

**Senate Appropriations Subcommittee on Defense Holds Hearing on President Obama's Proposed Fiscal 2015 Budget Request for the U.S. Navy and U.S. Marine Corps  
March 26, 2014 - Final**

DURBIN:

The Subcommittee meets this morning to receive testimony on the fiscal year 2015 budget request for the United States Navy and Marine Corps.

Pleased to welcome the Secretary of the Navy, the Honorable Ray Mabus; the Chief of Naval Operations Admiral Jonathan Greenert; the Commander of the Marine Corps General James Amos; the Chief of the Navy Reserve Vice Admiral Robin Braun; and the Chief of the Marine Corps Reserve Lieutenant General Richard Mills.

Gentlemen, thank you for being with us today and providing your testimony. At the outset, I would like to speak I'm sure on behalf of the entire Committee and express our condolences to the entire Navy family for the death of a young sailor late Monday night at Naval Station Norfolk, responding to a security breach on a guided missile destroyer, the USS Mayhem.

During the struggle, the intruder wrestled a gun away from another guard and shot the sailor. Our condolences go out to his family. An investigation is under way. And we'll look forward to learning more about the incident as soon as possible.

For fiscal year 2015, the president budget requests \$148 billion in base funding for the Department of the Navy. However, the request does not include the Overseas Contingency Operation request, which is a big concern.

Until we receive the president's request for plans in Afghanistan after 2014, it's virtually impossible to understand what is required to support sailors and Marines serving in war zones.

The Navy's making significant changes to future programs, such as requesting reduction to the number of cruisers, not funding the overhaul of George Washington, and making significant reductions in aircraft ammunitions. This causes serious concern about the Navy and Marine Corps' ability to execute the shift to the Pacific, along with other responsibilities.

In addition, we're concerned as we look across the next five years of budgets, as the Department of Defense added \$115 billion over the BCA caps written in law. What happens if these funds don't materialize?

Similarly, if funding for education, health care, and other domestic programs remains at sequester levels, will the Navy and Marine Corps have more challenges in finding well-educated, fit, capable young men and women to recruit?

Throughout this conversation, we cannot waver in protecting our most precious asset, our people. Whether it's one of the 38,000 new sailors in boot camp at Naval Station Great Lakes in Illinois, which we're very proud of, or a Marine unit rotating through Darwin, Australia.

Our men and women in uniform are the finest, most skilled fighting forces in the world, and we can't allow budget pressures to squander those skills.

As the Department's senior leadership, this Committee needs your guidance on a number of crucial personnel questions. How can the Navy and Marine Corps recruit and retain the best talent to deal with the challenges of the 21st Century? What more can be done to address suicide and PTSD?

How do we keep faith with service members and their families in this budget environment? What must we do differently to combat sexual assault?

I look forward to working with our distinguished panel throughout the year so that our fiscal year 2015 appropriations bill can enable the U.S. Navy and the Marine Corps to defend our national interests around the world.

We sincerely do appreciate your service to our nation and the dedication and sacrifice made every single day by the men and women of our Navy and Marine Corps.

I thank you for your testimony this morning. Your full statements will be part of the record. I'm going to turn to our vice- chairman, Senator Cochran, and then to the chairman of the full Committee, Senator Mikulski.

COCHRAN:

Mr. Chairman, I'm pleased to join you in welcoming our distinguished panel of witnesses today. We appreciate their leadership.

The importance of the Navy and Marine Corps role is becoming even greater with increased presence in the Asian and -- Asia-Pacific region. The Department has earned a high level of distinction for its accomplishments over the years. Marine Corps as well. And we're really fortunate to have the kind of leadership that we have now in these important positions.

We look forward to hearing your testimony. Thank you.

DURBIN:

Senator Mikulski?

MIKULSKI:

Thank you, Mr. Chairman.

Mr. Chairman, as you know, I'm here as both a member of the Committee, but as the Chair of the full Committee.

I want the record to note that both Senator Shelby and I are here to support our Subcommittee chairman and vice-chairman, Senator Cochran, to show that the Appropriations Committee is committed to keeping America strong, to supporting its United States military, not only with words and what's in the federal law books, but what -- what's in the federal checkbook.

We are going to eagerly listen to the testimony presented today.

And we also want to note that for one member of the panel, it will be his last appearance before the Appropriations, with the retirement of General Amos. So we want to, in the warmest, most admirable way, thank him for his service.

We in Maryland are really proud of the Navy and the Marine Corps. We're the home of one of the oldest ships in the Navy, the Constellation, one of the oldest warships, to one of its most modern fleets, the Tenth fleet, in terms of the cyber fleet.

We're also the home to hallmark institutions within the Navy, from the Naval Academy to the Pax River Navy Base. So we're a Navy state and we look forward to continuing to support you.

We, too, want to express our condolences in terms of the terrible shooting at Norfolk. I want to express my condolences to the Navy family, and especially the Naval Academy family, for the death of Will McKamey, the 19-year-old freshman who died in shock trauma of a -- of a brain -- brain trauma.

But as we express our condolences, we also want to -- those young men would want us to make sure we have the best Navy and Marine Corps that we can. We look forward to your testimony in both what we need in terms of its physical infrastructure, but also building its human capital.

So with that, Mr. Chairman, I'm eager to hear the testimony.

DURBIN:

Let's see if Senator Shelby has any comments he'd like to make?

SHELBY:

Mr. Chairman, I'd like for my whole statement to be made -- to be made part of the record.

And I just want to, again, welcome the Secretary of the Navy and his distinguished colleagues here today. This is a very important hearing. It's important for us to hear on the Appropriations

Defense Subcommittee and the full Committee of Appropriations. But it's important for the security of this country at a crucial time.

I look forward to all of you's testimony and the chance to ask questions.

DURBIN:

Anyone else wish to make opening comments?

Senator Collins?

COLLINS:

Mr. Chairman, in light of the time constraints this morning, I will submit my opening statement for the record. But I just want to welcome all of our witnesses and note that Vice Admiral Braun is from the great state of Maine.

DURBIN:

Senator Coats?

COATS:

Except for the recognition of the state of Maine, a ditto to what Senator Collins' just said.

(LAUGHTER)

No disrespect for Maine. It's just that I don't have the same parochial interest. But our time is constrained. We ought to hear what these people have to say.

DURBIN:

Someone said all politics is local.

Secretary Mabus, please proceed.

MABUS:

Mr. Chairman, before I begin my formal statement, I would like to thank you and the members of the Committee for your condolences on behalf of the Navy family. We send out our thoughts

and prayers to the family, the shipmates, the friends of the sailor that was lost in Norfolk, and also to the (inaudible) who died at the Naval Academy.

Mr. Chairman, Madam Chairwoman, Vice-Chairman Cochran, and members of this Subcommittee, first thank you for your support of the Department of the Navy for our sailors and Marines, our civilian employees, and their families.

