



May 25, 2017

# Posture of the Department of the Army

Committee on Armed Services, United States Senate, One Hundred  
Fifteenth Congress, First Session

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Stenographic Transcript  
Before the

COMMITTEE ON  
ARMED SERVICES

## **UNITED STATES SENATE**

POSTURE OF THE DEPARTMENT OF THE ARMY

Thursday, May 25, 2017

Washington, D.C.

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1 HEARING TO RECEIVE TESTIMONY ON  
2 THE POSTURE OF THE DEPARTMENT OF THE ARMY  
3 IN REVIEW OF THE DEFENSE AUTHORIZATION REQUEST  
4 FOR FISCAL YEAR 2018 AND  
5 THE FUTURE YEARS DEFENSE PROGRAM

6  
7 Thursday, May 25, 2017

8  
9 U.S. Senate  
10 Committee on Armed Services  
11 Washington, D.C.  
12

13 The committee met, pursuant to notice, at 9:36 a.m. in  
14 Room SD-G50, Dirksen Senate Office Building, Hon. John  
15 McCain, chairman of the committee, presiding.

16 Committee Members Present: Senators McCain  
17 [presiding], Inhofe, Wicker, Fischer, Cotton, Rounds, Ernst,  
18 Tillis, Sullivan, Perdue, Cruz, Reed, McCaskill, Gillibrand,  
19 Blumenthal, Donnelly, King, Heinrich, Warren, and Peters.  
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1           OPENING STATEMENT OF HON. JOHN McCAIN, U.S. SENATOR  
2 FROM ARIZONA

3           Chairman McCain: Good morning.

4           The Armed Services Committee meets this morning to  
5 receive testimony on the posture of the United States Army  
6 and the fiscal year 2018 defense budget request.

7           I am pleased to welcome Robert Speer, Acting Secretary  
8 of the Army, and General Mark Milley, Chief of Staff of the  
9 Army. This committee is grateful for both of you and your  
10 many years of distinguished service and your continued  
11 leadership of our Army.

12           16 years of war have tested the Army, perhaps more than  
13 any other service. But time and again, our soldiers have  
14 met the test and proved their commitment, courage, and  
15 determination. It is the duty of this committee and this  
16 Congress to do their utmost to provide them with the support  
17 they need and deserve.

18           That starts by recognizing that our Army is still at  
19 war. At this moment, 186,000 soldiers are deployed in 140  
20 locations around the globe. They are fighting terrorists  
21 and training our partners in Afghanistan, supporting the  
22 fight against ISIS in Iraq and Syria, all the while  
23 reinforcing the defenses of our allies from the Korean DMZ  
24 to NATO's eastern flank. The burden imposed on our soldiers  
25 only grows as threats to our Nation increase and

1 sequestration remains the law of the land.

2         Given current operational demands, restoring readiness  
3 must be the Army's first priority. But the sad reality is  
4 that the focus on readiness issues in recent years has made  
5 little to no difference. For yet another year, just over  
6 one-third of the Army's brigade combat teams are ready for  
7 deployment and decisive operations. Just three of the  
8 Army's 58 brigade combat teams are at the highest level of  
9 readiness. And the Army still does not plan to return to  
10 full spectrum readiness until 2021 at the earliest.

11         The President's budget request is supposed to be  
12 focused on restoring readiness. The buildup, the  
13 administration says, will have to wait a couple of years.  
14 That ignores what Army leaders have testified to this  
15 committee, which is that inadequate end strength is forcing  
16 the Army to consume readiness as fast as it produces it. In  
17 other words, the Army will never truly restore readiness  
18 until it begins to grow. Yet the President has submitted a  
19 fiscal year 2018 budget request that calls for zero  
20 additional soldiers.

21         Meanwhile, the Army is woefully behind on  
22 modernization, and our soldiers are increasingly unprepared  
23 to confront the harsh realities of 21st century warfare.  
24 Analyses by the National Commission on the Future of the  
25 United States Army, the Office of the Secretary of Defense,

1 and the Army itself have pointed to glaring capability gaps  
2 in mobility, lethality, and survivability. These problems  
3 will only get worse as adversaries such as Russia continue  
4 to modernize their forces. Put simply, our Army lacks both  
5 the adequate capacity and the key capabilities to win  
6 decisively.

7 We cannot move quickly enough to modernize our Army and  
8 give our soldiers the advanced capabilities they need to  
9 prevail against a determined peer adversary. Yet today, the  
10 Army has still not decided upon a comprehensive Army  
11 modernization plan for the future. Indeed, despite the  
12 great potential of advanced technologies, from active  
13 protective systems to reactive armor to lethal munitions,  
14 the Army does not have a major armored fighting vehicle  
15 under design for the first time in nearly a century. It is  
16 little wonder our current National Security Adviser, General  
17 McMaster, remarked a year ago that the Army is -- and I  
18 quote -- outranged and outgunned by many potential  
19 adversaries.

20 The Army's modernization woes are undoubtedly connected  
21 to the service's disastrous acquisition record over the last  
22 2 decades: too many underperforming or canceled programs,  
23 too few real capabilities fielded, and far too much taxpayer  
24 money wasted. Tens of billions of dollars were squandered  
25 on programs like the Future Combat System, the Comanche

1 attack helicopter, the Crusader howitzer, the Joint Tactical  
2 Radio System, and the Distributed Common Ground System-Army.  
3 Most recently, the committee has learned of the failure of  
4 the Warfighter Information Network-Tactical, or WIN-T. This  
5 program -- I urge my colleagues, if they do not pay any  
6 attention to anything I say today -- this program has cost  
7 the taxpayer over \$6 billion and has yet to meet the  
8 requirements of our warfighters. \$6 billion.

9 But even with all that said, it is also true that the  
10 Army will never recover from this troubled acquisition  
11 history if it is paralyzed by fear of repeating it. This  
12 committee has acted in the last two defense authorization  
13 bills to empower the leaders of military services in the  
14 acquisition process. I urge our witnesses to use these new  
15 authorities to drive bold change.

16 Building a modern Army that can win decisively in the  
17 harsh environs of 21st century warfare will require  
18 visionary leadership. You will have to learn the lessons of  
19 the past, make tough decisions, take and manage real risks,  
20 and hold yourselves and those under your command accountable  
21 for results. When you do so, you will always have an ally  
22 in this committee because I believe our soldiers cannot  
23 afford the false choice between readiness and modernization.  
24 We can and must do better.

25 Senator Reed?

1 STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE  
2 ISLAND

3 Senator Reed: Well, thank you very much, Mr. Chairman,  
4 for holding this very important hearing. The Army is the  
5 first service to testify before the full Senate Armed  
6 Services Committee on their fiscal year 2018 budget request.

7 I would like to join you in welcoming Acting Secretary  
8 Speer and General Milley at today's hearing. We commend  
9 both of you gentlemen for your service to our country and  
10 for your steadfast leadership of the Army.

11 In light of the new challenges facing the Army from  
12 rebuilding readiness and modernization, it underscores how  
13 important it is that we confirm a permanent Secretary of the  
14 Army.

15 The President's fiscal year 2018 budget submission for  
16 the Department of the Army includes \$166 billion in total  
17 funding, of which \$137.1 billion is for base budget  
18 requirements, and \$28.9 billion is for overseas contingency  
19 operations. This represents roughly a \$5.1 billion increase  
20 over the fiscal year 2017 request.

21 As the committee considers the Army's funding request,  
22 we must always be mindful of our national security  
23 challenges. It is highly unlikely that the demand for Army  
24 forces will diminish in the near future. Currently more  
25 than 180,000 soldiers, active, Reserve, and Guard, are

1 serving in over 140 countries, and while we continue to  
2 field the most capable fighting force in the world, 16 years  
3 of sustained military operations, focused almost exclusively  
4 on counterterrorism, has taken a toll on the readiness of  
5 our soldiers. Today, less than one-quarter of our Nation's  
6 Army is ready to perform their core wartime missions, and  
7 some critical combat enabler units are in far worse shape.  
8 In addition, the evolving threats facing our Nation impacts  
9 readiness as the Army needs to train to fight a near-peer  
10 competitor in a full spectrum environment. Unfortunately,  
11 while additional funding is important, it is not the sole  
12 solution to restoring readiness levels. It will take both  
13 time to rebuild strategic depth and relief from high  
14 operational tempo.

15 I applaud the Army for making readiness their number  
16 one priority, and General Milley, I look forward to your  
17 thoughts on the Army's progress.

18 While readiness is vital, we cannot neglect investments  
19 in the modernization of military platforms and equipment.  
20 The Army's fiscal year 2018 budget request, \$27.8 billion  
21 for modernization efforts, which includes \$18.4 billion for  
22 procurement and \$9.4 billion for research, development,  
23 test, and evaluation activities, is the current request. I  
24 would like to know if our witnesses feel confident that the  
25 funding for modernization is adequate.

1           A recent focus of this committee has been to improve  
2 DOD acquisition processes, as the chairman mentioned, to  
3 help reduce costs and to deliver the best new technologies  
4 and systems for our operational forces more quickly. I hope  
5 we can hear more about Army's successes in improving  
6 acquisition, what role the Chief is playing in those  
7 changes, and what, if anything, this committee can do to be  
8 supportive.

9           In the area of personnel, the budget requests the same  
10 active duty end strength as enacted in the 2017 NDAA while  
11 again seeking measures to slow the growth of personnel  
12 costs. The President's budget requests a pay raise of 2.1  
13 percent; modernization of the military health care benefit,  
14 including cost sharing fees; and further implementation of  
15 the blended retirement system, which will begin in 2018. I  
16 hope to hear from the witnesses their views on the  
17 cumulative impact these changes will have on the Army and  
18 its ability to recruit and train the best for military  
19 service.

20           I applaud the Army for its integration of women into  
21 all of its formations, without restriction, including combat  
22 and special operations units, an evolution that I believe  
23 will greatly enhance the Army's ability to fill the ranks  
24 with the very best. The Army will need to recruit from all  
25 corners to meet the higher end strengths, and it is

1 imperative that the Army not lower standards.

2 I understand there may be calls by some to increase the  
3 Army's active duty strength in 2018 above the President's  
4 budget request. I caution that there must be a plan in  
5 place to use these additional personnel and to pay for them.  
6 Training and readiness are important, even paramount, and  
7 maintaining and enhancing the fighting ability of the force  
8 we have must take precedence over recruiting a larger force  
9 that may not be ready.

10 Finally, as I have stated previously, enforcing budget  
11 discipline through the Budget Control Act is ineffective and  
12 shortsighted. I believe the Senate in a bipartisan fashion  
13 should repeal the BCA and establish a more reasonable limit  
14 on discretionary spending in an equitable manner that meets  
15 our domestic and defense needs. But while sequestration is  
16 the law of the land, budget requests that exceed the  
17 spending caps are not useful because they allow the military  
18 to plan for funds that are likely not forthcoming, adding to  
19 the uncertainty DOD seeks to avoid.

20 There are many urgent issues to discuss this morning.  
21 I thank our witnesses for appearing before the committee. I  
22 look forward to their testimony.

23 Thank you, Mr. Chairman.

24 Chairman McCain: Welcome, Secretary Speer.

25

1           STATEMENT OF HON. ROBERT M. SPEER, ACTING SECRETARY OF  
2 THE ARMY

3           Mr. Speer: Mr. Chairman, distinguished members of the  
4 committee, I speak to you on behalf of our soldiers,  
5 civilians, families about the current state of America's  
6 Army.

7           Your Army continues to march towards increased  
8 readiness while gaining momentum on modernization. Over the  
9 past year, the Army has been rebuilding readiness to counter  
10 the threats to the United States and our allies. You have  
11 heard General Milley talk about readiness as our number one  
12 priority, and I have witnessed firsthand the readiness needs  
13 as I visited soldiers across our Army over the past 4  
14 months. I saw the strain a high demand for Army forces puts  
15 on our total Army, their families, our civilian workforce.  
16 Frequent deployments and aggressive training schedules  
17 needed to prepare our units are taking their toll.

18           The pace of operations is as high as it has been in the  
19 past 16 years. Units are as busy at home as they are when  
20 they are deployed. I have seen and heard these impacts  
21 watching training and learning from senior leaders,  
22 soldiers, families at town halls like the one I recently  
23 attended at Fort Bragg. Soldiers told me what they are  
24 going through and the impacts of constant deployments and  
25 training. I met soldiers training at Fort Stewart, and a

1 month later, I saw these same soldiers at the National  
2 Training Center just months after returning from Europe,  
3 adding additional stress to Army families.

4 I thank Congress for the fiscal year 2017 budget, a  
5 critical step of easing the strains while rebuilding  
6 readiness. Just a few weeks ago, I was with both regular  
7 Army and National Guard soldiers working shoulder to  
8 shoulder with our NATO partners in Europe. These forces  
9 rely upon readiness investments you made to organize, train  
10 and equip them, and make this country safe, deterring  
11 Russian aggression and reassuring our allies in Europe.

12 Your funding stopped the decline of Army manning  
13 levels. It ensured deploying units like the soldiers from  
14 Fort Drum I met in Europe now have the increased flying  
15 hours to fund readiness improvements. Fiscal year 2017  
16 funding enables us to modernize aircraft, armored vehicles,  
17 and air and missile defense systems. Your authorization has  
18 also increased investments in our ammunition stocks and  
19 upgraded infrastructure and production line capacities in  
20 the Army's organic industrial base. This is a good first  
21 step ensuring we have the munitions we need and into the  
22 future.

23 Our \$137.2 billion fiscal year 2018 budget request  
24 sustains 1,018,000 total Army. This Army will be capable of  
25 meeting global obligations while investing in capabilities

1 for wartime operations and challenges. This budget builds  
2 on the fiscal year 2017 by continuing readiness  
3 improvements. It begins a long-term effort to improve long-  
4 range fires, air missile defense, continues to replenish  
5 munitions stocks and provide advance protective systems for  
6 combat vehicle and aviation. It begins to fill shortfalls  
7 in transportation capabilities, and it will sustain  
8 increased armored brigade combat teams and combat aviation  
9 brigades, both in high demand across the globe.

10 If we do not get the money we request, we will not be  
11 able to modernize our Army and thus continue to mortgage our  
12 future readiness. Above all, the Army needs sufficient,  
13 sustained, predictable funding to restore balance and reduce  
14 risk.

15 The Budget Control Act and continuing resolutions cause  
16 uncertainty. They force us to make trades and prioritize  
17 readiness over other investments, raise the defense caps.  
18 It is far more cost effective for the Army to balance  
19 current operations and future modernization when we can rely  
20 upon predictable funding that extends beyond a single year's  
21 budget.

22 We are the stewards of the funds you provide on behalf  
23 of our Nation. We are committed to Secretary Mattis'  
24 emphasis to rebuild and reform our processes and resources  
25 efficiently and effectively.

1           To this end, the Army will conduct a financial  
2 statement audit on 30 September this year and will remain  
3 audit-ready. The Chief and I are aggressively reforming  
4 acquisition processes. We must deliver capabilities to  
5 warfighters quicker and at lower cost.

6           I want to provide every soldiers, civilian and family  
7 members, the care and respect they deserve. The Army is  
8 making progress against stamping out sexual assault, sexual  
9 harassment, and retaliation, and other offensive behaviors.  
10 As a former Army officer married to a former Army officer  
11 and the father of four, this is a personal priority. We  
12 demand respect among our soldiers and civilians and will not  
13 tolerate destructive behavior in our formation.

14           In addition, our continuing Soldier 2020 initiative of  
15 standards-based assignment regardless of gender is working  
16 and saw success at Fort Benning, Georgia.

