

NOT FOR PUBLICATION UNTIL RELEASED BY
SENATE APPROPRIATIONS COMMITTEE

STATEMENT OF

ADMIRAL MICHAEL M. GILDAY,
CHIEF OF NAVAL OPERATIONS

ON THE POSTURE OF THE UNITED STATES NAVY

BEFORE THE

SENATE APPROPRIATIONS COMMITTEE

March 28, 2023

NOT FOR PUBLICATION UNTIL RELEASED BY
SENATE APPROPRIATIONS COMMITTEE

Chairman Tester, Ranking Member Collins, and distinguished members of the Committee, thank you for the opportunity to testify on the posture of the United States Navy. On behalf of every American Sailor, Navy civilian, and their families, thank you for your continued leadership and support.

With increased funding in the 2023 Defense Appropriations Act, Congress has provided the means for the U.S. Navy to deliver the fleet our Nation needs in support of the 2022 National Defense Strategy. This investment will help us turn the corner on readiness to meet strategic competitors in peace and war, ensuring our ability to maintain free and open oceans and the international rules-based order. Moreover, consistent, steady funding is necessary to provide a clear signal to our industry partners, especially our shipbuilders, on the way ahead. This statement will detail where we are—and what we must do—to ensure our maritime dominance deep into this century.

Flanked by two oceans, the United States has always been a maritime nation. The seas remain the lifeblood of our economy, our national security, and, consequentially, our way of life. Our livelihood depends upon free, open, and secure maritime trade. A strong naval force is essential to U.S. national security and long-term economic health. The United States Navy has and will continue to serve as our Nation's primary instrument of sea control and power projection, ensuring our global maritime access during times of peace and war.

From our humble beginnings with six wooden frigates, the composition of the U.S. Navy has steadily evolved to defend U.S. interests around the world and ensure American security. For the past 247 years, the U.S. Navy has played a critical part in defending and advancing national policy. For the past 77 years, we have been an anchor of world stability by deterring war, upholding international law, and assuring access to the global maritime domain for our Nation, our Allies, and our partners.

Today, our Navy's role has never been more expansive or consequential. We now face challengers who are attempting to rewrite the rules-based international order and reshape the world to meet their autocratic desires. The People's Republic of China (PRC) has aggressively modernized its militaries and fielded offensive warfighting capabilities at unprecedented speed and scale across all domains. These developments are not solely to support regional designs. They are for global ambitions. At the same time, Russia's unprovoked, full-scale invasion of Ukraine has triggered the largest conflict in Europe since the Second World War—with combat occurring on both land and sea. The future of the global order depends on the actions we take in this moment.

Our Fiscal Year 2024 budget request remains consistent with the Navy's priorities. To meet the challenges of today while building the fleet of tomorrow, our Navy continues to prioritize readiness first—with a special emphasis on the Sailors who empower everything we do. Next, we are focused on modernizing our capabilities. Then, we will continue to build the capacity of the fleet. Prioritized investments in people, technologies, and platforms ensure that we are ready

to fight tonight, while making progress on the capabilities we need to maintain our combat credibility far into the future. To enable Distributed Maritime Operations (DMO), we must generate cost-effective capacity to achieve warfighting advantage with acceptable risk. We have already begun building the future fleet—a hybrid force enhanced by unmanned platforms operating on, above, and below the waterline.

Navy’s Unique Peacetime Mission

With the passage of the Fiscal Year 2023 National Defense Authorization Act, the United States Navy has a new mission statement. The old mission statement, articulated in Title 10 of U.S. Code, called for the Navy to be “organized, trained and equipped primarily for prompt and sustained combat.” Now, Congress has additionally charged the Navy with supporting “the peacetime promotion of the national security interests and prosperity of the United States.”

Though the mission statement is new, the mission is not. U.S. naval power has always played a unique and vital role in promoting our Nation’s security and prosperity during peacetime. The law now accurately reflects our Navy’s contributions throughout the history of our Republic.

Whether providing humanitarian assistance and disaster relief, countering sea-based illicit activity, safeguarding global shipping lanes, saving lives, or deterring conflict, Sailors advance U.S. interests every day. Constantly on call, our Sailors are forward deployed in submarines, ships, and aircraft, standing guard with our Allies and partners around the world. In part, the change to Title 10 acknowledges our historic mission and recognizes that peacetime activities can produce strategic results. However, the change does more than describe what the Navy has always done. It also highlights the need to build a healthy, ready naval force that will safeguard our Nation—one that is properly sized, equipped, and trained for the vast array of operations needed to preserve peace and prevail in competition, crisis, and conflict.

Of all the peacetime missions that promote security and prosperity, deterring conflict is foremost. Our Sailors are constantly present, operating, and training, often in parts of the world that may become hotspots. We are America’s away team, deployed in peace and ready to answer the call if we are needed in war.

During peacetime, the U.S. Navy must continue strengthening and expanding our network of Allies and partners. Whether in day-to-day competition, crisis, or conflict, Allies and partners add significant defense capabilities and resources. They provide integrated deterrence against adversaries by expanding access to maritime infrastructure through cost-effective, secure, reliable, and geographically distributed bases, and provide information in support of distributed operations.

Thanks to support from Congress, we are starting to rebuild our fleet following two decades of ground wars. Still, rebuilding will not happen overnight. It will require years of stable and predictable funding and a long-range plan that incentivizes our industry partners to invest in the infrastructure and capacity needed to support our growing fleet.

While most combat forces generally only meet in times of war, navies are in contact with potential adversaries every single day. We are forward deployed around the globe, sailing waters in close proximity to other navies, coast guards, and maritime militias, contesting threats to the rules-based international order and ensuring the world's waterways are free and open for all. In this critical decade, the challenges we face are mounting.