General Amos, the Commandant of the Marine Corps, and Admiral Greenert, the Chief of Naval Operations, and I couldn't be prouder to represent those courageous and faithful sailors, Marines, and civilians. These men and women serve their nation around the world with skill and dedication, no matter what hardships they face, no matter how far they are from home and from their families.

And as Senator Mikulski pointed out, I want to take a personal moment, this will be the last hearing that -- before this Committee, on posture, that General Amos participates in. And I just want to say what a high privilege and great honor it has been to serve with the Commandant of the Marine Corps James Amos.

The architects of our Constitution recognized the inherent value of the United States Navy and Marine Corps. Article I Section 8 gave Congress the responsibility to provide and maintain a Navy because our founding fathers knew that the nation needed a naval force to operate continuously in war and peace.

Over two centuries ago, the United States had a crucial role in the world. Today that role is exponentially greater.

Whether facing high in combat, asymmetrical threats or humanitarian needs, America's maritime forces are ready and present on day one of any crisis or any eventuality. In today's dynamic security environment, naval assets are more crucial than ever.

In military terms, they provide presence -- presence worldwide. They reassure our partners that we are there and remind potential adversaries that we're never far away. This presence provides immediate and capable options for the commander in chief when a crisis develops anywhere in the world.

MABUS:

In the past year, our naval forces have operated globally from across the Pacific to continuing combat in Afghanistan, from the Gulf of Guinea to the Arctic Circle. The 2012 Defense Strategic Guidance and the newly released QDR are both maritime in focus and require presence of labor forces around the world.

Four key factors make that global presence and global action possible. These four factors are -- the people, platforms, power and partnerships have been my priorities during my tenure as secretary and they have to continue to receive our focus looking ahead.

In our fiscally constrained times, we have used these priorities to help balance between the readiness of the force, our capabilities and our capacity. Our people are our biggest challenge and we have to ensure that they continue to get the tools they need to do their job.

In compensation, we've increased sea pay to make sure those sailors and Marines deployed aboard ship are appropriately recognized. However, this budget also seeks to control the growth in compensation benefits, which threatens to impact all other parts of our budget. This is not addressed as the CNO has so forcefully put it: The quality of work for our sailors and Marines will almost certainly decline.

Ship building and our platforms remain key elements of our Maritime power, and a focus of this committee. The number of ships, submarines and aircraft in our fleet is what gives us the capacity to provide that global presence.

While we have the most advanced platforms in the world, quantity has a quality all its own. And I think it's important to understand how we got to our current fleet size.

On September 11th, 2001 our fleet stood at 316 ships. By 2008, after one of the great military build ups in military history, the fleet was down to 278 ships. In the four years before I took office, the secretary of the Navy put 19 ships on the contract. Since I took office, in May of 2009, we have put 60 ships under contract. And, by the end of this decade, our plan will return the fleet to 300 ships.

We're continuing our initiatives to spend smarter, and more efficiently, which are driving down costs through things like competition, multi-year buys and just drive a harder bargain for taxpayer dollars. Power, energy as a national security issue is central to our Naval forces and our ability to provide that presence. Dramatic price increases for fuel threaten to drain our operations and training, and could impact how many platforms we can acquire. Having more varied, stably priced American produced sources of energy makes us better war fighters.

From sail, to coal, to oil, to nuclear and now to alternative fuels the Navy has led in energy innovation.

Since the end of World War II, U.S. Naval forces have protected global economy -- the global commons to maintain the foundation of the world's economy. In today's complex environments, partnerships with other nations, evidenced by things like inter-operability, exercises and operations continue to increase in importance.

The Navy and Marine Corps, by the nature of their forward presence, are naturally suited to develop these relationships, particularly in the innovative small footprint ways that are required.

With the fiscal year '15 budget's submission, we are seeking within fiscal constraints imposed to provide our Navy and Marine Corps with the equipment, the training and the tools needed to carry out the missions the nation needs and the nation expects from them. There are never any permanent home for (inaudible) sailors or Marines.

In peace time, war time, all the time they remain forward deployed, providing presence and providing whatever is needed by our country. This has been true for 238 years, and it is our task to make sure it remains true now and in the future.

Thank you.

DURBIN:

Thank you, Mr. Secretary.

Admiral Greenert.

GREENERT:

Thank you Chairman Durbin, Vice Chairman Cochran, Chairwoman Mikulski and distinguished members of the committee.

I am proud to represent 633,000 sailors, Navy civilians and their families. Especially the 50,000 sailors deployed and operating forward around the globe today. The dedication and resilience of our people continue to amaze me, Mr. Chairman. And the citizens of this nation can take pride in the daily contributions of their sons and daughters in places that count.

I too offer my condolences to the family, friends and shipmates of the sailor killed in Monday's shooting. Sailors of the USS Mahan are -- and the Norfolk Naval Station family are in our thoughts and prayers. Also, our thoughts and prayers go out to the families of the deceased and those that are missing in the Washington state mud slide. We have shipmates and families there affected as well, and it's been a tough year at the Naval Academy. We've -- this will be our second loss for midshipmen, and we go out to that family, there are shipmates as well, sir.

I'm pleased to appear this morning beside Secretary Mabus and General Amos. Your Navy Marine Corps team is united in fulfilling our longstanding mandate to be where it matters, when it matters and to be ready to respond to crises to ensure the stability that underpins the global economy.

General Amos has been a great shipmate. Our synergy of effort of our two services has never been better. And I am committed to continuing that momentum. Secretary Mabus has provided us the vision, the guidance and the judiciousness to build the finest Navy and Marine Corps that this nation is willing to afford.

Forward presence is our mandate. We operate forward to give the president options to deal promptly with contingencies. As we conclude over a decade of wars and bring our ground forces home from extended stability operations, your Naval forces are going to remain on watch.

The chartlet in front of you -- this one says, "Navy Today" -- shows the -- today's global distribution of the deployed forces, as well as our bases and places that support those forces forward.

Our efforts are focused in the Asia-Pacific and the Arabian Gulf, but we provide presence, and we respond as needed, in other theaters as well. And with this forward presence, over the last year, we were able to influence and shape the decisions of leaders in the Arabian Gulf, northeast Asia and the Levant.

We patrolled off the shores of Libya, Egypt and Sudan to protect American interests, and to induce regional leaders to make the right choices. We relieved suffering and provided assistance and recovery in the Philippines in the wake of a devastating typhoon. Our presence dissuades aggression and coercion against our allies and friends in the East and the South China Seas.

We kept piracy at bay in the horn of Africa, and we continue to support operations in Afghanistan while taking the fight to insurgents, terrorists and their supporting networks across the Middle East and Africa with our expeditionary forces and supporting special operations forces as well.

The fiscal year 2014 budget will enable an acceptable forward presence. Through the remainder of fiscal year '14, we'll be able to restore fleet training, maintenance and operations and recover a substantial part of the fiscal year 2013's back log.