17           Thank you once more on behalf of the men and women of  
18 our Army. Your funding for fiscal year 2017 restored the  
19 balance to our Army. We are asking you to provide resources  
20 in the fiscal year 2018 request and provide budget  
21 predictability into the future. With your help, the Army  
22 will continue to build readiness and modernize to meet the  
23 challenge.

24           Thank you and I look forward to your questions.

25           [The prepared statement of Mr. Speer and General Milley

1 follows:]

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1 Chairman McCain: Thank you.

2 General Milley?

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1           STATEMENT OF GENERAL MARK A. MILLEY, USA, CHIEF OF  
2           STAFF OF THE ARMY

3           General Milley: Thanks, Chairman McCain and Ranking  
4           Member Reed, and all the distinguished members of the  
5           committee for the opportunity to testify today.

6           I just want to take a moment to publicly express to our  
7           great ally, the British people, the condolences of the  
8           entire United States Army on the horrific attack against the  
9           innocent in Manchester. This should also serve as a stark  
10          and brutal reminder to all of us that our efforts against  
11          ISIS and their fellow terrorists are righteous and just.  
12          ISIS must be destroyed and ISIS will be destroyed.

13          For the past 16 years, the United States Army has  
14          continuously provided trained and ready forces in  
15          Afghanistan and Iraq as we simultaneously executed a wide  
16          array of missions in support of the geographic commanders  
17          around the world, as the chairman noted earlier, in Europe,  
18          Korea, Africa, South and Central America, with 180,000  
19          troops in 140 countries. About 40 or 50 percent or so of  
20          the demand from the combatant commanders is met by Army  
21          forces, and about 70 percent of unexpected emergent demand  
22          is met by Army forces. The bottom line is the United States  
23          Army continues to meet all missions required of us and we  
24          still remain the best ground combat force in the world.

25          However, as the chairman earlier pointed out, the

1 United States is increasingly being challenged and gaps in  
2 both capability and capacity have emerged. You, this  
3 Congress, recognized that, and your support in the fiscal  
4 year 2017 budget stopped the downward trend in readiness and  
5 capacity for the Army. And the Army is making very, very  
6 slow and very steady progress but slow progress in our core  
7 warfighting skills across the total force, and we still have  
8 much, much more work to do to achieve full spectrum  
9 readiness and modernization.

10 And the most significant help we can get from Congress,  
11 frankly, is a steady, predictable funding line, raise the  
12 BCA top line, and stop using CRs from year to year.  
13 Adequate and predictable funding is absolutely vital to  
14 combat ISIS, fully recover our readiness, address capacity  
15 and capability shortfalls, and is a critical first step to  
16 set the conditions for improving future readiness that will  
17 be needed in an unforeseen contingency. If the BCA and the  
18 CRs continue to define our resourcing, then we risk  
19 reversing our readiness recovery that has just begun, and it  
20 will result in a hollow Army. And that will show up in the  
21 blood of our soldiers on some unknown future battlefield.

22 While I recognize the Code Pink protesters behind me  
23 and I recognize their right to protest, everyone should be  
24 mindful that the right to protest is purchased with a  
25 soldier's blood.

1           Combat is unforgiving, and it is more unforgiving on  
2           armies that are not manned, trained, equipped, or well led.  
3           Advances by our adversaries are real. It is not fake news.  
4           Their advances in capability, capacity, and their increasing  
5           willingness to use that military instrument of power in  
6           foreign adventures.

7           The cumulative effect of persistent and destructive  
8           budget instability is increasing risk not only for the Army,  
9           but for the Nation. Readiness, capacity, and capability to  
10          deter or, if necessary, to fight and win wars is very, very  
11          expensive. And we know that. But the cost of preparation  
12          is always far less than the cost of sacrifice and the pain  
13          of regret. The current battlefield against terrorists is  
14          already very lethal, but a future battlefield against a  
15          near-peer or regional threat will prove far more lethal.  
16          Our adversaries study us and they are rapidly leveraging  
17          technology, improving their capabilities, and are clearly  
18          asserting themselves in many ways both seen and unseen. I  
19          am telling you time is not our ally. Witness the almost  
20          weekly provocations by North Korea, to cite just one  
21          example.

22          We request your support for this budget, which we  
23          recognize increases the defense caps imposed by the BCA, but  
24          we need this and we need it now before it is too late.

25          Specifically, the Army requests congressional support

1 for our readiness and modernization priorities. In  
2 readiness, we want to retain the end strength increases  
3 authorized in the fiscal year 2017 bill to fill the force  
4 structure to combat levels of manning. We want to continue  
5 investment in high quality home station and combat training  
6 center OPTEMPO and the operations and maintenance to support  
7 that. We want to increase our aviation and ground maneuver  
8 capacity, replenish critical ammunition stocks, and continue  
9 supporting our efforts to maintain aging equipment. In  
10 modernization, our future readiness by another term, we ask  
11 for your support for air and missile defense, long-range  
12 fires, preferred munitions, mobility and lethality  
13 improvements for our brigade combat teams, active protection  
14 systems for air and ground capabilities, assured mission  
15 command electronic warfare, cyber, and vertical lift.

16 We recognize that the American taxpayer entrusts us  
17 with a significant amount of money to meet those  
18 requirements, and we will be diligent stewards of our  
19 resources and enforce accountability to make effective use  
20 of every dollar. And, Senator McCain, I commit to you that  
21 we will not make the mistakes of the past in the acquisition  
22 process.

23 Your support the fiscal year 2018 budget will ensure  
24 our soldiers are ready for the missions of today, as we  
25 prepare for the unforeseen conflicts of tomorrow.

1 I thank you for the opportunity to testify and look  
2 forward to your questions.

3 Chairman McCain: Well, thank you, General Milley, and  
4 thank you, Mr. Secretary.

5 Mr. Secretary, do you believe the return of the Budget  
6 Control Act caps for 2018 is the most critical and immediate  
7 threat that the Department of Defense is facing?

8 Mr. Speer: Mr. Chairman, I absolutely do. The Budget  
9 Control Act caps for our defense puts us at tremendous risk.  
10 If they return, we would lose \$15 billion of purchasing  
11 power, which would degrade readiness, it would degrade our  
12 modernization even further.

13 Chairman McCain: And OCO is a gimmick.

14 Mr. Speer: And the funding for OCO cannot be relied  
15 upon for the long run, and we need that predictable funding.

16 Chairman McCain: General Milley, I was struck. You  
17 mentioned the words "hollow Army." And this committee has  
18 not heard that since General Shy Meyer came over and said it  
19 back in the 1970s. How far away are we from a hollow Army?

20 General Milley: I believe, Senator, that if we  
21 continue on the road and we execute the BCA and go back BCA  
22 caps in fundings and continuous CRs, it will result in a  
23 hollow Army.

24 How far away? I think right now what you did last year  
25 was you stopped a downward trend. You halted it, stopped

1 the bleeding, so to speak. We turned the corner, and we  
2 are, in fact, making slow but steady progress in readiness.  
3 If that stops, we will eventually, in the not too distant  
4 future, have a hollow Army and put soldiers at risk on the  
5 battlefield.

6 Chairman McCain: And the trend as you see it right  
7 now?

8 General Milley: For the Army's trend in terms of  
9 readiness, I think we have stopped it, stopped the downward  
10 trend, and I think we started to recover last year with the  
11 monies that you gave us.

12 Chairman McCain: But --

13 General Milley: We have a long way to go.

14 Chairman McCain: But the fact is that this budget may,  
15 at least as far as readiness is concerned, just stop the  
16 bleeding. Right? It does not address the urgent need for  
17 modernization. Is that a correct statement?

18 General Milley: There is modernization, obviously, in  
19 the budget. We put about 26 percent or so into  
20 modernization. But that is relative because in 2008, we had  
21 roughly speaking three times that amount of money into  
22 modernization. And if you go back 15 or 20 years, it is  
23 significantly more. So your assessment is correct. Our  
24 modernization has been sacrificed for current readiness.

25 Chairman McCain: Can I just, again, go back to this

1 acquisition? Future Combat System, \$20 billion; Comanche,  
2 \$5.9 billion; Crusader, \$2.2 billion; helicopter, \$500  
3 million; Ground Combat Vehicle, \$1 billion; Distributed  
4 Common Ground System-Army, \$3 billion; Joint Tactical Radio  
5 System, \$11 billion. And of course, now we are looking at  
6 this WIN-T debacle. As you know, 2 years ago, we passed  
7 legislation that gave you a lot more control over  
8 acquisition. What has happened since then? And control and  
9 input I guess is a better description.

10 General Milley: And I thank you for that, and we have  
11 made actually quite a bit of reforms in the acquisition  
12 system already. It is not 100 percent complete yet, but a  
13 key thing that we have done is reinserted the commanders  
14 into the acquisition process. For many years, it was staff-  
15 centric.

16 I am personally inserted into it in a big way, along  
17 with the Vice Chief of Staff of Army. We reenergized what  
18 was called an AROC system which had gone fallow for a while,  
19 and that is meeting weekly and it determines the  
20 requirements of the systems. We have also initiated the  
21 RCO, the Rapid Capabilities Office. The bottom line is what  
22 we are trying to do is through insertion of the Chief and  
23 others in uniform into the acquisition system, is to reduce  
24 the time and speed up the procurement and get the taxpayer  
25 the best bang for the buck, so to speak.

1 Chairman McCain: And yet, it still seems to take years  
2 before --

3 General Milley: It does. It is frustrating.

4 Chairman McCain: You know, somebody told me the other  
5 day that the aircraft that I flew, the A-4 -- when they put  
6 out A-4 Skyhawk, that it took 4 weeks. 4 weeks and they  
7 were ready to let a contract. Now we were just discussing a  
8 new replacement for the incredibly failed LCS, and they said  
9 we may be ready for an RFP by 2020.

10 What is the difference, General? And if some of us  
11 feel frustrated, it is hard for us to continue to fight for  
12 more money when we see \$6 billion wasted on one program. So  
13 give me some comfort, either one of you?

14 Mr. Speer: Well, Chairman, I think you heard some of  
15 it already in terms of that, and we thank you for what you  
16 have allowed already to push it down, the role of the Chief  
17 back into that pushing it back down to the services and more  
18 rapid decisions. A lot of that \$40 billion plus you just  
19 read off are a disgrace.

20 But at the same time, we are getting after -- we cannot  
21 hold the future mortgage notes. So we do need to modernize.  
22 The list the Chief gave you is a good start. We are working  
23 on a regular basis to push those down, involving costing,  
24 doing strategic portfolio analysis the Chief is heavily  
25 involved in. We have got to get costing and quicker

1 decision-making processes and make informed rapid decisions  
2 in fielding this equipment.

3 Chairman McCain: Is it of interest that 90 percent of  
4 defense spending is in the hands of five companies?

5 Senator Reed?

6 Senator Reed: Thank you very much, Mr. Chairman.

7 General Milley, Army readiness -- the brigade combat  
8 team is, as I understand, now roughly 30 percent. Is that a  
9 fair judgment about the readiness status?

10 General Milley: Roger. That is correct. The exact  
11 readiness I would be happy to brief you or your staffs in a  
12 classified session, but as an order of magnitude, sure.

13 Senator Reed: We are in that ballpark.

14 General Milley: Right. And the goal, of course, is 66  
15 percent.

16 Senator Reed: 66 percent. And what are the two or  
17 three key steps that you have to take, you think, to get  
18 from what it is today to that 66 percent?

19 General Milley: There are several of them, but the  
20 most significant right now, the drag, if you will, is  
21 manning. Many of these units are not at the full manning  
22 level, and that drags down their readiness in terms of the  
23 reporting system we have, but also in terms of going out to  
24 training and/or deployment. We have a significant amount of  
25 non-deployables still. We have dropped that number by two-

1 thirds over the last 5 years. But there is still a  
2 significant amount of non-deployables. So if we fill units  
3 at 95 percent and you have 10 percent non-deployables, it  
4 takes you to 85 percent. You take away the day-to-day  
5 grind. You are down to 80 percent or less that goes out to  
6 training. That is not a good thing. You should at least be  
7 90-95 percent when you go out to training, you go to the  
8 Combat Training Center, JOTC. So manning is a critical drag  
9 on the system.

10 We have made improvements because of the money you gave  
11 us in terms of spare parts and making the equipment better.  
12 So that is a good news story there. But the manning has  
13 continued to drag.

14 So with the authorization in 2017 to take us to 476,  
15 what we want to do is make the existing force structure  
16 whole. There are some minor force structure increases in  
17 this budget request. But we want to make the force  
18 structure that does exist complete, whole, and fully ready  
19 before we move on to the next step, which is expanding the  
20 Army.

21 Senator Reed: In that regard, I understand 10 percent  
22 of the non-deployable personnel are non-deployed for medical  
23 reasons.

24 General Milley: About 85 to 90 percent actually are  
25 medical. The rest of them are legal and other reasons.

1           Senator Reed: And how are you trying to get at that?  
2 Is there something in terms of enhanced training or  
3 lifestyle or anything else? That seems to be a significant  
4 problem.

5           General Milley: Yes. The majority of those are  
6 orthopedic type injuries. Most are recoverable with some  
7 extended profiles. So they are non-deployable in the short  
8 term. Total Army, out of the 1 million-plus troops, about  
9 20,000, about 2 percent or so, are hard down. They will  
10 never be able to deploy. And those we are working through  
11 the IDEF system. And the number of days it takes to process  
12 them has come down from well over a year, in the 370s-390s  
13 range of days. We got it down by 100 days to 270. So we  
14 are trying to chip that away so that reduces the number of  
15 permanent, non-deployables down, and the VA then picks up  
16 their care. But there are several things we have to do  
17 internal to the organization.

18           Senator Reed: One thing I assume you have to do is  
19 improve recruitment and retention in order to just fill up  
20 the current existing force structure. Is that accurate?

21           General Milley: Our recruitment and retention right  
22 now at this point are meeting the goals. Last year, we had  
23 100 percent across the board. To date this year, we are  
24 about 80 percent or so for recruitment and we are about 75  
25 percent to date -- of course, the year is not finished yet

1 -- on retention. With the increase in the end strength  
2 authorization to 476, we significantly increased the  
3 recruiting and retention missions. I think we will be  
4 within 1 percent, plus or minus, of achieving that by 1  
5 October.

6 Senator Reed: In terms of modernization, there is a  
7 tendency to make incremental improvements in equipment. As  
8 the chairman pointed out, when it takes so long to develop a  
9 new system, that incremental improvement is, in many cases,  
10 almost obsolete by the time it gets to the troops. If you  
11 are looking for a leap-ahead system, is there one out there  
12 that you think would make a huge difference?

13 General Milley: It depends on the category. In the  
14 area of shoot, there are some technologies in laser,  
15 electromagnetic guns. There are some things being done with  
16 powders, et cetera that can reduce the footprint of powder.

17 So there are some significant enhancements in the S&T and  
18 R&D world that we are exploring aggressively, and some of  
19 those are already being employed by the Navy in quantities  
20 but they are not sufficient yet for ground combat.

21 In terms of move, there are a lot of things that we are  
22 looking at in terms of robotics and autonomous systems.

23 Chairman McCain mentioned the tank. I could not agree more.  
24 The M1A1 Abrams tank was commissioned when I was a  
25 lieutenant in 1980. That would be the equivalent of someone

1 coming in, when I was commissioned, training on the M4  
2 Sherman from World War II. His comment about quoting H.R.  
3 McMaster about outgunned and outranged is accurate. We need  
4 a significant 10X level improvement in our ground combat  
5 vehicle, in our tank, in Bradley.

