpedo, and Naval Strike Missile to accelerate production, increase resilience, and improve interoperability.

Shore Readiness

We must also treat shore facilities like operational platforms, and PB-25 commits to investing in the same manner. Navy infrastructure carries aggregated risk from decades of underinvestment in facilities and utilities sustainment and recapitalization. We are utilizing the Navy Investment Evaluation Process, led by the Shore Cross Functional Team, to develop a Navy Infrastructure Investment Plan to prioritize deficiencies and to address current risk profile. A balanced infrastructure investment strategy requires focused, stable investment to address mission requirements supporting the warfighter and warfighting, along with the core infrastructure that is the force enabler and multiplier for all supporting missions. PB-25 continues to invest \$51.4B across the FYDP.

Manpower Readiness

PB-25 also commits investments in manpower – our Sailors, civilians, and their families. Four key investment areas include Recruiting & Retention, Gaps at Sea, Quality of Service, and Mental Health.

The recruiting environment remains challenging. Since becoming Vice Chief, I have had opportunity to visit the Navy Recruiting Command Headquarters and the Recruiting Operations Center in Millington, Naval Education and Training Command in Pensacola, and a Navy Recruiting Station in Everett, Washington. I observed firsthand the challenges we are having, as well as the incredible effort our Sailors are making to meet the requirement. Reaching recruiting numbers is a top priority, and I am committed to providing the support needed to achieve our goals. We are constantly exploring and evaluating new methods for bringing in qualified, motivated and capable applicants.

We continue to build pathways of opportunities for all qualified individuals who want to serve. PB-25 commits \$125M to Marketing and Advertising (M&A), leveraging a historical data and media-mix model to ensure appropriate funding for each M&A channel and to support recruiting goals. We will also increase the Navy Recruiting Command (NRC) Recruiting Incentive Enlistment Bonus. And, we increase investments to the accession pipeline, the Future Sailor Preparatory Course, seeking to increase a propensity to serve among the Junior Reserve Officer Training Course (JROTC), Sea Cadets, STEM programs, etc. We also elevated the paygrade of the commander of Navy Recruiting Command to a two-star admiral, and we are seeking the best and brightest Sailors to serve as our recruiters.

Overall, Navy enlisted retention remains healthy. We ended FY23 exceeding our Retention Benchmark forecasts in Zone A (0-6 years) and Zone C (10-14 years), but ended slightly below forecast in Zone B (6-10 years). We continue to apply a combination of monetary and non-monetary force management levers to help maximize our retention efforts, particularly for our Aviation, Explosive Ordnance Disposal, Surface Warfare, Submarine Warfare, and Naval Special Warfare communities. To this end, PB-25 will increase funding for the two most influential retention pays, Selective Reenlistment Bonus and Enlisted Supervisor Retention Pay.

Adequate ship manning is also important to operational readiness, the ability to surge deployments, and for personnel retention. The Navy has worked for several years to increase personnel billets afloat to ensure ships are manned to complete the work assigned, deter aggression, and be ready to win decisively when called upon. Growing personnel strength at sea is tied to our ability to recruit and train the increased number of Sailors while retaining the best performers of today to serve as tomorrow's leaders. While retention is historically high, recruiting is a must-win mission for Navy. While every Sailor is a recruiter, Navy Personnel Command has also increased the number of Sailors supporting the recruiting mission. The goal is to have all 3,577 recruiter billets filled by summer 2024 to help meet recruiting targets.

Quality of Service

On 15 May 2023, The Secretary of the Navy and the Chief of Naval Operations issued a coordinated message, "Setting a New Course for Navy Quality of Service," providing the roadmap to move forward with urgency on initiatives to improve Sailor Quality of Service. Quality of Service is the combination of ensuring our Sailors are supported in and out of the workplace by effective leadership, establishing enforceable standards and transparency, and ensuring their mental and physical health. I have made Quality of Service a particular focus area during my visits to Fleet Concentration Areas and while interacting with Sailors onboard USS John C. Stennis in Newport News, the Armed Forces Service Center in Huntington Hall, and command leadership in Portsmouth Naval Shipyard, and Everett, Washington.