And I thank the committee for their support in that regard.

The president's 2015 budget submission enables us to continue to execute these missions, but we will face high risk in specific missions articulated in the defense strategic guidance. Our fiscal guidance through the FYDP, for Pres Bud 2015, is about halfway between the BCA caps and our Pres Bud '14 plan. So it's still a net decrease of \$31 billion when you compare it with Pres Bud '14.

To prepare our program within these constraints, I set the following six priorities. Number one, provide the sea base strategic deterrent. Number two, forward presence. Three, capability and the capacity to win decisively. Four, readiness. Five, asymmetric capabilities and maintaining our technological edge where it matters. And number six, sustaining a relevant industrial base.

Using these priorities, we build a balanced portfolio of capabilities within the fiscal guidance we were provided. We continue to maximize our presence in the Asia-Pacific and the Middle East using innovative combinations of rotational, forward basing and forward stationing of forces. We still face shortfalls in support ashore with a back log of facilities and maintenance that erode the ability of our bases to support the fleet.

We have slowed modernization in areas that are central to remain ahead of, or keep pace with, technologically advanced adversaries. So consequently, we face higher risk if we are confronted with a high tech adversary, or if we attempt to conduct more than one multi-phase major contingency simultaneously.

Chairman -- Mr. Chairman, I'm troubled by the prospect of reverting back to the BCA revised caps in 2016. That would lead to a Navy that's just too small and lacking in the advanced

capabilities that we need to execute the missions that we need to execute the missions that the Navy -- excuse me -- the nation expects of our Navy.

We would be unable to execute at least four of the 10 primary missions articulated in the Defense Strategic Guidance in the Quadrennial Defense Review. Looking back at the chartlet -- that's the back of the chartlet that had "Navy Today" -- we laid out for you and provided our ability to respond to contingencies. And you can see it would be dramatically reduced, limiting our options and decision space, and we would be compelled to activate an aircraft carrier and an air wing.

Further, you can see our modernization and re-capitalization will be dramatically reduced -- see the X's through the icons there -- threatening readiness in our industrial base.

Reverting to BCA caps year by year will leave our country less prepared to deal with crisis. Our allies' trust will wane, and our enemies will be less inclined to be dissuaded or to be deterred.

So Mr. Chairman, I remain on board with the efforts to get the fiscal house in order. I look forward to working with this committee to find solutions that enable us to sustain readiness while building an affordable, but a relevant future force.

The force has to be able to address a range of threats, contingencies and high consequence events that could impact our core interests. I appreciate the opportunity to testify today, and I thank the committee for their previous support and their continued support for the navies and families.

I look forward to your questions.

DURBIN:

Thanks Admiral.

General Amos, let me join in the chorus of gratitude for your service to our nation, but let me also add, Bonnie, your wife who was kind enough to host us when the committee -- some of the committee members joined me for dinner at your residence at the Marine Corps barrack. She was a terrific hostess that evening, and I'm sure has been a great partner as you've served our nation so well.

So thank you very much for that, and we appreciate your testimony.

AMOS:

Chairman, thank you very much for those kind words. And I'll pass that to Bonnie as well. She's been a great teammate for 44 years, and so this will -- this is a -- it'll be an emotional end to the year and an end to my commandancy and my time here.

So Chairman Durbin, Chairwoman Mikulski thank you for being here and making the effort to come this morning, ma'am.

Vice Chairman Cochran, Senator Shelby thank you again for coming this morning.

AMOS:

And, members of the committee, I'm pleased to appear before you to speak about your United States Marine Corps this morning.

Since our founding in 1775, Marines have answered the nation's call, faithfully protecting the American people and maintaining a world class standard of military excellence. Nothing has changed. Nothing will change in the future.

And yet, we find ourselves today at a strategic inflection point. After 12 years of war, we are drawing down our forces in Afghanistan. Resetting our institution and what we have called "reawakening the soul of the Corps," today we are challenged by fiscal uncertainty that threatens both our capacity and our capabilities, forcing us to sacrifice our long-term health for near-term readiness.

I have testified before this committee many times. And despite these challenges, I remain committed to feeling the most capable and most ready Marine Corps the nation can afford. Our greatest asset is the individual Marine, the young man or woman who wears my cloth.

Our unique role, as America's signature crisis-response force, is grounded in the legendary character and warfighting ethos of our people. As we reset and prepare for future battles, all Marines are rededicating themselves to those attributes that carry Marines across the wheat fields, and into the German machine guns at Belleau Wood in March of 1918.

Those same attributes that enabled the raw combat, inexperienced, young Marines, to courageously succeed against a determined enemy at America's first offensive operation in the Pacific. The attack at Guadalcanal on August the 7th, 1942.

And lastly, those timeless strengths of character and gut courage that enabled Marines to carry the day in an Iraqi town named Fallujah, and against a determined enemy in the Taliban strongholds of Marjah and Sangin, your Corps is rededicating itself to those simple, timeless attributes of persistent discipline, faithful obedience to orders and instructions, concerned and engaged leadership 24 hours a day, seven days a week, and strict adherence to standards.

These ironclad imperatives have defined our Corps for 238 years. They will serve us well in the decades to come. As we gather here today, some 30,000 Marines are forward-deployed around the world, promoting peace, protecting our nation's interest, and securing our defense.

But we do not do this alone. Our partnership with the Navy provides America an unmatched Naval expeditionary capability. Our relationship with the Navy is a symbiotic one.

My relationship with Admiral Jon Greenert, quite frankly, is unprecedented. This is why I share CNO's concerns about the impacts associated with remarked paucity of ships and shipbuilding funds.

America's engagement throughout the future security environment of the next two decades will be Naval in character. Make no mistake about that. To be forward-engaged, and to be present when it matters most, we need capital ships. And those ships need to be loaded with United States Marines.

Expeditionary Naval forces are America's insurance policy. We're a hedge against the uncertain and unpredictable world. The Navy- Marine Corps team provides power projection from the sea, responding immediately to crisis when success is measured in hours, not in days.

When the super typhoon that tragically struck the Philippines late last year, to the rescue of American citizens of Christmas in South Sudan, your forward-deployed Naval forces were there. We carried the day for America.

As the joint force draws down and we conclude combat operations in Afghanistan, some argue that we're done with conflict. My view is different. As evidenced in the events currently unfolding in Central Europe, the world will remain a dangerous and unpredictable place.

There will be no peace dividend for America, ladies and gentlemen, nor will there be a shortage of war for its United States Marines. Ladies and gentlemen, we will not do less with less. Quite frankly, we will do the same with less.

In closing, you have my promise that we will only ask for what we need. We will continue to prioritize and make the hard decisions before ever coming before this committee. Once again, I thank the committee, your faithfulness to our nation, your Navy forces, and your Marines. And I'm prepared to answer your questions.