6 Is there something on the horizon? We are going to  
7 continue with incremental improvements to those two systems  
8 in the near term while we explore the possibility for 10X  
9 improvement. There are some bright lights out there. Look,  
10 for example, at what Tesla just did. They have cars now  
11 that were \$100,000 and \$40,000, and they just beat out GM  
12 and Ford, and they do not have an engine. They are running  
13 on a battery. There are some serious possibilities in there  
14 for application to military use, and we are looking at that.

15 There are some exploratory studies being done in  
16 materials, significant material development that can provide  
17 the same protective power at a much significantly less  
18 weight. So there are things in the area of move. You know,  
19 move should communicate sort of binning.

20 For communications, Chairman McCain mentioned WIN-T and  
21 the others. The communications architecture of the United  
22 States Army -- and I would argue even the United States  
23 Department of Defense -- is a critical capability and at the  
24 same time, a critical vulnerability, as it is for most other  
25 nation states. And there is some significant -- and I do

1 not want to go into too much on it for classification  
2 purposes. But there are some significant changes and  
3 improvements that must be made in the short term on our  
4 ability to have assured communications. And I will just  
5 leave it at that.

6 Senator Reed: Thank you very much.

7 Thank you, Mr. Chairman.

8 Chairman McCain: Senator Inhofe?

9 Senator Inhofe: Thank you, Mr. Chairman.

10 We have had hearing after hearing after hearing, and we  
11 talk about the threat level that is there. And I think we  
12 all agree. But I want to talk about that.

13 But on this acquisition thing, I was 8 years in the  
14 House on the House Armed Services Committee before coming  
15 over here 20 years ago. With a business background, it  
16 drives you crazy to see these things happen. The FCS. We  
17 went through this thing, and I guess the figure on that, the  
18 chairman just talked about, is \$20 billion. That was from  
19 2001 to 2010. And then along came the Crusader. I was here  
20 during that time. That actually was terminated by Bush in  
21 his administration.

22 So when you make the statement, General Milley, that  
23 you do not want to make the mistakes of the past, how can  
24 you do that unless we improve the acquisition system? You  
25 were complimentary of the chairman that we have made last

1 year some changes where you have a greater impact on making  
2 those decisions. But still they were made by the  
3 administration. In fact, in the case of the Crusader, one  
4 of the really outstanding guys on the House Armed Services  
5 Committee resigned. He quit because of the fact that we  
6 got-- you get that huge investment. Then you turned around  
7 and abandoned it.

8 So I guess my question to you is, is what we did in  
9 starting to give you more latitude and helping with those  
10 decisions on acquisition and terminations -- do we need to  
11 go further?

12 General Milley: I believe, yes, we do. But I do  
13 appreciate the reforms that were made in the last cycle, and  
14 they have made a difference. And I can see that in several  
15 systems, small systems like the pistol -- you saw that -- up  
16 to larger systems that we are doing for like the ITEP engine  
17 for the UH-60 and several other programs that are out there,  
18 the PIM program for the Paladin and others that are out  
19 there. So there is a difference being made. In terms of  
20 big ticket items like a brand new tank or a brand new  
21 helicopter, no, not yet. And part of that is because of  
22 limitations in current and existing technologies.

23 So I do think there has been progress made, and I do  
24 think that the enhanced authorities that were given to the  
25 chiefs has made a difference and I appreciate that.

1           Senator Reed: You mentioned the PIM program, which of  
2 course was taking an old system and upgrading it as opposed  
3 to a brand new system. Was that the right decision at that  
4 time?

5           General Milley: I believe yes. Again, it goes back to  
6 technologies. My assessment is we are on the cusp, within  
7 10 years, of a fundamental change in the character of  
8 warfare and the character of ground warfare.

9           Senator Inhofe: You also talked about in response to  
10 the question -- I think it was Senator McCain -- about a  
11 hollow Army. I chaired a committee of the Vices just 3  
12 weeks ago, and at that time, it was Wilson with the Air  
13 Force, and he had said we are already there in the Air Force  
14 in terms of the hollow Air Force. A few of us up here are  
15 old enough to remember the Carter administration and how we  
16 tried to recover from that. I am sure we are trying to keep  
17 from having that happen again.

18           Now, before Senator Sullivan starts talking because he  
19 is going to penetrate this a lot more than I will because  
20 there is not time, but when you look at all the threats that  
21 are out there, a lot of us have come to the conclusion that  
22 really North Korea is it for two primary reasons. One, it  
23 is run by a mentally deranged guy that no one can predict.  
24 And secondly, they are rapidly getting to the point, as came  
25 out from the examination by Senator Sullivan yesterday or

1 the day before with that capability. I think they said it  
2 is not a matter of if but when.

3 So just concentrate, if you would, just on North Korea  
4 for the remainder of my last 45 seconds here if you agree  
5 with us in terms of that being the greatest threat.

6 General Milley: Well, Senator, we are in a current war  
7 against ISIS and probably the greatest capability out there  
8 remains Russia. But clearly North Korea is probably the  
9 most dangerous, close, in terms of time, threat in my view  
10 that the United States faces. And they are rapidly  
11 developing an intercontinental ballistic missile with a  
12 nuclear weapon attached that can range the continental  
13 United States. And I do not think that we should allow  
14 that, and I do not think that is the policy of this Nation.  
15 And I believe the President of the United States, when he  
16 says that if China does not solve it, the United States  
17 will. So I think that is the right approach, but I do think  
18 it is increasingly dangerous. There is no question the path  
19 they are on. I do not want to go into things that we would  
20 do, but it is dangerous.

21 Senator Inhofe: I do believe in the hearings that we  
22 have had, both the civilians and uniforms alike have talked  
23 about how great the threat is. And I appreciate the fact  
24 that you are doing it. We do not have the credibility out  
25 on the stump to talk about this, and particularly when you

1 have a media who does not believe you. But with the  
2 military talking about it, I think that is significant. So  
3 I do applaud you and the others for not veering away from  
4 the threat that is out there and it is very real.

5 Thank you, Mr. Chairman.

6 Chairman McCain: Senator Blumenthal?

7 Senator Blumenthal: Thank you, Mr. Chairman.

8 Thank you both for your distinguished service to our  
9 Nation.

10 I want to pursue the questioning on North Korea. You  
11 said close in terms of time to developing an  
12 intercontinental ballistic missile. How close?

13 General Milley: I would rather take that into a  
14 classified session, Senator, with all due respect. And  
15 there is a variety of analyses out there, and there are  
16 ranges. And I would be happy to walk you through at least  
17 what I know from my perspective, and we can get some experts  
18 in to brief you as well, if you would like.

19 Senator Blumenthal: Would the American people be well  
20 served by more information about this threat so that they do  
21 appreciate what the facts are?

22 General Milley: I think that is probably an accurate  
23 statement, sure.

24 Senator Blumenthal: And in terms of the troops that  
25 the United States Army has at potential risk from

1 conventional artillery, how many would you estimate are in  
2 harm's way?

3 General Milley: Well, the United States has publicly  
4 28,500 troops of all branches in Korea. Roughly speaking,  
5 about 20,000 of those are Army. And North Korea tube,  
6 conventional tube, and rocket artillery has extensive range.  
7 It can range all Seoul. It can range most of the military  
8 compounds. So our troops are at risk in Korea.

9 Senator Blumenthal: In your testimony, you mentioned  
10 the importance of vertical lift in the Army's modernization  
11 priorities. And as you know better than any of us, the  
12 Blackhawk has served the United States Army for some 35  
13 years. It continues to be the aviation backbone of the  
14 Army. Could you tell us what the state of negotiations are  
15 for the next procurement of Blackhawks?

16 General Milley: We have got -- I want to say -- 48  
17 that we have put into this budget. We are also working on  
18 the ITEP engine which is equally as important as the  
19 airframe in order to enhance the capability of the Blackhawk  
20 to fly at high altitude, around 6,000 feet or so, and at  
21 high temperatures around 95 degrees. So both the  
22 procurement of additional helicopters and the modernization  
23 of an improved engine are significant for the lift  
24 capability of the Army.

25 Senator Blumenthal: Was the expectation from the

1 future years defense program projected for fiscal year 2018  
2 not that there would be 60 not 48 helicopters in the budget?

3 General Milley: I would have to go back and check that  
4 number, Senator.

5 Senator Blumenthal: Do you believe that more than 48  
6 are necessary?

7 General Milley: Yes. I mean, in order to flesh out  
8 and replace existing aircraft. Sure. When we get past  
9 2018, we have plans to do that.

10 Senator Blumenthal: A number of your colleagues, heads  
11 of services, have said that the greatest threat or perhaps  
12 one of the greatest threats, if not the greatest threat, to  
13 our Nation is cyber. And I have noted in your testimony  
14 that relatively little analysis has been included about  
15 cyber.

16 General Milley: Cyber is a very serious threat.  
17 Others have testified openly that the opening shots of a  
18 large-scale conflict are likely to begin with cyber, and  
19 various people have testified to that and you see that in  
20 writings. And I would probably concur with that. Cyber is  
21 a very serious capability out there.

22 What we in the Army are doing is fielding 61 what we  
23 call cyber protection teams, and 41 of those are in the  
24 regular Army and 21 -- or correction -- 20 are in the -- 41  
25 and 21, 62 -- for the National Guard and the United States

1 Army Reserve. Of the ones in the regular Army, they should  
2 all reach full operating capability by the end of 2018.

3 Senator Blumenthal: The chairman and I have noted --  
4 and I apologize for interrupting you, but I am limited in  
5 terms of time -- that there really is no cyber strategy.  
6 Without a cyber strategy, there can be no cyber policy. I  
7 think I am quoting almost directly what the chairman said  
8 yesterday. And that has been a failing, to be very blunt,  
9 under a number of administrations. Would you agree that we  
10 need a cyber strategy to determine, for example, what is an  
11 act of cyber war? How do we respond to a cyber attack in  
12 the cyber domain?

13 General Milley: A fair question. And I think that  
14 that needs to be debated. It is a question that needs to be  
15 asked and answered. It is not asked and answered right now.  
16 Well, what constitutes an act of war in cyberspace? And I  
17 am certainly not in a position to answer that.

18 But in terms of capability, the Army does have a cyber  
19 strategy for capabilities, capability development. And our  
20 emphasis is on defense for the Army. The national part does  
21 offense. The service is doing defense. And what is  
22 important for us is to protect our network, protect our  
23 ability in the electromagnetic spectrum from everything from  
24 degraded operations or a complete shutdown, all the way to  
25 spoofing and mimicking and so on and so forth.

1           We have set up, as far as I know, in the world live  
2 cyber range at the National Training Center. So all of our  
3 tactical units now are cycling through the training center  
4 where they are being exposed to an enemy, free thinking up  
5 for out at the training center, that executes high end cyber  
6 operations against our own units. And our soldiers are  
7 learning to come to grips with that. It is a very  
8 interesting thing to go watch to see how our forces operate  
9 with the WIN-T or any of the other communications systems we  
10 have where they are under constant attack from the enemy.  
11 And they are getting degraded, and we have to relearn how to  
12 operate with limited degraded communications and our  
13 connectivity to higher headquarters and the JC units.

14           So we do have a strategy for capability development,  
15 but the national strategy you are talking about -- I think  
16 that is fair.

17           Mr. Speer: I would like to also add to that. When it  
18 comes also to the individuals and the people we are  
19 assessing and training, of the 41 active components, cyber  
20 teams, 33 of them are already mission capable, fully mission  
21 capable. Another eight are initial capabilities. The Cyber  
22 Center of Excellence, as well as private industry, are  
23 working out on a regular basis to incorporate additional  
24 capabilities and understanding. And we are assessing  
25 individuals on training and development into the reserve

1 components as well.

2 Senator Blumenthal: Thank you, Secretary Speer. Thank  
3 you, General.

4 Chairman McCain: Senator Wicker?

5 Senator Wicker: Secretary Speer and General Milley,  
6 let me start off by asking about the Lakota, the Army's  
7 primary training helicopter and how the situation currently  
8 affects the industrial base. The last production contract  
9 was awarded in 2015. There is an ongoing legal dispute  
10 which is expected to remain in the courts until late this  
11 year. Absent new orders soon, the manufacturing plant may  
12 be forced to lay off workers.

13 The fiscal year 2017 omnibus appropriated \$198 million  
14 to purchase 28 Lakotas. And there is a clear directive in  
15 the language the Army must obligate the funds to buy  
16 Lakotas, although this has not happened.

17 I know this is an important program because the Army  
18 requested \$100 million in fiscal year 2018 for 13 additional  
19 Lakotas.

20 But how are we coming on the directive to obligate the  
21 funds to buy the 28 Lakotas from the fiscal year 2017  
22 omnibus bill, and where are our prospects for moving along  
23 on the 2015 contract?

24 Mr. Speer: Senator, I think you hit it initially. We  
25 need the Lakotas in terms of the training base and get them

1 down there in terms of Rucker to go. The 2017 funding is  
2 held up in that same protest. So we need to buy against  
3 that contract to be able to deliver on a timely basis, and  
4 that current contract is under protest, and we hope that  
5 will be resolved next quarter of this year. Then we will be  
6 able to put the additional funds on contract and request an  
7 additional 28.

8 Senator Wicker: So that would be July, August, or  
9 September.

10 Mr. Speer: We are hoping so, later this summer, yes.

11 Senator Wicker: And, General, you do agree that this  
12 is a very important program?

13 General Milley: I will be candid, Senator. It is  
14 important. It has utility. But a Lakota aircraft will not  
15 survive a nanosecond in combat. It is good for  
16 administrative use. It is good for running soldiers around  
17 at home station, and it is very good for training.

18 Senator Wicker: It is a training --

19 General Milley: It is a training platform. So I do  
20 not want to overstate its importance. What we need to  
21 invest our aviation dollars into primarily are combat  
22 utility aircraft and attack aircraft. The Lakota has a  
23 purpose. It has a place in the system. That is why we put  
24 the money in there, but I do not want to overstate or  
25 elevate its importance within the pantheon of aviation.

1           Senator Wicker: Well, let me shift to one other thing  
2 in the time I have remaining. I want to ask about MRAPs.  
3 In 2013, the Army decided to divest a large portion of  
4 MRAPs. Things are different now than they were in 2013. We  
5 are ramping back up in Afghanistan. ISIS is more of a  
6 threat than it was then. Is it time to take a fresh look at  
7 the MRAP program?

8           Mr. Speer: I think in terms of the MRAPs, we did  
9 retain a set of MRAPs for this kind of operation and  
10 contingency, and I believe we have sufficient MRAPs of  
11 different varieties and variants to support. Now, I can go  
12 back and look and come back to you in terms of the latest  
13 review on MRAPs, but the current threat in terms of decisive  
14 action, training, and obligation is where the biggest risk  
15 is for the longer term. We do, I believe, have sufficient  
16 variants of MRAPs to do operations against ISIS or  
17 counterterrorism.

18           Senator Wicker: Thank you.

19           And thank you, Mr. Chairman.

20           Chairman McCain: Senator King?

21           Senator King: Thank you, Mr. Chairman.

22           I want to talk a bit about procurement to either or  
23 both. What lessons has the Army learned from the  
24 procurement problems that we have had in the past with the  
25 Comanche, the Crusader, Future Combat System? Are there

1 lessons learned that we can apply to future acquisitions?