As mentioned previously, though Sailors experience challenges unique to each area, I observed some common issues at each concentration area. For instance, we currently have four submarines in Portsmouth, and increasing to eight by FY28, which will have implications for

parking, medical support, and other resources. Similarly, in the Pacific Northwest at Bremerton, Bangor, and Everett, many installations and facilities are spread over dozens of miles, often separated by water. The addition of a second and third aircraft carrier in Bremerton, as well as Constellation-class frigates in Everett, necessitates increased housing, parking, and support services. While we are making progress, we still have much to accomplish. We have already committed substantial funds to correct these deficiencies. For instance, in FY24, we reprioritized \$165M in Facilities Restoration Modernization and Repair for Unaccompanied Housing. PB-25 commits additional funds to continue addressing these issues.

To manage Quality of Service, we established a Cross Functional Team to set standards and measures and bring them to life at Newport News Shipbuilding, before scaling them throughout the Fleet. In 2023, we created 113 new mental health medical care billets for the Fleet, with an additional 24 mental health providers specifically assigned to CVNs. We established standards for Sailor mental health with an updated Mental Health Playbook and updated Culture of Excellence 2.0, which provides Sailors additional tools to support better mental and physical health. We implemented policies to provide shore-based housing for all Sailors during maintenance availabilities. And, we are providing free high-speed internet connectivity at 12 barracks in the Norfolk/Hampton Roads area. PB-25 includes \$1.56B Quality of Service investments in 2025.

Along these lines, the Navy is committed to ensuring access to the full continuum of mental health resources for our Sailors and their families, while aiming to utilize the right care, at the right level, at the right time. Mental and behavioral health services are available worldwide from Navy installation counseling centers, on the waterfront, in operational units through embedded mental health providers, at military medical treatment facilities, and via virtual health

platforms. Non-medical mental health services are available through Fleet and Family Support Centers, Military and Family Life Counseling, Military OneSource, and Navy Chaplains.

In 2023, we published a Mental Health Playbook, implemented the Brandon Act, and coordinated with the Office of the Secretary of Defense on recommendations from the Suicide Prevention and Response Independent Review Committee Report. Navy Medicine continues to prioritize recruiting, training, and retention efforts to address the competition for talent in the face of a national shortage of mental health providers and behavioral health technicians. We also prioritize Embedded Mental Health (EMH), placing mental health as far forward as possible. Currently, 43% of active-duty mental health providers and 38% of behavioral health technicians are assigned to EMH billets. PB-25 will continue each effort, investing \$21.7M in 2025 and \$134.9M across the FYDP.

Navy Training Innovation

Training innovation drives Navy readiness efforts. We are eager to capitalize on any opportunity that creates a warfighting advantage. The Navy's long-range planning process is identifying emerging capabilities that we need to invest in now to maintain our advantage in the maritime environment. We are also energizing our wargaming enterprise at the Naval War College and at our warfighting development centers. We are methodically experimenting with new tactics in a series of fleet exercises and battle problems. We are using Live-Virtual-Constructive training environments not only to certify crews for combat, but also to test operational concepts. PB-25 provides continued development of the Surface Combat Systems Training Environment (SCSTE), aligning combat systems test and training software / hardware and networks at ship and shore facilities ensuring ships and strike groups can train with high fidelity (high-end fight) tactical capabilities as they deliver.

Starting in FY25, Carrier Air Wings will have the ability to train in a multi-level security environment for a high-end fight, participate in Continental U.S.-based exercises (Fleet Synthetic Training-Aviation and Naval Air Station Fallon Integrated Training Facility), and more consistently maintain the high readiness level required by the particular geographic Area of Responsibility. In both near and long-term, we recognize the need to leverage the creative talents of our robust science and technology communities, and to incentivize our industry partners so that they invest in the infrastructure and capacity we need to support our growing future fleet.

Conclusion

As evidenced by the Houthis ongoing attacks to disrupt commercial shipping in and around the Red Sea, the United States requires a lethal, capable, and innovative Navy to defend the homeland, support our Allies, and provide enduring advantage. Continually learning we must adopt cutting-edge processes and thinking to adapt our force and to plan for future needs. Improving our platform maintenance and industrial base, and investing in our shore installations and manpower – with special consideration for improving Quality of Service – gets more players on the field and enables us to deliver a maximally capable force at the point of maximal impact. The Navy is ready for any contingency; continued investment today is a down-payment for the security and prosperity of America’s tomorrow. I look forward to continued transparent and productive work with the Committee to ensure the Navy is learning, improving, and delivering the operational readiness required to deliver the Navy the Nation Needs.