DURBIN:

Thanks, General Amos. Vice Admiral Braun?

BRAUN:

Thank you, Chairman Durbin. Madam Chairwoman Mikulski, Vice Chairman Cochran, and distinguished members of the committee, thank you for the opportunity to appear before you today on behalf of the 61,000 Navy Reserve sailors from communities across America who serve our Navy.

Today's Navy Reserve is a fully-aligned and integrated element of the Navy total force. Our sailors bring skill sets that have been honed by both military and civilian training. It is this depth and breadth of experience unique to the citizen sailor that enhances operational readiness, and strengthens our force.

Since 9/11, our operational support has included over 70,000 mobilizations of Navy Reserve sailors. At this moment, almost 3,500 Reserve sailors are mobilized across the globe. These sailors provide unit-level surge capacity in support of combatant commanders' requirements, such as our Reserve Seabee battalions that are on the ground now in Afghanistan.

Reserve sailors also shoulder the majority of the Navy's Individual Augmentee commitment, and fill critical at-sea billets where needed, such as onboard the USS Ponce, a float-forward staging base. At home, Reserve sailors serve as instructors onboard Naval Station Great Lakes, moulding the Navy's newest recruits into sailors; and in the Naval Air Training Command, honing the technical skills of our best and brightest.

They bring experience and expertise to evolving programs, like unmanned systems and cyber operations, and to new missions such as the Reserve female support technicians who deploy with our SEAL teams.

The Navy Reserve is the soul provider of the Navy's organic airlift. Flexibility, efficiency and responsiveness are what make our air logistics fleet a primary enabler for the Navy's forward presence in every corner of the globe. Our C-40 cargo aircraft deliver where and when it matters, removing combat-essential aircraft parts to CENTCOM, to transporting entire LCS crews to PACOM.

On any given day, approximately 25 percent of the Navy Reserve is providing operational support. Our citizen sailors are Mayo Clinic neurosurgeons that have used their expertise to allow wounded warriors to walk again. They're corporate I.T. professionals who use their cutting-edge skills to train the fleet in cyber protection.

They are police officers, engineers, airline pilots, and business leaders from across America. The value they bring in terms of civilian and military experience, operational capability and capacity, and overall maturity, is substantial.

The president's budget leverages the unique advantages found in the reserve component. In fact, of the Navy's total military personnel cost, our portion is just over 6 percent. Yet, we comprise 15 percent of the Navy's total end strength.

On behalf of our Reserve sailors, I'd like to again offer my sincere thanks for the committee's ongoing support and dedication. I look forward to your questions. Thank you.

DURBIN:

Thank you very much. Lieutenant General Mills?

MILLS:

Chairman Durbin, Vice Chairman Cochran, Vice Chairwoman Mikulski, distinguished members of the subcommittee, it's my honor to appear before you today to speak about your Marine Corps Reserve.

Mr. Chairman, we welcome your leadership, and I'm very grateful for your support, and the subcommittee's continued support of the Marine Corps Reserve, and its associated programs; programs that help us sustain ourselves as a ready, relevant, and responsive component of the Marine Corps total force.

With me today is Force Sergeant Major Anthony A. Spadaro. Sergeant Major Spadaro's engaged leadership with our Reserve-enlisted Marine members, the members who collectively are the strength of the Marine Corps Reserve, his leadership is truly inspiring.

Since taking command last August, I've been deeply impressed by the professionalism, the competence, and the dedication of our magnificent reservists. Like their active-duty brothers and sisters, they sacrifice so much of their time, and so much of themselves, to protect and serve our great nation.

The way they balance their family responsibilities, their civilian lives, their schools, their jobs, and their careers, and still stay 100 percent Marine, truly inspires me. Our reservists share the same culture of deployment and expeditionary mindset that has dominated the Marine Corps culture, ethos in thinking, since our services beginning more than two centuries ago.

I'm proud to say that since 9/11, almost 63,000 Marines from the Ready Reserve have executed a total of more than 82,000 sets of mobilization orders. A critical enabler for our operational tempo has been the Navy's Bureau of Medicine's continued support of behavioral health through various independently-contracted programs; programs such as the post-deployment health, a reassessment, the mental-health assessments, and the psychological health outreach program that helped our Marines immeasurably.

These programs have proven effective in the overall management of identifying those Marines and sailors who need behavioral health assistance, and then it provided an avenue to those service members so they can seek behavioral health assistance.

We continue to enjoy strong demand for affiliation of our units, as seen by our increased accessions from the active component, as active component Marines leave the active service. We also enjoy high rates of retention.

Our retraining, our inactive-duty travel reimbursement, our bonus program, and our incentive programs for reserves have proven to be essential tools in achieving nearly 100 percent of our authorized end strength in fiscal year 2013. The continued use of these programs are critical enablers for us, as we seek to optimally align our inventory to our requirements.

In regard to ground-equipment readiness, the reserve component continues to carry a historical (ph) maintenance requirement that uses a combination of field-maintenance capabilities and contracted, logistical-support maintenance teams. This is an enduring requirement to support field-maintenance operations, and the combination of those two programs I spoke about helped us sustain over 97 percent ground-equipment readiness of our force.

The Marine Corps is our nation's crisis-response force, and will continue to be most ready when our nation is least ready. As part of the Marine Corps total force, Marine Corps Forces Reserve is appropriately organized, manned, equipped and trained to provide forces to augment, reinforce, sustain, and act as a shock absorber to the active components' requirements.

Again, thank you for your demonstrated support for our reservists, for their families, and for their employers. Chairman Durbin and fellow members, I look forward to your questions.

DURBIN:

Thank you very much. We have a roll-call vote at 11:00. I'm going to try to make sure that we have one full round here before that occurs. So it'll be about four, five minutes for each of us. And let me start.

Mr. Secretary, sexual assault is a very serious problem. And we just debated it at length in the Senate, two competing views on what should be done; Senator McCaskill representing one, Senator Gillibrand, the other.

In the 2012-2013 school year, there were 15 reported cases of sexual assault at the Naval Academy. The latest Department of Defense report found that one in seven midshipmen said they experienced unwanted sexual contact within the last year. The Navy recently disqualified 151 sailors from positions of trust, ranging from sexual assault counselors to recruiters, after a review directed by the secretary of defense.

DURBIN:

This subcommittee included \$25 million to expand special-victims counsel pilot program to all the services. It will ensure every victim has legal assistance and support that he or she needs throughout the criminal justice process.

I realize we just passed this a few months ago, but I'd like to have your comments on what we have suggested and can you tell us what is being planned or what you're doing to ensure that sailors are ethically qualified, properly trained to serve in positions of trust.

MABUS:

Thank you, Senator.