2 Mr. Speer: We could spend all day on the lessons  
3 learned on those. And I think we got after a lot of them.  
4 First of all, we took the decision-maker --

5 Senator King: I only have 5 minutes.

6 Mr. Speer: I got it, Senator. Part of the decision,  
7 if you look at the laundry list, was we removed the  
8 decision-maker from where the functional decision of the  
9 requirement was. We have built in layers and layers of  
10 decision-making processes that took too long. Cost was not  
11 an informed cost. We made decisions at the end of the  
12 requirements after we spent a lot of money when we could  
13 have made discoveries much earlier on.

14 So that is part of what the Chief is getting at and I  
15 am getting at in terms of this. We have got to get cost  
16 early in front. We have got a decision allowed to fail up  
17 front. We got to be able to prototype on those things. And  
18 we have got to put the warfighter back into the decision  
19 process down where the execution of that program goes.

20 Senator King: Was one of the problems expansion of  
21 requirements and complexity of requirements?

22 Mr. Speer: I think the complexity of the requirements  
23 expanded and it had always been there technology-wise. But,  
24 again, the requirement was best understood by the  
25 individuals who were building the requirement and have to

1 provide feedback on how well they are doing with the  
2 requirement on the delivery of the capability.

3 Senator King: Well, General Milley, on this point, we  
4 had a very interesting hearing in the Airland Subcommittee a  
5 couple weeks ago on a new rifle for the Army to replace the  
6 M-4. One of the things we learned was that the current M-4  
7 caliber ammunition will not penetrate the newly developed  
8 body armor of our adversaries, which is to me a disaster in  
9 waiting.

10 Your thoughts on a new weapon and how do we do the  
11 procurement in a timely and cost effective way and avoid  
12 some of these problems that we have had in the past. First,  
13 do you think this is an important area of attention? And  
14 second, can we pull it off in a reasonable amount of time at  
15 a reasonable cost?

16 General Milley: I think yes and yes. I think it is  
17 critically important. 70 percent of American casualties are  
18 ground forces, typically infantry, special forces type  
19 units, or units performing infantry missions. And the small  
20 arm and the other equipment, to include body armor, SAPI  
21 plates, and so on is critical, and we ought to be providing  
22 the very, very best for our soldiers that our Nation can  
23 provide.

24 The 5.56 round -- we recognize that there is a type of  
25 body armor out there that it does not penetrate -- we also

1 have that body armor ourselves -- and that adversarial  
2 states are actually selling that stuff on the Internet for  
3 about 250 bucks.

4 So, yes, there is a need and there is an operational  
5 need, and we think we can do it relatively quickly.

6 The key on any of these things is not so much the  
7 rifle. It is the bullet. It is the ballistics of the  
8 bullet. And down at Fort Benning, we have done some  
9 experiment and developmental work. We think we have a  
10 solution. We know we have developed a bullet that can  
11 penetrate these new plates.

12 Senator King: Does this bullet require a new rifle?

13 General Milley: It might but probably not. It could.  
14 The bullet can be chambered in various calibers. I do not  
15 want to get into the technicals of ballistics, but it can be  
16 modified to 5.56, 7.62 or --

17 Senator King: Is there a possibility of an off-the-  
18 shelf, an existing rifle that could be an upgrade to the  
19 M-4?

20 General Milley: Yes. There are several options out  
21 there.

22 Senator King: And that would be an option.

23 General Milley: There are absolutely options.

24 Senator King: I commend that option to you.

25 The fiscal year budget request holds the Army end

1 strength at 476,000, 343,000 National Guard, 199,000  
2 Reserve. Are those numbers sufficient in your professional  
3 judgment to meet the challenges that we have in terms of  
4 readiness and assuming a higher level of training and  
5 readiness? And secondly, how long does it take? If we  
6 decide we need 10,000 more or 20,000 more end strength, how  
7 long does it take to get from decision to troops in the  
8 field?

9 General Milley: The first part of that question, is it  
10 enough, so to speak. That depends on what we are asked to  
11 do. Secretary Mattis is leading a very rigorous and  
12 detailed strategic review of the defense planning guide into  
13 the national military strategy. That review will be done  
14 probably sometime in the fall. When that review is done,  
15 that will give us our baseline of how big and what  
16 capabilities we will need across the board as a military,  
17 not just the Army.

18 In the meantime, we do already have a national military  
19 strategy and a defense planning guidance. As I testified  
20 last year, I thought that the capacity and the size of the  
21 force and the capability and the modernization of the  
22 weapons systems did not meet that. And 476 improves it, but  
23 no, it still does not meet the worst case requirements that  
24 are outlined in the national military strategy and the  
25 defense planning guide.

1           Senator King:  Second question.  How long does it take  
2 to build up?

3           General Milley:  Well, to build units -- to put a  
4 brigade together from scratch I would say would take about 3  
5 years to get them at a reasonable level of training.  But  
6 soldiers coming through basic training and AIT, individual  
7 replacements -- they are falling in on existing force  
8 structure and existing units, and that takes considerably  
9 less time.  And then one of the things we are introducing in  
10 this bill is security force assistance brigades which are  
11 essentially chains of command of an infantry chain of  
12 command, for example, an infantry brigade.  They will be  
13 used for deployment overseas to do advise and assist  
14 missions, like what you see in Iraq and Afghanistan today.  
15 That will free up the brigades that are there.  We will put  
16 those back together again.  And then it will shorten the  
17 timeline for rapid expansion.  We plan on introducing five  
18 of those.  We have got two in this particular budget for the  
19 request.

20           So it varies by type unit, but on average I would say  
21 between 1 and 3 years, 3 years being the outside to put  
22 together enough of the force and the collective training  
23 assuming you had the people and the money to support that.

24           Senator King:  Thank you.

25           Thank you, Mr. Chairman.

1 Chairman McCain: Senator Cotton?

2 Senator Cotton: Gentlemen, thank you for your  
3 appearance this morning.

4 I want to return to an issue that Senator McCain foot  
5 stomped in his opening statement, WIN-T, the Warfighter  
6 Information Network-Tactical. It is the way the soldiers  
7 communicate on the battlefield. In 2003, the Army planned  
8 for future combat systems that would, among other things,  
9 network together soldiers and vehicles. That program was  
10 canceled in 2009 at the cost of approximately \$18 billion.  
11 WIN-T was part of the Future Combat Systems program. After  
12 Future Combat Systems was canceled, it was another attempt  
13 by the Army to conduct secure battlefield communications and  
14 networking.

15 General Milley, I have seen credible reports that WIN-T  
16 has ineffective line-of-sight communications, is not  
17 survivable. It is too fragile to survive in a contested  
18 environment, and has an electromagnetic signature so loud  
19 that it particularly would call for enemy artillery on the  
20 top of its users' heads. Have you seen similar reports?

21 General Milley: Yes. And what we have done is, with  
22 the authorities the chairman and the committee and the  
23 Congress gave us a couple years ago, I and the Vice Chief of  
24 the Army, along with a small group of people are driving a  
25 rigorous, thorough, and painful review of the entire

1 communication electromagnetic capabilities of the U.S. Army,  
2 which WIN-T is one part of, because we have the same  
3 concerns.

4 Frankly, my concern is these systems may or may not  
5 work in the conditions of combat that I envision in the  
6 future with this changing character of warfare because of  
7 what you just cited, line-of-sight, electromagnetic  
8 spectrum, the inability to operate on the move, the  
9 inability to operate in large, dense, complex urban areas or  
10 complex terrain. And there is a whole series of other  
11 things. And it is fragile and it is vulnerable.

12 So we are taking a very, very, very deep, hard, and  
13 wide look. We have probably got about 6 weeks or so because  
14 what I want to do is make sure I can get it into any changes  
15 to this cycle, the markups that we can, if we need to.  
16 There are piece parts of it that work very well. There are  
17 others that are not so good. And we are taking a hard look.

18 And as you may or may not be aware, I have received a  
19 letter from the House with 176 signatures on it and a letter  
20 from the Senate with several signatures on it asking me to  
21 accelerate that program. I am not going to accelerate it  
22 until I am convinced it will work in combat against the  
23 enemies of our country that may be coming in the future.

24 So that is kind of where we stand right now. But I owe  
25 you and this committee and others a rigorous review within

1 about 4 to 6 weeks or so.

2 Senator Cotton: Thank you, General. I am aware of  
3 those letters. My first priority is delivering functional  
4 systems to our warfighters on the front lines. My second  
5 priority is good value for our taxpayers. The political  
6 implications of these contracts in members' districts are a  
7 very low priority compared to those for me, as I am sure  
8 they are for you as well. We have spent about \$6 billion so  
9 far on WIN-T. Have we not?

10 General Milley: That is correct.

11 Senator Cotton: If the program is not working, it does  
12 not seem, like you say, that we should be accelerating more  
13 money into that program until we can get it to work or we  
14 can find a replacement. Is that a fair assessment?

15 General Milley: Correct. And that is where we are at.  
16 And I am trying to figure out exactly what parts of it could  
17 be accelerated or brought online, others that we need to not  
18 continue to put good money after bad, and make sure that the  
19 system as a whole -- a holistic review of the system -- is  
20 something that is going to be effective in what we think  
21 will be a dynamic, combined arms maneuver fight on a very,  
22 very highly contested and lethal battlefield.

23 Senator Cotton: Well, I appreciate that and I  
24 appreciate the effort you have put into not just these kind  
25 of communications programs. We have discussed before the

1 Distributed Common Ground System and its problems. You were  
2 discussing earlier some of the issues with small arms that  
3 the Army has had. I want to encourage you to continue to  
4 use those authorities. Most of these problems arose long  
5 before you took office. But I want to encourage you to  
6 continue to try to address them and resolve them at the  
7 speed that our warfighters need, not the speed of  
8 bureaucrats in Washington.

9 I want to turn briefly to the European Reassurance  
10 Initiative. I know you have taken it very seriously. I am  
11 encouraged by the heel-to-toe deployments we have seen of  
12 armored BCTs as part of the initiative. Do you think a  
13 permanent armored BCT presence would be preferable, though,  
14 to a perpetual state of deployment?

15 General Milley: My recommendation, my preference for a  
16 lot of reasons is a rotational schedule, heel-to-toe  
17 rotational schedule, which has the effect of a permanent  
18 unit in there in terms of battlefield effect, but it does  
19 not come with the cost and overhead of a permanently  
20 stationed force. I know Chairman Thornberry in the House  
21 has asked us to take a look and cost that out. Others are  
22 interested in permanent stationing.

23 At this point, my recommendation is continued  
24 rotational forces vice permanent station. What that gets  
25 you is flexibility when you are over there where you can

1 move from one country to another because these forces will  
2 not be pinned down to a single installation. You will not  
3 have to resurrect all the commissaries, the PXs, and the  
4 schools, et cetera. Families will not be put into a  
5 potential conflict zone, and you will get battle focused  
6 training and increased unit cohesion for the unit training.  
7 I think the way to go is rotational for the brigade combat  
8 team, but I am willing to take a good look at it.

9 Senator Cotton: Thank you.

10 Mr. Speer: Senator, could I add to that? When I  
11 visited the ERI operations currently in Europe, I would add  
12 that the brigade commander said the same thing in terms of  
13 units. It is the best training he has had, how well he was  
14 spread across the theater of operations. If he were  
15 stationed in one location, he would have to go across and  
16 spread his organization anyhow on a recurring basis.

17 The combat aviation brigade may be a different  
18 situation. There were challenges there, but I think we are  
19 working through this. There were tremendous lessons learned  
20 coming out of that kind of rotation for readiness.

21 Senator Cotton: Well, thank you. And I have heard  
22 similar things on my trips to the Baltics, an important  
23 reminder for the American people that we are not just  
24 deploying troops there for the benefit of those nations but  
25 for the very good training that our troops receive there as

1 well. Thank you, gentlemen.

2 Chairman McCain: General, the WIN-T program has been  
3 in existence for over a decade. Is that correct?

4 General Milley: That is correct. Yes, Senator.

5 Chairman McCain: So should we expect a decision on  
6 WIN-T on the part of the administration at some point after  
7 we have spent \$6 billion?

8 General Milley: Yes.

9 Chairman McCain: Do the taxpayers of America not  
10 deserve something better than that?

11 General Milley: Absolutely. And that is why we began  
12 4 months ago -- the Vice and I and others --

13 Chairman McCain: So it took 9 and a half years before  
14 we undertake an extensive review.

15 Senator Heinrich?

16 Senator Heinrich: Thank you, Chairman.

17 Secretary Speer, yesterday the Army's budget was  
18 released, and again there were no military construction  
19 projects to support the testing and evaluation missions at  
20 White Sands Missile Range. That actually makes 18 years in  
21 a row now, and certainly White Sands is not alone. So I am  
22 concerned that the Army is not currently prioritizing  
23 testing infrastructure, nor are the other services. I know  
24 that others share my concern that the Pentagon is not doing  
25 enough to upgrade our testing capabilities, which would

1 ultimately allow us to keep our competitive edge over our  
2 adversaries.

3         So, Secretary, do you believe that the Department is  
4 effectively managing and allocating resources for military  
5 construction projects at our test ranges?

6         Mr. Speer: I think broadly as part of the overall  
7 situation within military construction, we still continue to  
8 take a little bit of risk in the military construction.  
9 What we do find -- and I believe -- and I can go back and  
10 confirm this -- within is we put additional restoration and  
11 modernization to upgrade facilities within the budget, which  
12 included the test range. We doubled that amount this year  
13 for restoration and modernization. We have a \$10.8 billion  
14 backlog in such restoration and modernization requirements.

15         Senator Heinrich: I would just urge you to look really  
16 closely at test ranges generally. I think you are taking a  
17 lot more risk there than you are in other places, and it is  
18 just absolutely critical in terms of developing the  
19 technologies that are going to pay off for our warfighters  
20 in the future.

21         In a related issue, as you are aware, White Sands is  
22 managed by the Army, but it is a test range that the Air  
23 Force uses as well, the Navy uses, obviously, the Army uses.  
24 Does it make sense for the Army to be the only service  
25 responsible for funding major military construction projects

1 on what is a tri-service testing range?

2 Mr. Speer: Well, Senator, much like other  
3 installations, we are the executive agent or we are the  
4 owner of it. That is the way we prioritize. We work  
5 together with our sister services to identify requirements  
6 across the joint community, and I think we will continue to  
7 do so. I think it has been in the past predictable funding  
8 and level of funding to get at the stability to take care of  
9 things on a recurring basis, and we took risk over time on  
10 those things. You have my commitment. I will go back and  
11 review those things because I would agree, as part of what  
12 we talked about earlier in the acquisition process, earlier  
13 testing and the ability to look at things earlier in the  
14 testing cycle is very important.

15 Senator Heinrich: I appreciate your commitment on  
16 that.

17 And I want to just highlight one military construction  
18 project at White Sands in particular because it sort of  
19 tells the story of what is being passed up over the course  
20 of the last 2 decades. The network communications center  
21 for the range was built in 1962. It actually caught fire a  
22 couple years ago, but it has not been a priority in recent  
23 years. And I think in the era of big data and technology, a  
24 modern information facility is pretty critical for  
25 transmitting the vast amounts of data that pass through

1 White Sands at this point for the data that is being  
2 generated during those tests. So that is just one  
3 particular example.

4 General Milley, I really appreciated your comments  
5 earlier about some of the things that are on the horizon in  
6 terms of emerging technologies and some of the things that  
7 are really right in front of us. And in April, Admiral  
8 Harris testified before this committee and stated several  
9 times that we have no defense against North Korean rockets,  
10 North Korea artillery, North Korean mortar rounds. From a  
11 defensive standpoint, does the Army have an effective  
12 indirect fire protection capability at this time?