We're doing a wide range of things, and I want to thank this committee and thank Congress for changing a lot of the -- the ways we can attack sexual assault in -- in the military. At the very beginning of my tenure, I established a sexual assault response officer who reported directly to me. And I see her on a very routine basis.

And one of the things that we have seen, particularly in the last two years, is we've seen the number of reports go up dramatically in both the Navy and the Marine Corps and we believe this is because people are beginning to be more comfortable and more confident in the process, that - that they face when they report sexual assault.

There is far more work to be done, but we do think we're getting traction. For example, we -- we looked at where the major problems in sexual assault were, and they were not at boot camp in

Great Lakes, but they were immediately following that, in the A schools that most of our sailors go to. So, we put a special emphasis on that.

We're doing interactive role playing with -- with sailors, and we've -- we've visited every base and fleet concentration area around the world. Now, the senior leadership in both the Navy and Marine Corps has been exceptionally involved in this. We're doing things like running shore patrols at night in fleet concentration areas, and we're moving to treat the Naval Academy exactly the same way we treat the fleet, because we're -- we're finding ways in the fleet to attack this terrible, insidious issue.

And in the remainder of my time, I'd like to talk just for a second about that 151 number. The Navy removed five people from positions of trust for -- for serious issues. The other 146, when we took a wider look, were -- were mainly for administrative things. They hadn't gotten one piece of paper signed. There were four people at the Naval Academy who didn't have Ph.D.s, and needed it to teach. It had nothing to do with sexual assault.

The five that we removed, we found that we removed them because we didn't find them in our first screening process because we only went back 36 months. So we've changed that. We're going back through an entire career now. And we have this very, very rigorous pre- screening process before you can become a recruiter, before you can become a drill sergeant, before you can deal with sailors or marines, we take you through this screening process. I think that's one of the reasons the numbers are so low. Five for the Navy, and zero for the marines.

DURBIN:

Mr. Secretary, I can't speak for any of the Senators but for myself, and this is an issue which we will continue to monitor, which we must, at our level and at your level as well.

Senator Cochran.

COCHRAN:

Mr. Chairman.

Mr. Secretary, thank you for your cooperation and attendance here and the entire panel. I first want to congratulate you for your leadership and the serious way in which you are handling your responsibilities.

In looking toward some of the issues that have been before the committee as we try to allocate resources across an ever-growing challenge with not enough money to do all the things we would like to be able to do in defense of our country. But we have to pick and choose.

And I wonder, in that connection, we heard a lot about rebalancing the Navy toward the Pacific. Several months ago, that seemed to be the issue that was being carefully weighed and was the subject of hearings. I wonder now, would the developments in eastern Europe and elsewhere, are

we ahead of ourselves? Are we reassessing the rebalancing toward the Pacific in exchange for more attention to where the action seems to be now, the Crimea peninsula, particularly?

MABUS:

Thank you Senator.

The rebalance to the Pacific continues, and it continues to be a focus for the Navy, and I can give you example after example, moving from 55 percent of our fleet to 60 percent of our fleet in the Pacific. Another amphibious ready group to move in a couple of years there. Moving marines rotationally into Australia, rotationally and permanently to Guam. The forward stationing of four littoral combat ships in Singapore and the placing of our very, of our most modern, most up-to-date platforms in the Pacific.

None of that is to take away from the other responsibilities that the Navy has, and one of the reasons the CNO, the commandant and I have -- have stressed so much, ship-building and presence, is so that we can respond to wherever the nation needs us to respond.

We are a global Navy, and the defense strategic guidance that was put out by the president in 2012 said that we should focus on three areas. One was the western Pacific, but one was the Arabian Gulf, and that part of the world, the central Asia part of the world, and one was on building partnerships.

The Navy, the Marine Corps, have been focused on that so that when a crisis arises within the Black Sea or anywhere else in the world, that we are there with the appropriate tools to take on whatever task the nation and the commander in chief gives us.

(UNKNOWN)

Senator Cochran, 30 seconds. I have a little folder in front of you. It's got the Asia-Pacific rebalance. I just thought you might -- somebody might ask about it. But anyway, it shows this -- we're on this track.

I call your attention, we have 21 ships in the EUCOM arena right now or area of responsibility, and we are putting four destroyers in Rota, so we are, as the secretary said, forward stationing in the European region as well as in the Pacific region. I think we've got it covered reasonably well, sir.

COCHRAN:

Thank you.

General, would you like to comment on the role of the Marine Corps in this?

AMOS:

Senator, I'd be happy to.

First, of all, we have been aggressively rebalancing to the Pacific, although we never left. Today as we meet, we'll have about 20,000 marines, we do today, 20,000 marines west of the international date line. You remember Secretary Panetta said, "I want 22,500 marines," so we're headed out that direction.

I think back to the strategy though, you know, we need to first, we need to as the service chiefs look at the joint force. Yes, we may be rebalancing to the Pacific, but there's -- there's other elements of the joint force that are available for Europe. And my sense is that when the DSG was rolled out two years ago, it was maybe marketed just a little bit misleadingly.

There was never the intent for any of the chiefs to vacate Europe or vacate Africa or SOUTHCOM. It was simply to take the major spotlight and turn it on the Pacific. I think today, what's happening in central Europe is -- is, you know, verifies and validates the fact that we still need to have a very close, watchful eye on that part of the world, because it is a dangerous part of the world in dangerous times.

COCHRAN:

Thank you.

DURBIN (?):

Thank you.

Senator Mikulski?

MIKULSKI:

Mr. Chairman, Senator Cochran, first of all, I'm very proud of this committee and the way we've supported United States military. And we've worked on both sides of the aisle, and we've worked on both sides of the dome. And the fact that this appropriations committee and this subcommittee, we were able to take the Murray-Ryan budget and actually turn it into a real appropriations committee.

So, I'm sure that for you, it was important. You -- all of you. That it gave you two things. It gave you certainty, and it canceled sequester, which has been a source of heartburn to the leadership and your ability to turn. We hope to be able to, again, do this for fiscal '15.

We're moving in a very brisk way to meet our obligations. What we're going to be willing to talk with you as we move through our process, supporting the president's goals, the outline of your excellent testimony today is, if we continue this momentum of '14 and '15, how could it derailed -- get derailed or diluted in fiscal '16 if we go back to sequester.

So, we want you to continue to have these building blocks that you need. So that's just an overall statement. But again, we're going to continue the effort that's the hallmark of this subcommittee and so on. Bipartisan, bicameral, to support our United States military.

So this, though, gets to my question. We support your goals and the president's goals of the military having the best tools, the best ships, the best planes, and the technology, but it's as only as good as the people. Which takes me to the culture. Senator Durbin has raised the question of sexual assault. My concerns about this are well-known.

But I wonder what is being done by the leadership to get the entire Navy and Marine Corps ready for the new demography? You're going to have more women serving in combat roles. They were outlined in great detail in General Amos's testimony. We have more women serving, and more combat positions. We're going to have more openly gay members serving in the military, and we continue to have this issue of assault not only on women, but on men as well.

MIKULSKI:

So where does the culture come in terms of the training so that they then continue to be one of the most esteemed institutions in this country? The military is the most esteemed institution.

General, I'm going to turn to you, Secretary Mabus, and then to Admiral and -- our Admirals and our Generals.

Do you see -- because the Durbin question, which is an excellent question, is about -- and the women have worked on what happens with victim assistance, prosecutorial reforms, great things. But those are after the fact.

What do we do in terms of a culture that prevents these things from happening, where men and women in the military continue to respect other men and women in the military regardless of who they are, what they look like, or their personal affections?

MABUS:

That's the most important thing that we're trying to do, Senator. The -- the changes that we have made in terms of how you treat shipmates with respect, how -- how an attack such as sexual assault is -- is an attack. It -- it is a crime. It is not worthy of this military. And it has the ability to fray and undo a lot of the good things that the military has done.

Very briefly, in terms of integrating women into the Navy, we have now opened up every single MOS and position in the Navy, except for Special Forces, and that's not a decision that Navy gets to make.

I was at Kings Bay, our submarine base. I asked there how the integration of women on submarines has gone. And the big news was there was absolutely no news. It was -- it was -- it was just a matter of course. And -- and nobody saw anything even remotely remarkable or unusual about that.

I think the same thing with the end of Don't Ask, Don't Tell, and having gays and lesbians serving openly in the military seems to be -- there's just -- has not been the feared or maybe even anticipated reaction to that. And I think that shows a change in the culture of our military.

GREENERT (?):

Madam Chairwoman, we found that we do a pretty good job, and this is based on statistics of how people behave, what their conduct is, and our feedback when they enter the service. In other words, a recruit training center and in our A (ph) schools, the kids, based on how they perform, how they behave, they get it.

But then they go out to sea and we say, how do you refresh them? Because it -- it's a relentless, continuing challenge to make sure that they understand what is expected of them and how we work together in character development and leadership development.

So we've -- we stood up, as you're well aware, at the Naval Academy, we have an Ethical and Leadership Center, which has fed a part of our development of officers, both at the Academy and otherwise. And we need to continue that through -- and -- through their career.

So what we have is we have a leadership and character development center...

MIKULSKI:

Excuse me, Admiral. I -- I can see my colleagues are getting edgy. If we could keep the question or answer short. Or maybe you need to submit this for the record. I'm very sensitive to the fact that there are three other Senators that have to ask questions.

GREENERT (?):

I'll summarize it. It's a continuum, ma'am, from E1 to E10, E9, O1 to O10, and I'll submit it for the record.

DURBIN:

Thank you very much, Admiral.

Senator Shelby?

SHELBY:

Thank you.

MIKULSKI:

All -- all of it from the record.

SHELBY:

Mr. Secretary, the Department of Defense, as you well know, has decided to reduce the overall purchase of LCS ships from 52 to 32, in favor of what they -- what we've heard is a more capable surface combatant, whatever that means.

I understand the decision about the future of the program will go one of three ways possibly. It could stay on track. It could be modified. Or the Navy could draw up an entirely new design.

Last week, you commented that you saw the modification option perhaps as a viable option in the future. Could you discuss that hopefully (ph) to the Committee today?

MABUS:

Senator, I'll be happy to and I think it's very important to look at exactly what the Secretary of Defense said about LCS. First, he said that we should not engage in contract negotiations past 32 ships. And getting to 32 ships will take us almost completely through this five-year Defense plan.

Second, you're absolutely correct that there were three options and we are currently -- Navy has set up a team, CNO has set up a team, to look at our options. And the three options that you gave continue the LCS, continue a modified LCS or a brand new design.

The last two things, though, that the Secretary pointed out was that we had to take cost into account and we had to take delivery time to the fleet into account. Because overall, we need the 52 small surface combatants that we have said that we need.

We will have this review done in order to inform the F.Y. '16 fiscal year.

And Senator, one other point I'd like to make -- this is not unusual in Navy ships. we're on -- we're about to start building flight 4, flight 3, but there was a 2 and a 2A, on our DDG-51s that are built in Maine and Mississippi. We're about to begin flight 4 on our Virginia-class submarines.

So we take a look at these programs and changes as requirements change, as technology changes. And the great thing that a ship like LCS brings is that, as technology changes, as missions change, because it's modular you don't have to change the whole ship, you just change the weapons system.

And the final thing I'll say is that the price of LCS, one of the things I'm most happy about, first ships of those class, both varieties, built in Alabama and Wisconsin, cost more than \$750 million. The ships coming out of the 10th ship on the block buy from each one will cost around \$350 million.

SHELBY:

So the more you buy, the price comes down. Isn't that just basic economics?

MABUS:

It's basic economics and it's -- and it's true for every ship.

SHELBY:

Uh-huh.

MABUS:

I want to point that out.

SHELBY:

How important, Mr. Secretary, for the record, is LCS to the Navy?

MABUS:

Well, a small surface combatant is critical to the Navy. And if you listen to our combat commanders, if you listen to the needs that they require, we have to have the countermine capability, the counter-surface capability, and the counter-submarine capability that these ships are designed to bring.

And in terms of the counter-mine and counter-submarine, the weapon systems that LCS has today are better than what we have in the fleet.

SHELBY:

Admiral Greenert, the joint high speed vessel. The Navy made the decision last year to stop production of the joint high speed vessel at 10 ships.

Could you describe the benefits that the joint high speed vessel brings to the Navy's mission and, bottom line, in limiting it to 10 ships, what would that do to partnership training and engagement capabilities?

GREENERT:

Senator, the -- we limit it to 10 because we want -- we're going to forward-station them. And we're still sorting through that.

SHELBY:

I know you are.

GREENERT:

That need may grow. But it was built for predominantly high-speed logistics. It can do so much more. It can do counter-piracy, counter-terrorism, theater (ph) security cooperation, and things we don't even know yet.

During the Sochi Olympic Games, the Spearhead, the number one, was standing by to evacuate folks, if needed. That's called non-combatant evacuation. It could take 1,200 people. We just needed life preservers.

My point is -- it's still evolving. I think we -- we have a host of -- of capabilities in that ship that we don't know about yet. But I have a team on it.

SHELBY:

Thank you. The Navy will revisit that 10-ship number?

GREENERT:

Sir, we revisit the 10-ship -- in fact, we're going to do a force structure assessment this summer, due to the QDR. But we revisit every of our -- all of our ship types.

SHELBY:

Mr. Chairman, I have one quick question. I know everybody wants to ask them. The amphibious class ship, General Amos, how important is that?

AMOS:

Sir, that's the Swiss army knife of the United States Navy Marine Corps team. It does everything.

SHELBY:

It's essential, isn't it?

AMOS:

It is absolutely critical. It's the bread and butter of what we do.