13 General Milley: Against what type of indirect fire?  
14 Rockets, missiles?

15 Senator Heinrich: Rockets, artillery, mortar rounds.

16 General Milley: We have capabilities that can shoot  
17 down incoming missiles. That is THAAD Patriot.

18 In terms of bullets, tube artillery, or close-range  
19 rockets, we are experimenting right now with hyper velocity  
20 capabilities. We think we can field those pretty shortly.  
21 I think you have seen some of that both in the media and  
22 have been briefed on it by Will Roper at DOD. That is an  
23 Army program he is working on and we are funding that. And  
24 that will be important if we can make that happen, and that  
25 will increase significantly our capability to shoot down

1 incoming rounds.

2 Senator Heinrich: In addition to kinetics, which tend  
3 to be incredibly expensive on a per round basis, I was very  
4 pleased to see that the Army budgeted for next generation  
5 weapons systems by funding the 50 kilowatt high energy laser  
6 on a Stryker vehicle. And I think that shows enormous  
7 potential, not just potential. I think we are at a place  
8 now where we have shown that we can shoot down mortars with  
9 realistically funded lasers and do it on a very low cost per  
10 shot capability. So I would urge you to continue to focus  
11 on that.

12 General Milley: But I do not want to mislead you.  
13 These programs are not ready for prime time yet in the  
14 fielded force. So you are talking several years there of  
15 consistent, predictable funding to make those real,  
16 developed, and distributed to the force -- several years.  
17 If an event happens prior to then, there is significant risk  
18 to those enemy weapons systems that you talked about.

19 Senator Heinrich: I think we may differ on just how  
20 far out that timeline is.

21 General Milley: Okay.

22 Chairman McCain: But the fact is the situation today  
23 is that they literally have the capability to set Seoul on  
24 fire. Is that correct?

25 General Milley: I think that North Korean capability

1 that is arrayed north of the DMZ is very significant, and it  
2 would do unbelievable damage. It would be a tragedy of  
3 immense proportions on the City of Seoul with 27 million  
4 people and a population density of four times that of New  
5 York City. It would be huge. And their tube and rocket  
6 artillery alone can pump in a quarter of a million rounds a  
7 day into that city. It would be huge. It would be  
8 enormous.

9 Chairman McCain: Thank you.

10 Senator Sullivan?

11 Senator Sullivan: Thank you, Mr. Chairman.

12 And, General Milley, Mr. Secretary, good to see you.  
13 General and Mr. Secretary, I appreciated the opportunity to  
14 visit yesterday.

15 I wanted to follow up on Senator Inhofe's questions  
16 with regard to North Korea. So it has been stated a number  
17 of times in this committee by military experts that it is no  
18 longer a matter of if but when North Korea is going to have  
19 an intercontinental ballistic nuclear missile that can range  
20 the entire United States of America. Do you agree with that  
21 assessment? If but when.

22 General Milley: Well, I would say it depends on what  
23 we do, Senator.

24 Senator Sullivan: Well, let me actually get to that.

25 And by the way, I actually agree with Senator

1 Blumenthal's point about allowing the American people to  
2 have a sense of when that may or may not be approaching. Of  
3 course, there are estimates, both classified and  
4 unclassified, but I think getting it out there will prepare  
5 the U.S. public for a really challenging national security  
6 issue that I do not think a lot of people are paying  
7 attention to.

8           Yesterday in testimony or 2 days ago in testimony,  
9 Director Coats stated it was the policy of the United States  
10 to prevent that capability from ever being realized. Is  
11 that your understanding of the policy, General?

12           General Milley: Absolutely. My understanding of the  
13 current United States Government's policy is to prevent  
14 North Korea from fielding an intercontinental ballistic  
15 missile with a nuclear weapon to strike the continental  
16 United States.

17           Senator Sullivan: So that is a red line in some ways.

18           General Milley: I would not use that word. I do not  
19 use any words like that. But I believe that is the U.S.  
20 policy, is to prevent that capability from being fielded by  
21 North Korea.

22           Senator Sullivan: So if we had to take action against  
23 North Korea to prevent that from happening, would your U.S.  
24 Army forces and the entire weight and power of the U.S.  
25 military dominate the battlefield to make sure we achieve

1 that goal, if we had to?

2 General Milley: I believe yes, but I do not go much  
3 beyond that. Absolutely yes. Us and the ROK Army would  
4 dominate the battlefield. North Korea would not succeed,  
5 and North Korea would lose. The cost would be huge, but  
6 North Korea would lose.

7 Senator Sullivan: Let me -- actually two questions.  
8 Do you need anything more? What do you need from this  
9 committee or the Congress to ensure that we would dominate  
10 and prevail if that day, God forbid, ever came?

11 General Milley: I think the priorities that we laid  
12 out in our opening statements and are in the budget -- that  
13 is what I think we need. And most importantly, we need  
14 predictable funding over time.

15 Senator Sullivan: Let me ask. General, you and I have  
16 both talked about the book, T.R. Fehrenbach's "This Kind of  
17 War," a number of times, the whole issue of no more Task  
18 Force Smiths. Could you describe what a war with North  
19 Korea would look like and would it be similar to what we  
20 have seen over the last 15 years in Iraq and Afghanistan?

21 General Milley: No, it would not look anything like  
22 the war in Iraq and Afghanistan.

23 Senator Sullivan: What would it look like?

24 General Milley: Well, it depends on, you know, our  
25 actions, action, reaction, counteraction. There are several

1 different possibilities. And I do not want to go into any  
2 great detail on any of them.

3 Senator Sullivan: What would it likely look like?

4 General Milley: If there was a full-blown on the  
5 Korean Peninsula, just as Secretary of Defense Mattis said  
6 the other day, it would be tragic on an unbelievable scale,  
7 and the levels of violence would be immense and it would be  
8 the likes of which the world has not seen since the Second  
9 World War. It would be huge, and there would be huge  
10 amounts of casualties.

11 Senator Sullivan: On both sides.

12 General Milley: On both sides, yes. It would be  
13 horrific. I do not want to go into the details of what that  
14 would look like, and that would get into the realm of  
15 speculation of our contingency plans, and that would be  
16 inappropriate in an open hearing.

17 Senator Sullivan: You emphasized in a recent interview  
18 that our soldiers through their training need to be able to  
19 be miserable again to -- I do not think you used the term,  
20 but it was mentioned in an article in the "On the Rocks"  
21 magazine -- embrace the suck, as they say in the Marine  
22 Corps and the Army. Are we conducting that kind of rigorous  
23 training right now, do you believe, that would prepare for  
24 that kind of T.R. Fehrenbach like "This Kind of War" where  
25 we do not have logistics bases? We have miserable,

1 miserable conditions. People are suffering. Are we  
2 conducting that kind of training to prepare our forces.

3 General Milley: Yes. We have shifted back to combined  
4 arms maneuver on a dynamic battlefield against a high end,  
5 near-peer threat. And we have shifted away from fixed  
6 sites, constant flows of -- in our training constant flows  
7 of logistics. And we have gone through 16 years of war  
8 where we conditioned as an institution COPs and FOBs, and  
9 some of those had pretty significant quality of life  
10 capabilities. Others were very austere. There were many  
11 COPs up in Afghanistan or Iraq that were not very well  
12 outfitted at all.

13 By my point in saying what I said about being miserable  
14 is that we have got to train ourselves and condition  
15 ourselves for a type of war in which you are unlikely to  
16 have this steady stream of continued logistics beyond  
17 perhaps water, ammunition, food, and some medical. But all  
18 these other things, you know, chew huts, hot showers every  
19 day, sleeping in a bed, so on and so forth -- those will  
20 probably not be available if we fight against a highly  
21 competitive dynamic regional or near-peer power. The land  
22 battle will be unbelievably violent and units will have to  
23 move every hour or 2 just to survive. And logistics and  
24 lines of communications will be cut off, and units are going  
25 to have to be able to be independent of thought and mind.

1 Your communications are going to be degraded. It is going  
2 to be significant, and we need to train to that. And that  
3 is exactly how we have shifted our training in the last  
4 couple of years.

5 Senator Sullivan: Thank you.

6 Thank you, Mr. Chairman.

7 Chairman McCain: Senator Warren?

8 Senator Warren: Thank you, Mr. Chairman.

9 And thank you for being here today.

10 I want to quickly ask about the importance of our non-  
11 military agencies' programs to the Army's mission. I have  
12 asked every combatant commander the following question, and  
13 to a person, they have almost all given the same answer.  
14 General Milley, would a significant reduction in funding to  
15 the State Department and other non-defense security agencies  
16 and programs make the Army's job of defending America easier  
17 or harder?

18 General Milley: Well, Senator, I am not going to  
19 comment on funding levels for other agencies.

20 Senator Warren: I am not asking you to.

21 General Milley: I would just say that we in the Army  
22 or we in the military -- armies do not go to wars. Nations  
23 go to wars, and we need and require in combat operations and  
24 most importantly to secure the gains of combat operations,  
25 secure the peace, so to speak -- we need the State

1 Department, USAID, FBI, Commerce, CIA, all these other  
2 agencies because the military does not do things alone. We  
3 do it as part of an interagency and joint team and an allied  
4 team.

5 Senator Warren: Thank you very much, General. You  
6 know, I agree. The administration is seeking nearly a 30  
7 percent reduction in the Department of State and USAID. Our  
8 military is critically important to our security, but we  
9 cannot forget that non-military programs are also critical  
10 enablers of our military so that you can do your job and so  
11 America can do its job.

12 I want to ask you another question, and that is about  
13 the WIN-T system. I understand there has already been some  
14 conversation about it. I know that there were significant  
15 problems with the first version, delays, but that those  
16 seemed to be solved in the 2.0 version of this. And more to  
17 the point, there is no obvious substitute. This is the only  
18 communications program that is available for the Army that  
19 works on the move.

20 And so the question I have relates to this. General,  
21 you said several times that on the future battlefield, it is  
22 imperative that soldiers keep moving. And you told the  
23 Association of U.S. Army at their annual meeting last year  
24 that in the Army of the future, if you stay in one place  
25 longer than 2 or 3 hours, you will be dead.

1           But as I understand it, under the current timeline, it  
2 is going to take the Army about 20 years to fully field the  
3 upgraded WIN-T system. And in 20 years, that upgraded  
4 system is likely to be obsolete.

5           So given your comments about the importance of constant  
6 mobility, the fact that this is our communications in a  
7 circumstance where we have got to have a lot of mobility,  
8 why is the Army taking so long to field this piece of  
9 equipment?

10           General Milley: Well, I mean, you missed some previous  
11 comments. But right now, it is under a rigorous review that  
12 is being led by senior leadership of the Army, the Secretary  
13 and the Vice Chief of Staff of the Army. And I have  
14 concerns about not only WIN-T, but WIN-T is a subset of a  
15 larger network of systems. And I have concerns about its  
16 interoperability, line of sight to operate in complex  
17 terrain, its survivability and vulnerability to enemy  
18 systems, its ability to operate on the move.

19           The bottom line is I have some serious hard questions  
20 that have not yet been satisfactorily answered as to whether  
21 this is going to work. And I believe I will come to that  
22 resolution within the next 6 weeks or so. And like I told  
23 Senator McCain, I will be happy to and I intend to report  
24 out to you on the status of that. So I am reluctant to  
25 accelerate anything unless I know this thing is going to

1 work.

2           On the second part of it as to why has it taken so  
3 long, I mean, that is one of my concerns. A system that is  
4 not going to get fielded -- it has already been in  
5 development for 10 years. A lot of this stuff is already  
6 out of date. So the entire acquisition approach, especially  
7 in information technologies -- we need to review that. It  
8 is one thing to build rolled homogenous steel and guns and  
9 tanks and vehicle systems. But the technological speed of  
10 advance in the commercial sector on information technologies  
11 is far more rapid than anything that the government's  
12 acquisition system is capable of handling. So by the time  
13 we even come up with the requirements and start doing  
14 prototyping and experiments and tests, these systems are  
15 already out of date.

16           So there is a fundamental issue in the IT world -- it  
17 is not just WIN-T -- it is much broader than that causes me  
18 to be skeptical from an acquisition and procurement  
19 standpoint on WIN-T in particular but other systems involved  
20 in it as well.

21           Senator Warren: Well, I appreciate that, General, and  
22 I appreciate our responsibility to try to make the  
23 procurement system work better and work better for you,  
24 particularly in an area where there is a lot of innovation  
25 and change over time.

1 I also assume -- and I am glad you are looking at this  
2 -- that if the WIN-T system is working and we do not have  
3 another substitute, that we will make a decision and then  
4 try to move quickly on it one way or the other.

5 General Milley: Right.

6 Senator Warren: Thank you, General.

7 Thank you, Mr. Chairman.

8 Chairman McCain: Senator Ernst?

9 Senator Ernst: Thank you, Mr. Chairman.

10 Thank you, gentlemen, for being here today.

11 I appreciated Senator King's comments talking about  
12 small arms and the need for modernization and the fact that  
13 our 5.56 does not penetrate Russian body armor. I think  
14 that was a really important point that was brought out at my  
15 subcommittee hearing and one of the reasons I think many of  
16 us will agree on the need to prioritize small arms  
17 modernization in this year's NDAA.

18 So, General Milley, once the Army does settle on a  
19 caliber, then would you rather have something that could be  
20 specifically built for infantry forces and the Army at  
21 large, or would you accept something that could be purchased  
22 off the shelf?

23 General Milley: I do not know that the two of those  
24 are mutually exclusive. There are systems out there today  
25 on the shelf that, with some very minor modifications, could

1 be adapted to munitions that we are developing at Fort  
2 Benning that could be used to penetrate these SAPI plates  
3 that our adversaries are developing. So it is not  
4 necessarily an either/or proposition on that one. I think  
5 there are weapons out there that we can get in the right  
6 caliber that can enhance the capability of the infantry  
7 soldier.

8       Senator Ernst: That is good and I am glad to hear you  
9 say that because I think there could be some potential  
10 savings if we are looking at systems that could be modified,  
11 taken off the shelf and used for our soldiers. I think that  
12 would be something that would be very beneficial to our  
13 forces.

14       Retired General Scales testified at that subcommittee  
15 hearing, and he spoke about a weapon that could fill the  
16 role of both the machine gun and the rifle, a light machine  
17 gun and the basic rifle. So is the need for the machine gun  
18 -- would that be a higher priority than that of just a basic  
19 rifle, or would they be at the same level of priority?

20       General Milley: I mean, they are both very important.  
21 They complement each other. I think what he is talking  
22 about is what the Marines are adopting is the M-27. We are  
23 taking a hard look at that and are probably going to go in  
24 that direction as well, but we have not made a final  
25 decision on it.

1           But infantry squads, infantry platoons -- they got to  
2           have an automatic weapon for suppression. They got to have  
3           the individual weapon as well. So you need both. It is not  
4           one or the other. You have to have both in order to be  
5           effective in ground combat.

6           Senator Ernst: Absolutely. Thank you, General, very  
7           much.

8           Today I am introducing a bill with Senator Gillibrand  
9           that would require each branch of the military to educate  
10          service members on sexual assault prevention before they  
11          actually leave for boot camp and if they choose to do the  
12          delayed entry program, which many of our young men and women  
13          do. The bill also states that those classes should be  
14          conducted in person and cover the proper use of social  
15          media. So we would actually have a live human being  
16          standing in front of those young men and women presenting  
17          that class rather than taking a computer course or just  
18          reviewing PowerPoint slides on their own.

19          Sexual assault really is a societal problem, and we  
20          really do need to have continuous education on that. And we  
21          do do that once we have members in the service. But we  
22          really do need to start as soon as possible. And what more  
23          can we do to curb military sexual assault in the Army?

24          Mr. Speer: Well, Senator, I think we are doing a lot  
25          and we are continuing to adapt more. We are working with

1 private/public partnerships with folks within the national  
2 colleges. I think you may have heard already from Bob  
3 Caslen at West Point. He is doing the same thing to the  
4 TRADOC schools.

5 I saw something I was very excited about. I know you  
6 talk about personal people in terms of teaching, but I saw  
7 some very immersive type leader training using synthetic  
8 training environments providing very real individuals who  
9 provide input through those systems of their life story and  
10 how to combat, how they respond, and what happened to them.

11 So there are a lot of things that will cross either  
12 through individual training incorporating into the  
13 schoolhouses that we continually try to educate leaders on  
14 how to handle, to educate individuals that they need to come  
15 forth and provide that they have been assaulted or harassed.  
16 But anything that we find that we find useful and improves  
17 the situation is definitely welcome to look at.

18 Senator Ernst: Very good. I am glad to hear that. I  
19 just think there is more that we can do. The point is to  
20 prevent the problem before it ever happens. And so that is  
21 the intent of this bill is to get the message out before  
22 they even enter into the service. And I have often thought  
23 that it should be one of their peers rather than like the  
24 old lady of the battalion standing in front of them and  
25 lecturing them. So just having that human face-to-face

1 contact I think will be very important in moving this  
2 forward.

3 So thank you, gentlemen, very much for being here  
4 today.

5 Thank you, Mr. Chair.

6 Chairman McCain: Senator Peters?

7 Senator Peters: Thank you, Mr. Chairman.

8 And, gentlemen, thank you for your excellent testimony  
9 here today. It has been fascinating.

10 Earlier this month, Major General William Hicks, the  
11 Director of Strategy, Plans and Policy in the Office of the  
12 Deputy Chief of Staff, indicated that the Army is -- and I  
13 will quote him -- thickening our armor posture going forward  
14 and plans to create a 16th armored brigade team through  
15 conversion. And this is on top of plans to create a 15th  
16 armored battalion next year.

17 So with that, I would be interested to better  
18 understand the Army's plan for additional armored brigades  
19 and to equip those brigades with some more modern versions  
20 of both the Abrams tank and the Bradley fighting vehicles.

21 General Milley: In short, over the last 15-16 years of  
22 combat, we rewickered the Army and created a highly dense  
23 infantry force, and we reduced our armored capability, as  
24 our air defense, our artillery, et cetera. As we come out  
25 of a war against terrorists and insurgents or we shift gears

1 a little bit and start looking at near-peer regional  
2 competitors, it is clear to us that we need to rebalance the  
3 force structure with additional armored capability. So that  
4 is the logic behind it.

5 Our armored brigade combat teams right now are at a  
6 less than a 1-to-2 deployment-dwell ratio. So we need  
7 additional armored capabilities. So we made a decision to  
8 go ahead and convert an infantry brigade combat team at Fort  
9 Stewart and put that back into tanks and make that an  
10 armored brigade combat team. We intend to do the same thing  
11 in the coming year.

12 As far as equipping that, we have had to do a pretty  
13 sophisticated set of logistics moves that AMC and General  
14 Gus Perna are doing that with Forces Command and General  
15 Abrams, but I think we will be successful in making that  
16 transition and equipping those armored forces. But that is  
17 a critical capability that we need to do to rebalance the  
18 force.

19 Senator Peters: Well, having said that, General -- and  
20 I agree that that is a critical capability particularly with  
21 the changing nature of some of the threats particularly in  
22 Europe. And I appreciated your earlier comments about  
23 having a forward presence in Europe to help our allies as  
24 part of the European Reassurance Initiative. And I know  
25 both of you mentioned -- Secretary Speer you mentioned this

1 as well in your written testimony about the growth of Army  
2 prepositioned stocks in Europe, which include both, at  
3 division headquarters, two armored brigade combat teams and  
4 a field artillery brigade.

5 So my question is how are we doing when it comes to  
6 prepositioning some of this vital heavy equipment in Europe,  
7 and is there anything else that you may need from Congress?

8 Mr. Speer: You know, I got the chance to go see that,  
9 and they are doing extremely well. As a matter of fact,  
10 there is an emergency deployment readiness exercise where we  
11 used the enhanced systems sets out of the prepositioned  
12 stock to train and show deployment capability of those.  
13 They are loading, bringing it between the 2017 and 2018  
14 funding that we have received and are requesting, fills  
15 those position stocks that you just laid out. In addition  
16 to that, NATO is adding at Povitz a NATO-funded location to  
17 add that part of the prepositioned stock in Poland.

18 We are not fully up in terms of, I think if I recall  
19 right, four of the nine prepositioned stocks are fully 90  
20 percent capable. But some of the funding -- we need  
21 predictable, long-term funding to make sure we can continue  
22 to field those prepositioned stocks and then, in addition to  
23 that, make sure that we upgrade and get the most current  
24 systems being fielded traded out.

25 Senator Peters: General, do we need additional armor

1 prepositioned in Europe?

2 General Milley: We are planning to do that and that is  
3 the update that Secretary Speer just gave, was the equipment  
4 sets that are over there, armored equipment sets, as far as  
5 in addition to a rotational brigade, so you will end up with  
6 one Stryker, one airborne, one armored brigade, and then  
7 there is a division headquarters over there, along with the  
8 enablers of artillery and aviation and so on.

9 Is there a requirement for more? That is really a  
10 geopolitical question. What does it take to deter further  
11 aggression from the Russians? How much American ground  
12 forces are required in combination with air and naval forces  
13 in order to deter any more aggression, say, into the Baltics  
14 or anywhere else beyond the Ukraine? And those are under  
15 study and analysis. We think that is an adequate amount of  
16 force right this minute, but conditions can change. So I  
17 would have to update you later if conditions change. We  
18 think our plan right now for ERI is adequate to the need.

19 Senator Peters: Thank you.

20 Chairman McCain: Senator Rounds?

21 Senator Rounds: Thank you, Mr. Chairman.

22 Gentlemen, thank you for your service to our country.

23 When we first envisioned the cyber force nearly 7 years  
24 ago, the threat was far different than what it is today. As  
25 the role of cyber in military operations has matured and as

1 we look towards the need to develop a cyber deterrence  
2 strategy, I am curious as to whether or not we should be  
3 evaluating whether the size or composition of the force is  
4 sufficient to meet the growing demand. Is there a process  
5 underway to determine if 62 Army cyber teams is sufficient,  
6 and if not, should there be one?

7 General Milley: There is a process. It is led by  
8 Lieutenant General Nakasone. He is the commander of our  
9 cyber. And as you recall Army cyber is a subordinate  
10 component headquarters or organization to USCYBERCOM led by  
11 Admiral Rogers.

12 There is a continuous evaluation in terms of need. I  
13 expect, frankly, in the coming years it to grow. We just  
14 made it a branch a short while ago. We have established an  
15 Army Cyber Center of Excellence down at Fort Gordon. We  
16 brought in a couple of thousand young soldiers that joined  
17 that branch. It is one of the more popular branches coming  
18 out of the military academy and ROTC to seek commission in.  
19 I frankly think we are in the very early stages of the  
20 growth, significant growth, of a cyber branch within the  
21 United States Army and more broadly across all of the  
22 services within DOD. So I fully expect to grow in the  
23 coming years in the cyber realm.

24 Senator Rounds: Section 1647 of the fiscal year 2016  
25 NDAA required the cyber vulnerability assessment of all

1 major weapons systems by the end of 2019. How is the Army  
2 supporting these assessments, and what, if anything, can you  
3 share in what I recognize as being an unclassified forum  
4 about the work that is being completed?

5 General Milley: I would actually like not to do that  
6 in an open hearing other than to say we are actively  
7 participating in the vulnerability assessment and to say  
8 that Army systems, like every other system, in both civil  
9 society and the military -- most of them have cyber  
10 vulnerabilities, and we are working very, very, very hard  
11 and as fast as humanly possible to put in protective  
12 measures both organizational, training, doctrine, but also  
13 equipment, software and hardware. It is an area of big  
14 focus. And I would like to stop there in terms of the  
15 specifics.

16 Senator Rounds: Let me just ask. You have had a  
17 number of questions and comments today about WIN-T. Is that  
18 system WIN-T considered a major weapons system with regard  
19 to a determination of cyber vulnerability?

20 General Milley: Yes.

21 Senator Rounds: So the WIN-T is also undergoing the  
22 same cyber vulnerability tests as the other major weapons  
23 system.

24 General Milley: Yes.

25 Senator Rounds: Thank you.

1           Let me ask. Section 1650 of the fiscal year 2017 NDAA  
2           required the cyber vulnerability assessment of Department of  
3           Defense critical infrastructure by the end of 2020. How is  
4           the Army supporting those assessments, and what, if  
5           anything, can you share in this, once again, unclassified  
6           forum about the work?

7           General Milley: I would let the Secretary answer that,  
8           but I would give you the same answer.

9           Mr. Speer: I would give you the same answer. But I  
10          think you have seen some anecdotal stuff, for instance,  
11          where both the Pentagon is using Hack the Pentagon. You  
12          have seen us doing Hack the Army and some cyber assessments  
13          to see how well the software and some of the things that we  
14          have the capabilities and the infrastructure to protect.  
15          But I think the rest is left unsaid.

16          Senator Rounds: Thank you.

17          General Milley, you indicated earlier in your  
18          conversations today that -- and I am going to paraphrase  
19          somewhat -- within 10 years, there will be a fundamental  
20          change in the way that we conduct warfare. Could you just  
21          elaborate on that a little bit, please, for us?

22          General Milley: Sure. I separate it into two.

23          One is the nature of war, which I think is immutable  
24          and is unlikely to change, and that has to do with war is a  
25          form politics by violent means. It is fog and friction and

1 fear and confusion and so on and so forth. Those sort of  
2 human things that are out there -- that is probably not  
3 going to change. It has not changed in 10,000 years. It is  
4 probably not going to change in the future.

5 But the character of war does change on occasion, and  
6 one of the drivers -- not the only driver -- is technology.  
7 Other drivers are social change, et cetera. So one of the  
8 things that led, for example, to Napoleon's success was a  
9 political change in France, a revolution, that allowed him  
10 to have a levee en masse, that allowed him to have an Army  
11 of the people, so to speak. And he was fighting against  
12 other armies of monarchs whose soldiers were either  
13 mercenaries or draftees. They did not have a choice. But  
14 the French people of Napoleon's army thought they were  
15 fighting for a country and a cause, and they bought into  
16 this thing. So that was an example of a political change  
17 that changed the character, and that enabled Napoleon to  
18 conquer Europe.

19 Other technological changes or things like the rifle or  
20 the barbed wire or the introduction of the airplane, tracked  
21 vehicles, mechanization, the radio -- and they were very  
22 significant in between World War I and World War II.

23 Today what I perceive happening is the confluence of  
24 societal changes that are rapidly happening. We are moving  
25 beyond 6 billion people in the world, getting to 8 billion

1 people in the world, and roughly speaking about 90 percent  
2 of them are going to be living in highly dense, complex  
3 urban areas. And if war is about politics and politics is  
4 about people, wars and armed conflict, especially on the  
5 ground part of it -- they are going to be fought in urban  
6 areas, highly complex, dense urban areas. That is a  
7 significant fundamental societal change to change how the  
8 American Army fights, where we fight, what the doctrine is,  
9 how we train the leaders, things like the communications  
10 systems and so on and so forth. We are going to have to  
11 adapt to that change, and that is coming within, for sure,  
12 10 years.

13       The other technological things like the introduction of  
14 lasers, rail guns, robotics, autonomous systems, artificial  
15 intelligence -- they are fast approaching very, very  
16 quickly. And they will be, I believe, a significant  
17 introduction into both air, maritime, space, cyber, and  
18 ground warfare. If you combine all of those things together  
19 -- and there are many, many more -- I think you end up with  
20 a fundamental change in the character of war. And what will  
21 be important is that country which connects those dots and  
22 applies those new technologies and those societal changes  
23 and adapts the best -- those countries will prevail. Those  
24 countries that do not -- they will fail. They will lose a  
25 war. And there is nothing more expensive than that. So

1 when I said time is not on our side, that is part of what I  
2 meant.

3 We have got to urgently move out because our  
4 adversaries are moving out. Russia and China are moving  
5 out. And North Korea -- we see it every week. They are  
6 moving towards the development of nuclear weapons. The  
7 United States of America needs to step up our game when it  
8 comes to these changes because we are facing a fundamental  
9 change, and we need to end up on the other end of that  
10 change in a better position than we are right now.

11 Senator Rounds: Thank you, Mr. Chairman.

12 Chairman McCain: Senator Perdue?

13 Senator Perdue: Thank you, Chair.

14 Thank you both for being here and for your service.

15 General Milley, back in February -- and first of all, I  
16 am embarrassed and I want to apologize that we are sitting  
17 here having to have this type of conversation. We are  
18 sitting here at a time when the U.S. Army is the smallest it  
19 has been since World War II. And the disinvestment,  
20 particularly in the last 8 years, threatens the security of  
21 our country. General Mattis said it best, that the national  
22 debt is the greatest threat to our national security. And  
23 here we see why.

24 I want to talk about readiness first. I have one  
25 question quickly after that.

1           General Allen just in February before the Subcommittee  
2 on Readiness told us that one-third of our BCTs, one-fourth  
3 of our combat aviation brigades, and half of our division  
4 headquarters -- only half -- were deemed ready at that  
5 point. He also went on to say that only three of our, I  
6 think it is, 58 BCTs in total, including Guard and Reserves  
7 could be called upon to fight tonight.

8           How does this budget proposal allow you to address  
9 that? And by the end of 2018, if you were to get the  
10 amounts in this request, how many of our BCTs would be ready  
11 to fight? And how would you assess the readiness that we  
12 just described here?

13           General Milley: Our readiness objective for the  
14 regular Army is 66 percent of the formations are at the  
15 highest level of combat readiness, and our objective for the  
16 reserve component, both National Guard and U.S. Army  
17 Reserve, is 60 percent of their enabling capabilities.

18           Right now, that comment about a third -- that is still  
19 relatively true. I would rather give you a detailed -- it  
20 has changed since General Allen has testified, and it has  
21 gotten a little bit better. But as I briefed earlier, it is  
22 slow progress, not the level that I would like to see.

23           With this budget, with the completion of the 2017  
24 budget, we still have part of that year to go. And the  
25 enactment of the 2018 budget -- I think we will see

1 significant improvement because readiness is cumulative, and  
2 I think based on our current projections, assuming we hold  
3 constant things like OPTEMPO and we get steady, predictable  
4 funding, then I think you will see significant improvement  
5 in readiness by the end of 2018 for sure. It will not  
6 necessarily be at the objective level, but it will be a  
7 significant improvement over what it is today.

8 Senator Perdue: How much would you need to get the  
9 objective level?

10 General Milley: Steady, predictable funding for  
11 several years in a row and a growth in the size of the  
12 force. We chose in this particular budget to flat line the  
13 end strength growth. If more money became available, I  
14 certainly would like to see that --

15 Senator Perdue: So if you were to get a CR at any  
16 point in that 4- or 5-year period you are talking about that  
17 would tie your hands to redivert or to divert money from one  
18 area to another to address this readiness, how would that  
19 impact your ability to do what you are talking about doing?

20 General Milley: CRs hurt. I will let Secretary Speer  
21 -- he is a finance guy. He knows more about how they hurt  
22 than I do, but I can tell you they hurt.