SHELBY:

Do you have enough of them?

AMOS:

No, sir, we don't.

SHELBY:

OK. Thank you, Mr. Chairman.

(inaudible) buy more, they're cheaper.

DURBIN:

Senator Collins?

AMOS:

Sir, I'd like to add 54 of them, it's just a function of money.

COLLINS:

Thank you, Mr. Chairman.

And actually you've given me the exact right lead-in to my questions of Secretary Mabus.

Mr. Secretary, I'm very concerned that sequestration, those indiscriminate, automatic cuts, are going to kick back in in 2016 if we don't act. We have a two-year reprieve, but in the fact, the Budget Control Act calls for those draconian cuts to resume in 2016.

There are two issues that I want to raise with you about the impact of those automatic cuts known as sequestration. And the first follows up with the point about the efficiencies that you achieve if you have multi-year contracts.

Right now, we're looking at a 10-ship buy for the DDG-51 class of Destroyers, over 10 -- it's a 10-ship buy. And that 10-ship buy actually saves the Navy some \$1.5 billion. Is that correct?

MABUS:

That's absolutely correct.

COLLINS:

And so, that's essentially allowing us to get an extra Destroyer for free, if you look at it compared to buying them individually and not having the certainty of the 10-ship buy. Is that correct?

MABUS:

You -- you've identified one of the pernicious effects of sequestration, that we will get -- it has the potential, if it kicks back in in '16, to give us fewer ships but at higher cost.

COLLINS:

And that, Mr. Chairman, truly is the worst of all worlds. If we don't have the certainty of the 10-ship buy, we end up paying more per ship and getting fewer ships.

So I hope we'll keep that in mind and make sure that we do not allow sequestration to kick back in and undermine the savings that otherwise would occur for ships that we really need.

The second related issue has to do with the number of Destroyers that could be procured. Right now we're scheduled to build two DDG- 51s per year through F.Y. '15 through F.Y. '15 through F.Y. '17.

Yet, according to the chart that General Greenert gave us today, it sure looks to me that we would be in jeopardy of losing three of those destroyers if we have to budget at the BCA level.

Admiral, am I reading your chart correctly?

GREENERT:

Yes Senator, you're reading it correctly.

COLLINS:

And could you describe the benefits that destroyers provide that the DDG-51 in terms of their missile defense -- they're the real workhorse of the fleet, are they not?

GREENERT:

Yes Senator. They are the premier warship -- surface warship of our fleet, premier.

COLLINS:

And if you look at the number of ships that the combatant commanders have requested, how many is that?

GREENERT:

Well, if we -- if we add them all up, 450 is what they say they need to do the global engagement of the force.

COLLINS:

Now, I realize that is without considering cost, but I just want my colleagues to realize that the combatant commanders say, that if you really fulfill their need to met (sic) their requirements, we'd actually need 450 ships. And I think that's really important for us to keep in mind as we go through these budget deliberations.

Thank you, Mr. Chairman.

DURBIN:

Thank you, very much.

Senator Coats.

COATS:

I'll be brief, because I know we have a vote. I want to just step back and look at the larger picture. I think, you know, talking about the number of ships you need right now -- the more you buy -- the more you build, the cheaper they are, and so forth and so on.

But, the reality is that, every year we sort of have a shrinking percentage of the overall budget, because of our runaway mandatory spending. And -- and that's -- that's a reality. That's a reality we all have to deal with. And so, you know, while we can sit here and -- each year or each budget cycle, say well we have to cut a little more, a little more, even though we think we need to have more, particularly given the status of the threats around the world today -- and I strongly support that stronger military -- we have to face that reality.

But, within that reality is also the reality of the fact that within your own budget the personnel costs and mandatory spending there is also a factor.

And so I guess my question is, how do we best address that within your budget? I know some recommendations will be coming forward. I'm not asking here for specifics, but I think working with a committee is important in terms of how the military itself addresses its own concerns relative to the personnel mandatory spending within -- personnel and mandatory spending within your budgets, how it affects the number of ships we have -- are able to buy, the number of people we can put in uniform, the number of training hours we can give our soldiers, sailors, Air Force and Marines.

So, Secretary Mabus, I don't know if you want to make a quick comment on that, but how can we -- well, I'll just make two points here. One, I think we need to work with you relative to that issue within, and then I think we need to have all of you standing up to members of Congress and saying, if you want to have a robust military to deal with the threats in the world today, we need to address this larger problem, because we're part of a pool of discretionary spending that's getting a shrinking -- shrinking every year based on the runaway spending cost side of the discretionary.

MABUS:

Senator, if we don't get a handle on personnel cost and benefits, it will have an impact on the entire rest of our budget. We are at that point now where -- and we have made recommendations that are supported by the CNO and the commandant and all the joint chiefs to -- to curb the growth, not to cut, but to curb the growth of -- of spending in this area.

It's important to keep faith with an all volunteer force, but it's also important that they have the tools that they need that -- that they have the platforms, that they have the weapons, that they have the training, that they have the -- the operations to do the things that they need to do and what the nation needs for them to do. And one of the greatest dangers to that is this (sic) personnel costs that are eating a larger and larger percentage of our budget.

And I think the CNO and the commandant should comment on that as well.

GREENERT (?):

Senator, I think it's -- it's a balance. Any money that we would garner by as the secretary said, curbing the growth, is reinvested in what we call the quality of their work. And it's about increased predictability, parts, training, personal training, professional training, unit training to improve their environment around where they work. That's where they explain to us -- they say, we're pretty compensated, but I'm not happy with my environment right now.

Well, I would submit we're out of balance a little bit, and there's where we can invest these savings from curbing growth.

AMOS:

Senator, we've got the best military our nation's ever seen in it's history. They're well paid. They've been well cared for. And they should have been well paid, and they should have been well cared for. They have -- they have borne the burden in the last 12 years, and you know that.

But this is a balance. And the chiefs and the senior enlisted advisers of all the services and the joint chiefs have put forth what we consider to be acceptable, reasonable solutions -- partial solutions to the enduring cost -- the rising cost of compensation.

We'd just ask Congress to look at those, understanding that -- that we have represented our 240,000 Reserve and active duty Marines and their family members with this thing. It's reasonable. It's a balance.

The problem we have -- and we're the cheapest per person of any service. Per man, per woman the Marine Corps is the cheapest. But -- but the fact is, is that if we don't get some of this stuff under control within reason, we will become an entitlements based Marine Corps and that's not why America built the Marine Corps 238 and a half years ago.

We are here to do the nation's bidding. To fight the nation's battles.

So I'm -- I'm just -- I think it's a balance (inaudible) and it's not either-or, but it's a combination. And we just need your support.

DURBIN:

Senator Graham.

GRAHAM:

Thank you.