23 Mr. Speer: One thing about the CRs, especially the  
24 longer term they go, but any CR -- they have a cumulative  
25 effect, and that is part of what we are coming out of from

1 2013, 2014, 2015 on not only in terms of the ability for a  
2 commander to know and sustain predictability for training  
3 and what they are going to do, they are by nature  
4 conservative. So when they see the funding may run out,  
5 they react differently. They can be risk-averse to that.  
6 But also you start making bad purchasing decisions. And  
7 those types of things go on.

8 Senator Perdue: You make shorter-term decisions is  
9 what you are saying.

10 Mr. Speer: Correct.

11 Senator Perdue: Less optimal decisions than you would  
12 make if you had a steady runway of dependable funding.

13 General Milley: They are more expensive.

14 Mr. Speer: More expensive too. I mean, they hold  
15 things to the very end, and you have a whole bunch of  
16 purchases at the end of the year that you do not get the  
17 best bargain for.

18 General Milley: It is a crazy way to do it. This CR  
19 thing is -- just one man's opinion I suppose, but I would  
20 say it is a crazy way to do it.

21 Senator Perdue: Sir, I come from a different world  
22 too. I come from the business world. I have never seen  
23 this done anywhere else in the world. It is absolutely  
24 absurd that we are going to do that and tie your hands about  
25 allowing you to move money from one department to another,

1 to even adapt to reduce levels of spending.

2           And our procurement program -- I think you mentioned  
3 just now. One of the competitive issues that I believe --  
4 and you just said it -- that will make winners and losers in  
5 the future is how quickly we can adapt technology to the  
6 battlefield. It sounds to me like with what we have been  
7 doing compared to what China is doing particularly with the  
8 rise of their investment -- they are spending about \$826  
9 billion a year in comparable terms on their military today.  
10 That compares to our \$600 billion, just to put that in  
11 perspective. In addition, they can bring things to market  
12 so much quicker. Would you elaborate on that just a little  
13 bit and how China is outpacing us in terms of bringing new  
14 technologies to the battlefield?

15           General Milley: Your assessment is accurate. They  
16 have made significant advances. We are in the 38th year I  
17 guess since Deng Xiaoping and the 1979 reforms. So they  
18 have made a massive economic improvement in their society  
19 for 37 consecutive years. It is the largest economic shift  
20 in global power in 5 centuries. And when that happens,  
21 inevitably throughout history, significant military  
22 capability follows. That is what we are seeing. We are  
23 seeing a significant development of Chinese military  
24 capability, and it is relatively rapid. They are not at 100  
25 percent of our levels yet in some areas, but in other areas

1 they have developed capabilities that are quite challenging.  
2 The specific capabilities -- I would prefer not to talk  
3 about them in open session. But it is a significant  
4 capability that they are developing.

5 Senator Perdue: Thank you both.

6 Chairman McCain: Senator Reed?

7 Senator Reed: Thank you, Mr. Chairman.

8 Just one quick follow-up question with respect to small  
9 arms. To what extent, if we adopted a new round, would it  
10 impact the interoperability of our relationship with NATO  
11 countries, the rounds that they have? And related to that  
12 is, what would it cost us to refurbish the worldwide  
13 stockpile, which exists now, 5.56 and 7.62?

14 General Milley: And those are all part of the analysis  
15 that we are doing down at Benning. But just to put your  
16 mind at ease a little bit, what we have developed is a 7.62  
17 bullet. So it is not like something that is not in the  
18 inventory anywhere. We have developed a pretty effective  
19 round down at Fort Benning. We think that we can get that  
20 into production here in a year or 2 and get that fielded out  
21 to the force. It is 7.62, not 5.56.

22 But not everybody necessarily needs -- this idea that  
23 the entire Army -- everybody needs the same thing all the  
24 time -- is not necessarily true. There are some units, some  
25 infantry units, that are much more highly likely to rapidly

1 deploy than others and conduct close quarters combat that we  
2 would probably want to field them with a better grade weapon  
3 that can penetrate this body armor that we are talking  
4 about.

5 Senator Reed: But would this round be interoperable  
6 with NATO allies?

7 General Milley: I probably should owe you a specific  
8 answer. I think yes. It is a 7.62 round. So I think the  
9 answer is yes. But let me get you a specific ballistics  
10 answer.

11 [The information follows:]

12 [COMMITTEE INSERT]

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1 Senator Reed: Thank you, sir.

2 Chairman McCain: Senator Cruz?

3 Senator Cruz: Thank you, Mr. Chairman.

4 Good morning, gentlemen. Welcome. Thank you for your  
5 service to our Nation particularly at this time of great  
6 challenges abroad and rising perils. I want to thank you  
7 both for your work particularly on the fiscal year 2018  
8 defense budget and your commitment to rebuilding our  
9 military capability to keep this Nation safe, to restore our  
10 readiness, and make sure we are in a position to defeat our  
11 enemies and to defend the homeland.

12 I want to talk about several aspects of the budget.  
13 The first concerns Fort Hood and other Texas bases, which is  
14 we visited the barracks and other facilities at Fort Hood  
15 and other Texas bases. And the bachelor enlisted quarters  
16 are currently at unacceptable habitable levels. And I  
17 understand that MILCON spending has been limited due to the  
18 operational challenges causing the services to make  
19 difficult budget decisions. But can you share with this  
20 committee your commitment to providing the necessary  
21 sustainment and restoration and modernization of these  
22 facilities to keep them functioning at a habitable level?

23 Mr. Speer: So, Senator, I would agree with you. The  
24 past non-predictable funding, the problems of lower funding  
25 we had has created some strain which generates some

1 readiness from the institutional base of the installations.  
2 We have -- and thank you so much for the fiscal year 2017  
3 budget -- added additional resources to sustaining those  
4 installations, to include Fort Hood. We have asked for,  
5 inside the fiscal year 2018 budget, double the restoration  
6 and modernization previously. We got over \$1 billion more  
7 than we had in fiscal year 2017. So we will get after both  
8 not only Fort Hood but other installations in terms of  
9 improving modernization and readiness of the facilities.  
10 MILCON has not been plused up as much. We are still taking  
11 some risk, and we will have to look at that in terms of the  
12 total infrastructure of the installations in the future.

13 Senator Cruz: Thank you.

14 Let me turn, General Milley, to a different topic,  
15 which is that prepositioned stocks in South Korea are  
16 planning to move back to the continental United States to  
17 equip a new armored brigade combat team. Could you expand  
18 on the reasons why the prepositioned stock has to be  
19 relocated from a forward-deployed location supporting  
20 rotational units to outfit an ABCT that will be stationed in  
21 the U.S.?

22 General Milley: Thanks, Senator. Two things. One is  
23 that equipment is over there prepositioned for a force to  
24 arrive for training or otherwise. The intent is that the  
25 armored units that deploy there will deploy with their

1 equipment. As I mentioned earlier to one of the Senators,  
2 for the last 15-16 years, our force -- we restructured  
3 ourselves to fight an insurgency and counterterrorist fight,  
4 and we went with infantry heavy, which is appropriate for  
5 that type of fight. As we look at the world ahead, we need  
6 to rebalance a little bit. So we need to increase our  
7 armored brigade combat team capability. So we want to  
8 convert one infantry to an armored to create a 15th and then  
9 create a 16th after that. That equipment -- the key set you  
10 are talking about -- will be necessary to create that 16th  
11 armored brigade. Absent that, we will not be able to do it  
12 given the money that we have and the vehicle inventory that  
13 we have. So that is the logic behind it. It is an element  
14 of risk, but we think it is acceptable level of risk because  
15 that particular unit would be the one going anyway.

16 Senator Cruz: Let me turn to a different question,  
17 which is that the President's budget keeps regular Army BCTs  
18 at 31, without any increases across the active duty National  
19 Guard or Reserve forces. Does this budget contain any  
20 provisions that would aid in the future reactivations of new  
21 BCTs?

22 General Milley: Yes. It was 30, and this budget  
23 request keeps 31. That one is the airborne brigade up in  
24 Alaska. So that is where you get your 31st one.

25 There are modest increases in force structure built

1 into this budget. One of the ones that relates to your  
2 question is the security force assistance brigades. They  
3 are the chains of command. Think of them as the chain of  
4 command from staff sergeant on up of an infantry brigade.  
5 They will train together. They will work together, and they  
6 will deploy as advisors to places like Iraq, Afghanistan,  
7 and other places where we think advisory help for indigenous  
8 forces.

9 They will not have soldiers in them, though. They will  
10 not have the privates and the sergeants and the corporals,  
11 et cetera. So if we need to expand rapidly, they do form  
12 the basis, the nucleus, the leadership piece of a brigade  
13 combat team that we could bring soldiers through basic  
14 training and AIT and fold them underneath that chain of  
15 command, and you could very quickly have an additional  
16 brigade must faster than building one from scratch. We plan  
17 on building five of those, four in the regular Army, one in  
18 the Guard. And that would be an expansion there.

19 The other part of that is what we are trying to do with  
20 this budget is fill the holes of the existing force  
21 structure, and then we are going to want to come back to you  
22 in the 2019 budget with what we think is the optimal force  
23 structure for the national military strategy and the defense  
24 planning guidance that Secretary Mattis is currently leading  
25 us through a very rigorous review of that, which we expect

1 the results -- we will be finished with it probably in the  
2 fall. Once we are done with that, we come back in 2019 with  
3 here is how we think we make ourselves right-sized for the  
4 challenges we think we face.

5 This budget is designed -- the last budget stopped the  
6 bleeding. This budget is to steady the ship and start the  
7 increase, as slight as it is, in readiness and modernization  
8 and modest increases in capacity. I hope that answers the  
9 question.

10 Senator Cruz: Thank you, General.

11 Senator Reed [presiding]: Thank you, Senator Cruz.

12 Gentlemen, thank you for your testimony, for your  
13 service. And on behalf of Chairman McCain, let me call the  
14 hearing adjourned.

15 [Whereupon, at 11:31 a.m., the hearing was adjourned.]

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**RECORD VERSION**

**STATEMENT BY  
THE HONORABLE ROBERT M. SPEER  
SECRETARY OF THE ARMY, ACTING**

**AND**

**GENERAL MARK A. MILLEY  
CHIEF OF STAFF  
UNITED STATES ARMY**

**BEFORE THE**

**SENATE ARMED SERVICES COMMITTEE**

**FIRST SESSION, 115<sup>TH</sup> CONGRESS**

**ON THE POSTURE OF THE UNITED STATES ARMY**

**MAY 25, 2017**

**NOT FOR PUBLICATION  
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## **Introduction**

We thank Congress for the fiscal year (FY17) budget that allows us to improve readiness. With consistent, strategy-based funding over time, the Army can increase capacity, train contingency forces, close critical modernization gaps, and rebuild installation and training infrastructure—all while maintaining excellence in the execution of current operations. To that end, an increase in the budget caps and a defense budget sized to achieve the objectives in the Defense Planning Guidance are critical to the United States Army accomplishing assigned missions to a standard expected by the American people.

Over the past 15 years of war, the Army has continuously provided trained and ready forces for combat operations in Iraq and Afghanistan to a standard of excellence equal to any in our Nation's history. Simultaneously, the United States Army has executed a wide array of combatant commander missions, providing forces to Europe, the Pacific, the Middle East, Africa, Latin America, and the homeland. Today, the United States Army assigns or allocates over 187,000 Soldiers to meet combatant commander requirements. However, the fiscal impacts of the Budget Control Act of 2011 and continuing resolutions have required the Army to take risk when meeting current operational requirements while maintaining a ready force for major combat operations.

## **Strategic Environment**

The United States Army forms the foundation of the integrated Joint Force facing several U.S. national security challenges. For almost two decades, the Army has provided the majority of U.S. forces fighting two prolonged counterinsurgencies in Iraq and Afghanistan. United States Army capabilities are key to deterring Russian, Chinese, Iranian, and North Korean challenges to U.S. national interests. Additionally, United States Army Soldiers defend the homeland against intercontinental ballistic missiles and provide support to civil authorities in the event of unforeseen natural and man-made disasters.

Russia is likely to continue employing a mix of conventional and unconventional military capabilities to achieve its policy objectives. Russia's conventional capabilities are formidable and, in many areas, challenge ours and those of our allies and partners. The Army contributes 34,000 Soldiers in support of United States European Command's effort to deter acts of aggression and ensure America's safety and security. The forward

presence of United States Soldiers is the keystone of our Nation's ability to assure North Atlantic Treaty Organization (NATO) Allies and non-NATO partners, deter adversaries, and act in a timely manner if deterrence fails. We must invest in strategically prepositioned equipment stocks in addition to rotational and permanently stationed forces on the ground in Europe today. The result of prepositioned stocks in conjunction with forward deployed and rotational forces increases assurances to our allies and deters potential enemies.

The Army has about 71,000 Soldiers in the Indo-Asia Pacific to counter a myriad of security challenges from regional adversaries, violent extremist organizations, and natural disasters. In South Korea, the Army serves alongside our Republic of Korea counterparts to deter, and if necessary 'Fight Tonight' against an increasingly dangerous North Korea. China's disputed territorial claims and assertive actions in the South and East China Seas increase tensions with many friends and allies. Additionally, ISIS-inspired attacks in Bangladesh, Indonesia, the Philippines, and bombings in Thailand in 2016, demonstrate the persistent terrorist threat in South and Southeast Asia. Specific Army investments that provide the Joint Force a more comprehensive rapid response force in the Pacific include: enhanced joint integrated air and missile defense, offensive and defensive counter-electronic warfare, and cyber capabilities. Additional investments support rotational forces to South Korea and a robust training and exercise program to increase interoperability and build partner capacity with our friends and allies.

The Middle East and Central Asia are rife with threats and challenges. Iran's growing ballistic missile activities, cyber threats, and interference in Syria further threaten stability in the Middle East and the security of our allies. Russian intervention in Syria and increased influence throughout the region while ISIS continues a campaign of terror across the Middle East, adds to instability and inhibits long-term progress in the region. The Army's presence in the Middle East assures access, builds a foundation of trust, and prevents the ongoing conflicts from spilling over to other regions, including the homeland. Nearly 42,000 Soldiers throughout the area support the defeat of ISIS in Syria and Iraq, deny enemy safe havens in Afghanistan, deter Iran, support Turkey, assist with the stability of Jordan, and build partner capacity with our partners.

United States Army and African partnerships promote regional stability and provide increased awareness and flexibility. United States Africa Command employs United States Army forces in small teams and units that train with African security forces, assist in

building capable defense institutions, and support counter-extremist and other contingency operations. These efforts assist our African partners in their fight against violent extremist organizations—ISIS, al-Shabab, and Boko Haram. During FY16 over 9,000 Soldiers deployed throughout Africa. These Soldiers participated in over 250 security cooperation events, exercises, and missions in more than 30 countries; highlighted by Central Accord 2016 in Gabon, where over 1,000 Soldiers participated with counterparts from 11 African nations as part of a peacekeeping training event.

Approximately 4,000 Soldiers support military operations in Central America, South America, and the Caribbean. Transregional terrorist organizations, transnational organized crime, and violent extremist networks are the principal threat to regional security and stability. United States Army forces, including aviation, intelligence, communication, special operations, and logistics units, actively support partner nations' efforts to disrupt, degrade, and dismantle these threat networks operating in the region. In October 2016, in response to Hurricane Matthew and at the request of the U.S. Agency for International Development, the first Category 5 Atlantic hurricane since 2007, U.S. Southern Command stood up a Joint Task Force to support U.S. Government disaster relief operations in Haiti and Jamaica. U.S. Southern Command deployed United States Army air assets, including CH-47 Chinooks, UH-60 Black Hawk utility helicopters and HH-60 Medical Evacuation helicopters, which provided the ability to quickly move heavy loads of humanitarian aid, conduct medical evacuation missions, transport key leaders around the area, and conduct early reconnaissance flights to identify the hardest hit areas. The efforts of these Soldiers assisted in the delivery of more than 349,000 pounds of relief to areas devastated by Hurricane Matthew.

At home and abroad, the United States Army secures, operates, and defends its networks and conducts cyber operations against a growing array of sophisticated cyber adversaries. The Army secures and operates its global enterprise network through four Theater Signal Commands and five Regional Cyber Centers. The Army has 41 Active Component Army Cyber Protection Teams that conduct cyber operations against near peer adversaries, ISIS, and other global cyber threats. We are building an additional 21 Reserve Component Cyber Protection Teams giving the Army 62 Total Force Teams. These teams deliver effects against our adversaries in support of ground commanders, defend military networks, secure Army weapons platforms, and protect critical U.S.

infrastructure. We request congressional support of our FY18 budget to continue to modernize our global enterprise network and advance defensive and offensive cyber capabilities to safeguard the Nation's security interests.

In sum, over 187,000 Soldiers support combatant commander requirements worldwide. Our Soldiers directly contribute to our Nation's efforts to defeat ISIS, support governance in Afghanistan, and deter conflict throughout Europe, Asia, and the Middle East. This steady demand for trained and ready Army units provides our Nation with the ability to defeat adversaries, assure our partners, and deter potential aggressors.

### **Impacts of Fiscal Uncertainty**

For the past five years, the Army has been working to build and sustain a ready force. However, this has been a significant challenge due to the Budget Control Act of 2011, Continuing Resolutions, and unforeseen changes in the strategic environment that include an assertive Russia, an increasingly threatening North Korea, and ISIS controlling territory across Iraq and Syria. To respond to the current strategic environment, the Army has chosen to prioritize readiness.

While the Army remains focused on accomplishing the current missions of the combatant commanders, the negative impacts of the Budget Control Act of 2011 have been significant. These impacts include a smaller Army, spending less on modernization, and deferring installation maintenance. The consequences are real and will manifest themselves if the Army is required to fight in a major conflict. Congressional support for a Base Realignment and Closure authority would allow the Army to invest in readiness and modernization programs rather than excess infrastructure.

Over the last eight years, the Army reduced end strength by over 100,000 Soldiers. This reduction included removing 17 brigade combat teams from the Army. To meet the end strength reduction targets, the Army reduced forward stationed forces in Europe and Korea, replacing them with rotational forces from the United States. The impact of this reliance on rotational forces is a deployment tempo that rivals the surge periods in Iraq and Afghanistan.

Over the same eight-year period in which we reduced the Army by 100,000 Soldiers, Continuing Resolutions and constrained funding under the Budget Control Act of 2011 forced us to pay short-term bills at the expense of long-term investments. A consequence of underfunding modernization for over a decade is an Army potentially

outgunned, outranged, and outdated on a future battlefield with near-peer competitors. The Army's combat platforms include tanks, helicopters, infantry fighting vehicles, artillery, and short range air defense systems that are decades old. As technology continues to advance, our Army risks falling further and further behind. In short, the Army's lack of investment in modernization is eroding our competitive advantage in ground combat operations.

Additionally, the Army deferred maintenance of our installations for many years. The Army generates readiness on the installations where Soldiers live, work, and train. Installations provide the platforms where the Army focuses on its fundamental task—readiness. Our military construction investment remains at historically low spending levels and focuses on replacement of failing and obsolete training, operations, maintenance facilities, and footprint consolidation. Deterioration of our installations adversely impacts Soldier and Family quality of life, maintenance of equipment, deployment of forces, and our ability to mobilize reserve components.

Overall, the Budget Control Act of 2011, Continuing Resolutions, and unforeseen changes in the strategic environment have forced the Army to prioritize readiness. The tradeoffs were a smaller Army, smaller investments in modernization, and deferring installation maintenance. The principal negative impacts of these tradeoffs have been stress on the force, eroded competitive advantage, and deteriorating installations. Immediately increasing the defense cap and predictably funding the Army as requested are the most important actions Congress can take to address the changing needs of the global security environment.

### **Readiness to Fight Tonight**

Readiness deters and wins wars. An investment in readiness is time consuming and expensive, but the only thing more costly than funding readiness is the loss of life associated with sending Soldiers into battle unready. Ultimately, the United States Army must be prepared to respond to crises in sufficient numbers with sufficient training and equipment to fight and win with little-to-no notice. The National Defense Authorization Act for FY17 end strength increase of 28,000 Soldiers over the FY17 President Budget's proposal is much appreciated to ensure the Army has fully manned formations. With a fully resourced end strength, the Army can sustain its global commitments. The FY18 budget translates into better training, increased equipment, installation maintenance,

additional munitions, and increased modernization that will improve the United States' ability to meet the requirements in the Defense Planning Guidance.

In 2014, the United States Army began the transition from training for a decade-long counterinsurgency campaign to training for major combat operations. Over the next two years, the Army's challenge is to balance the requirements of remaining regionally engaged, while simultaneously preparing to meet the demands of a globally responsive contingency force. As a result, the Army increased resources provided to Combat Training Centers and home station training. Throughput at Army Combat Training Centers increased over 10 percent—an increase from 17 to 19 brigade combat team rotations annually. These rotations challenge unit commanders at the brigade and battalion-level with realistic training scenarios that integrate unmanned aerial vehicles, cyber, intelligence, electronic warfare, communication, fire support, and aviation assets.

In addition to increased training opportunities, the Army initiated the Associated Units Pilot in order to build readiness and responsiveness across the Total Force. Under this program, the Army associates Army National Guard and Army Reserve units with a gaining Regular Army unit commander and vice versa – associates Regular Army units with gaining Army Reserve and Army National Guard commands. The receiving unit commander is responsible for approving the associated unit's training program, reviewing its readiness reports, and assessing its resource requirements. Associated units also train with their gaining units to the maximum extent feasible, including leader development, field training, command post exercises, and combat training center rotations. Congressional support for these efforts will increase Army readiness by shortening the post-mobilization training time required for combat and combat enabling units of the Army National Guard and the Army Reserve.

An adequately manned and trained Army deserves the best available equipment when responding to crisis. Last year, the Army established the Rapid Capabilities Office to acquire equipment and services quickly and at less cost. Targeting the mid-term time horizon, the Rapid Capabilities Office works with select industry partners to address critical modernization gaps including assured positioning, navigation, and timing; counter-electronic warfare; automation; and cyber capabilities. The Rapid Capabilities Office is already providing electronic warfare capabilities to Army forces in Europe and, with

Congressional support, will provide deployed Soldiers with next-generation batteries and a supplemental positioning, navigation, and timing capability by 2020.

Additionally, the Army must provide state-of-the-art equipment in sufficient quantities to the units responding to crisis. To respond to crises in a timely manner, the Army positions sets of military equipment around the world. These sets, Army Prepositioned Stocks, decrease deployment time because they place military equipment closer to the potential point of need. Army Prepositioned Stocks, in conjunction with strategic sealift and airlift, provide Joint Force commanders with faster access to needed combat formations and enablers in order to reassure our allies and, if necessary, defeat our adversaries. The accelerated growth of Army Prepositioned Stocks in Europe positions equipment for a division headquarters, two Armored Brigade Combat Teams, one Field Artillery Brigade, and division enablers for rapid access by the Joint Force Commander. Similarly, Army configured Prepositioned Stocks in Asia shortens the timelines associated with a contingency in the Pacific Command. With congressional support, increased investment in Army Prepositioned Stocks in Europe and Asia will underwrite the ability of national leaders to provide flexible options consistent with U.S. national interests.

There is no greater responsibility in the Army than to lead American Soldiers in peace or war. Leader development is critical now and for our future. Professional military education combined with practical experience in leadership positions is the principal way the Army builds leaders. With Congressional support, the end product of increased investment in leader programs is officers and non-commissioned officers (NCO) of competence and character, fit to lead men and women in combat.

### **Modernization: Equipped to Fight**

Army modernization advances materiel solutions that enable the Army to retain our advantage against advanced adversaries and a broad range of other potential threats. The Army's FY18 Budget Request prioritizes the requirements necessary to deter and, if required, defeat near-peer adversaries. The Army modernization priorities are: air and missile defense; long range fires; preferred munitions; mobility, lethality and protection of our Brigade Combat Teams; active protection; assured positioning, navigation and timing; electronic warfare; cyber; assured communications; and vertical lift. The Army also

requests congressional support to improve our Soldier and combat service support equipment.

The air defense and long range fires portfolios contain our most urgent and pressing capability need to respond to challenges we have not faced in decades. Our potential adversaries have substantial anti-access and area denial capability, with many weapons and munitions whose quantity, range, and lethality have significantly improved. Specifically, we need to rapidly improve and procure our Army Tactical Missile System and Guided Multiple Launch Rocket System rockets, develop a cannon delivered area effects replacement munition, and improve the industrial base supporting the production of our precision and preferred munitions. To mitigate the increased risk to the maneuver force from airborne threats, such as rotary wing and fixed wing aircraft, Unmanned Aerial Systems, and cruise missiles, the Army is recapitalizing the existing Avenger systems and Stinger missiles, while developing the next generation of kinetic and non-kinetic short range air defense capabilities.

The Army has developed a Combat Vehicle Modernization Strategy for our Abrams, Stryker, Bradley, Armored Multi-Purpose Vehicle, and Howitzer fleets. These programs are ready to go into production. Our request includes increased funding to reduce the currently programmed 30-year replacement timeline. It also includes funding to enhance the mobility and lethality of our light infantry units by providing them with both the ground mobility vehicle and the mobile protected firepower vehicle. All of our vehicles need to be protected against rocket propelled grenades and anti-tank missiles. However, quantities of armor protective technology are limited. The request includes funding for additional protective technology, which is currently available only in limited quantities. These active protection systems use sensors, radar, computer processing, fire control technology and interceptors to defeat incoming anti-tank missiles. This capability will save American lives.

Similar to combat on physical battlefields, friendly and enemy forces fight for dominance in space, cyber, and the electromagnetic spectrum. The Army is developing anti-jam antennas that guard against attacks on our global position systems. Additionally, the Army is leveraging off-the-shelf hardware and software solutions to address shortfalls in offensive and defensive cyber capabilities. We are also developing the Multifunction Electronic Warfare system, to provide commanders the ability to plan, detect, defend, and attack in the electromagnetic spectrum. Vital to the success of our

Soldiers on the battlefield, we are adapting our tactical radio waveforms to protect our communication network. Congressional support will enable the Army to increase capabilities and reduce risk in space, cyber, and the electromagnetic spectrum.

Our communications network is critical to enable mission command of ground combat operations. We request support to accelerate fielding of mission command network systems and increase procurement of the Joint Battle Command Platform to decrease software vulnerabilities and increase interoperability. Congressional support of the request will enable the Army to increase capability and reduce risk.

The Aviation portfolio adopts the recommendation of the National Commission of the Future of the Army to retain more Apache units, but cannot support aggressive modernization under the current Budget Control Act of 2011 caps. To implement the Commission's recommendations, the Army is incrementally procuring new Apache aircraft by slowing the modernization of the UH-60 Blackhawk program. This strategy extends the modernization timeline for Apaches from FY26 to FY28 and Blackhawks from FY28 to FY30. We also need to pursue a rapid solution for aircraft survivability given the proliferation of anti-aircraft weapons on the battlefield. Additionally, we are expanding the production of the Hellfire missile to meet current demand while transitioning to the Joint Air-Ground Missile to prepare for possible future contingencies. The Army's FY18 budget request includes funding increases in aviation munitions, survivability, and modernization.

Our Soldiers remain the backbone of every Army capability, and our infantry units must be equipped with modern weapons. We request support to increase readiness by completing M4A1 Carbine pure-fleet fielding, developing Next Generation Squad Weapons, procuring anti-tank weapons, such as the Javelin and tube-launched, optically tracked, wire-guided (TOW) anti-tank guided missiles, and beginning procurement of the Lightweight Command Launch Unit for Javelin. Additionally, we seek congressional support for a variety of simulators and virtual training devices to significantly increase the repetition and experience base of our Soldiers and leaders at the tactical level in individual, collective, squad, and small unit operations given intense, complex, combat scenarios.

Our ability to project and sustain combat power over long distances and for long durations is key to winning wars. We request support for shortfalls in bridging, tank transport, and tank recovery that limit the maneuverability of the Army's Main Battle Tank on the battlefield. We also seek to increase procurement of our Joint Light Tactical Vehicle

and Heavy Equipment Transporter, modernize our watercraft, and upgrade our medical capabilities for combat casualty care. This includes procuring the Maneuver Support Vessel (Light), completing the Landing Craft Utility 2000 service-life extension, and completing the command, control, communications, computers, intelligence, surveillance, and reconnaissance upgrades. Congressional support is needed to enable these initiatives for Army and Joint Force mobility and sustainment.

### **Soldiers, Civilians, and Families: Our Greatest Asset**

People join the Army to defend our Nation and its people. In turn, we must take great care to support those who step forward and answer the call to the colors. We request continued support for competitive pay and compensation and family programs, housing, and infrastructure improvements. We will continue Soldier 2020 initiatives' standards based assignments regardless of gender; Sexual Harassment Assault Response and Prevention (SHARP) initiatives to prevent and reduce harassment or assault against male or female Soldiers.

Additionally, Army Civilians as part of the Army generating force, ensure the readiness and availability of our formations that support the Joint Force commander with more than 16,000 Army Civilians serving overseas supporting combatant commanders. We are committed to ensuring quality support to our Soldiers, Civilians, and their Families that strengthens the bonds within our Army team, while simultaneously advancing our efforts to increase readiness.

### **The Army's Budget Request**

The Army's FY18 base budget request is \$137.2B, a 5.3% increase from our total FY17 base request of \$130.3B. The major budget goals for FY18 are readiness to meet today's global challenges and focused modernization of our equipment. As part of these goals, the Army will upgrade aviation and ground combat platforms, while increasing investments in short range air defense, long range fires, aviation, network, combat vehicles, Soldier equipment, combat service support and installations.

Additionally, we are accountable for the resources to produce the outcomes required. We are also committed to the efficient and effective use of those resources by improving and reforming our processes. As mandated by Congress in the 2010 and 2012 National Defense Authorization Acts, the Army will be audit ready by September 30, 2017.

We are strengthening internal controls, developing standard business processes, retaining supporting documentation, and improving system controls. The Army will continue to implement corrective action plans to resolve deficiencies, with an overall goal of improving a culture of accountability and fiscal stewardship of our Nation's resources.

### **Conclusion**

We thank Congress for the FY17 budget and their continued support of the United States Army and the American Soldier. Now is the time to substantially increase readiness, improve modernization, and increase capacity. Readiness remains unequivocally our number one priority – it underpins everything the Army does. We have an opportunity to fix readiness losses and prepare for the future. However, building a professional Army takes time. To build readiness, Soldiers require specialized and sufficient training; modern, properly maintained equipment; sufficient quantities of the proper munitions; and stability. To sustain readiness, the Army requests congressional support for its modernization efforts – aviation, network, combat vehicles, long range fires and short range air defense, Soldier equipment, and combat service support. We request that Congress increase the caps in the Budget Control Act of 2011, provide sufficient funding to fully man and train our current formations and allow us to close critical gaps in modernization. These actions will ensure that our Soldiers are ready for the missions of today, as well as for the unforeseen conflicts of tomorrow.