I just happened to have left a subcommittee hearing on the authorization committee, where I'm the ranking member of personnel. There's about \$2 billion of personnel structural changes that are necessary, given the budget caps, and we're trying to find out what the commission does in February.

They say, we can't wait. They've done a good job of trying to struck (ph) TRICARE, commissaries -- the whole nine yards. Count me in for structural changes as part of any sustainable military. You just can't have the personnel arena not addressed, and structurally you gotta do it. I just think it'd be smart to wait for the commission.

So that's gonna be my position. If we could find \$2 billion in new money, it would take a lot of the pressure off readiness and other accounts, because \$2 billion coming out of personnel, under this construct, I'm not so sure I can support.

Do you agree with me, General Amos, pound for pound the Marine Corps is the best investment in the world?

AMOS:

Sir, I've testified before you many times. I know this is a boxed canyon, but yes.

(LAUGHTER)

GRAHAM:

OK, good.

Just seeing if you're awake. I know you always would be -- no, I believe that.

The F8EA-18G (ph) growler, the F-18, Admiral you have -- you made an unfunded priority for additional 22 of these airplanes?

Could you tell the committee why? What the airplane does and why you need 22...

GREENERT:

The airplane is called Electronic Attack. What it does is it enables us to get -- to get access. It jams and spoofs radars. It suppresses enemy air defenses so that we can get through those defenses. It also is a cyber tool, if you will -- weapon, as we need to. It is -- and it can defend itself. So it can also suppress, but also it carries weapons.

Very, very capable and an emerging and continuing part of our air wing of the future. I'm absolutely convinced of that.

GRAHAM:

And given the threats the nation faces, this becomes a platform more relevant, not less. Do you agree with that?

GREENERT:

Absolutely, yes sir.

GRAHAM:

OK, one final question.

From the Marine Corps' perspective, if sequestration is fully implemented, what effect will it have on the Marine Corps? Mild, severe, moderate?

AMOS:

Sir, we'll be a 175,000 force from 202,000, and we will become -- if sequestration remains, after '16 and beyond, we'll be a high risk force.

GRAHAM:

Navy?

BRAUN (?):

Sir, we'll be too small for presence that the COCOMs -- I'm not talking 450, I'm just talking about the basic presence we get done today. And then, secondarily, we will not be keeping up with high -- with our high tech potential adversaries.

That bothers me a lot.

GRAHAM:

Secretary Mabus, what do you think the effect of the Marine Corps and the Navy -- will be on the Navy and Marine Corps if we continue sequestration as planned?

MABUS:

Senator, I would just say, amen to what -- what the commandant and the CNO have said. The effects of sequestration, should it be continued past '16, would be serious in the extreme for both the Navy and the Marine Corps.

GRAHAM:

You're looking at 308 combatant ships by 2020. By 2024, how many will the Navy be able to have?

MABUS:

I'll have to get that number for you, but it's over 300 and continues -- 350.

GRAHAM:

Well, thank you all for your service.

And to my colleagues, we've got to balance the budget -- \$17 trillion in debt means everything has to be looked at. But, sequestration was just a bad idea. And I find it almost amusing that all of us would be complaining about the effects of it, but we did it to ourselves. Not one person on this panel recommended sequestration. Not one member of the military came up here and said, this was a good idea.

We made this up ourselves. I'm glad I voted against it, and if we don't fix it, we've got nobody to blame, but ourselves. Thank you.

DURBIN:

Mr. Secretary, we're on a vote and just have a few minutes left. I would like to do a follow up question.

If I suggested as a member of the Senate and a member of this panel that I wanted the Navy or the Marine Corps to buy substandard equipment, because of a political connection, you would find that as ghastly as any suggestion that we would provide our men and women in uniform with something less than the best.

And I know that you're all dedicated to make sure that whatever it is, by way of equipment, training and such, they get the best. There's one area where we do not provide the best. Over and over again, we give for-profit colleges and universities access to more than half of the men and women in the military when we know they overcharge and they underproduce when it comes to graduation rates and the capacity of students once they finished.

I had a nephew of mine who was in the Army and he called me and said, "Well, Uncle Vic (ph), the good news is I've signed up at the American Military University." Well, guess what? It's just another for-profit school.

I told him, take a look there. You're from Maryland. The University of Maryland's been offering courses for decades and you could transfer them when you get out of the service.

I'm afraid that too many men and women in the military are being misled into these for-profit schools, wasting the opportunity we give them under the G.I. Bill and service-related education. What are we going to do about this to clean up this mess?

MABUS (?):

We share your concern, absolutely, Senator.

And one of the things that we're doing is before a sailor or Marine can -- can take advantage of tuition assistance or studying while they're in the military, they have to go to a counselor to make sure that what they're going to get is a -- is not just a degree, but it's an accredited degree that will allow them to -- or the courses that they take are accredited, so that they can be transferred.

So that they're not paying large amounts of money to get -- to get a degree that, in the end, just isn't worth very much.

And so we are -- we are attacking that by people inside the military, when they go for tuition assistance, when they go to study while they're still on active duty. We can do that.

I think that the issue, when you get out of the military, is an issue that Congress will have to -- have to address because then we no longer have any control over where these veterans go.

DURBIN:

General Amos, in November 2012, when a fire broke out at a garment factory in Bangladesh, it was a tragedy, an unspeakable tragedy with innocent people dying under the most inhumane working conditions. And in the rubble, they found indications of some products being made for the Marine Corps.

I believe that you made a decision, as a result of that. Could you tell us what that is? And could I ask the Navy if they are going to follow suit?

AMOS:

Chairman, that came as a complete surprise. What we have is a contracting arrangement, in fact, it's an agreement. It's a licensing agreement. If you're going to use our logo or use our name, you have to -- because it's patented.

And so now we have -- they have to sign up. The company has to sign up and agree to certain terms. One of the set of terms is we're not going to ship this stuff overseas and we're not going to put it in substandard sweatshops where people are abused.

So when the fire happened and in the ensuing investigation showed products that would find their way to our Navy and Marine Corps exchanges, we pulled the plug on that. We pulled the license away from -- we pulled the authority from that company to be able to produce those -- those -- those shirts, shorts. And we've held them accountable for that, Senator, or Chairman.

So it's -- it's -- we're very serious about that.

DURBIN:

Is the Navy going to follow suit?

MABUS:

We will, Senator. I was made aware of it whenever we had the office called (ph) and Jim and I will talk about, and we will look to see this company, what they do for us, and take appropriate action.

DURBIN:

Beyond this company, though, that establish basic standards for productions so we don't subsidize these awful enterprises?

MABUS:

Yes, sir. Absolutely. I got it.

DURBIN:

Thank you.

Senator Cochran?

Senator Shelby?

Gentlemen, thank you. I'm sorry that we had to abbreviate this hearing. We have many other questions, which we'll submit in writing. We hope you get a chance to respond to on a timely basis.

Thank you, again, for your service.