The Maritime Challenges to U.S. National Security

The United States continues to face pacing, acute, and persistent challenges to our national security. Above all, our pacing challenge is the PRC. As we have witnessed over the past several decades, the PRC seeks to undermine U.S. alliances and security partnerships in the Indo-Pacific region, and leverage its growing capabilities, including its economic influence and the People's Liberation Army's (PLA) growing strength and military footprint, to coerce its neighbors and threaten their interests. In only two decades, the PRC has tripled the size of its Navy—and is on pace to quadruple to over 400 ships by 2030. Additionally, it has expanded its strategic nuclear capacity and capability, advanced its cyber and space capabilities, and constructed a system of sophisticated sensors and long-range precision weapons to intimidate neighbors, challenge free and open access to the seas, and hold U.S. forces at risk.

The PRC seeks to deny U.S. and allied forces access within the First Island Chain and beyond. Advances in missile technology by the People's Liberation Army (PLA) Rocket Force have provided the PRC with the offensive means of striking U.S. and Allied forces. As the PRC has attempted to displace the U.S. Navy from the waters in the Western Pacific, the PLA Navy, alongside the People's Armed Forces Maritime Militia (PAFMM) and China Coast Guard (CCG), has increasingly conducted aggressive operations—actions just short of war—to intimidate neighbors and force nations to submit to Chinese territorial claims. Through these “gray zone” operations, the PRC has staked illegal maritime claims to offshore resources that threaten the peace, prosperity, and ecological stability of the world's oceans. Without question, the PRC's investments in offensive warfighting systems—across all domains—are aimed at the heart of America's maritime power.

Russia remains an acute threat as its unprovoked war of aggression against Ukraine continues. Although the Kremlin predicted Ukraine would fall within days and NATO would fracture, the citizens of Ukraine have successfully contested Russian forces on land and sea, bolstered by the support of the United States and other like-minded nations. This conflict has reminded Russia, and would-be aggressors everywhere, of the power and importance of Allies and partners. Along with our Allies, we draw inspiration and strength from the tenacity and courage of the Ukrainian people, and we remain resolute in our responsibility to uphold the rules-based international order, and every nation's inherent right to freedom and self-determination.

In its most provocative year of missile launches ever, North Korea has been a persistent threat on the Korean Peninsula as it continues to expand its nuclear and missile capability to threaten the U.S. homeland, deployed U.S. forces, and the Republic of Korea (ROK) and Japan. With forces

on the peninsula and vessels in the surrounding seas, the U.S. Navy and the Joint Force stand with our ROK Allies. During my visit to the ROK this past November, I confirmed that our alliance and friendship remain strong. We left no doubt that our commitment to extended deterrence for the Korean Peninsula is ironclad.

Iran, beyond its nuclear advancements, has been building and exporting missile systems and unmanned aircraft, most notably to support Russia's brutal campaign in Ukraine. All the while, Iran is advancing maritime capabilities that threaten maritime chokepoints, putting at risk the free flow of energy resources and international commerce. Further, Iran is undermining regional stability supporting terrorist groups and military proxies, employing its own paramilitary forces, engaging in military provocations, and conducting malicious cyber and information operations. Global terrorist groups have had their capabilities degraded, but some may be able to reconstitute them in short order, which will require monitoring indications and warning against this threat.

Whether they are pacing, acute, or persistent challengers, our adversaries are focused on acquiring sophisticated technologies that are changing the battlespace. From drone technologies to robust networks of sensors, our adversaries—both state- and non-state-sponsored—have the ability to harm our national interests in myriad ways. In the coming years, developments in new technologies such as artificial intelligence (AI), quantum computing, and additive manufacturing will continue to disrupt the way war is conducted.

Contributions to the Joint Force, Nested in the National Defense Strategy

A combat-credible U.S. Navy— forward-deployed and integrated with all elements of national power—remains our Nation's most potent, flexible, and versatile instrument of military influence. Together with the U.S. Marine Corps and U.S. Coast Guard, our Navy must deploy forward and campaign with a ready, capable, combat-credible fleet. Decisive naval power is a critical component of the Joint Force.

This past July, I released an updated Navigation Plan, aligning our priorities of Readiness, Capabilities, and Capacity to the 2022 National Defense Strategy (NDS). The U.S. Navy remains committed to (1) strengthening our Nation's deterrence, (2) campaigning through forward presence, and (3) building enduring warfighting advantages. In this rapidly changing world, a formidable naval force is crucial in effectively implementing the NDS and the 2022 National Security Strategy (NSS). The Navy's FY24 budget request will deliver on our commitments to the Joint Force by aligning our planning, resources, and investments with national policy objectives:

Strengthening Deterrence. Integrated deterrence—the cornerstone of the 2022 NDS and a strategic focus of the 2022 NSS—is how the Department of Defense (DoD) aligns DoD's policies, investments, and activities to sustain and strengthen deterrence. It is tailored to specific competitors and coordinated to maximum effect inside and outside of the DoD. Integrated deterrence leverages the Joint Force's combined capabilities in all domains. It emphasizes a unity

of effort throughout the U.S. Government as the Department of Defense (DoD) coordinates with and supports the State Department, Intelligence Community, and other government agencies. Additionally, integrated deterrence promotes the importance of working with our Allies and partners to uphold the international rules-based order throughout the globe. Neither the DoD nor the public sector holds a monopoly on delivering deterrent effects—thus, we must work with America’s vast and innovative private sector to ensure peace.

A secure and reliable strategic nuclear deterrent backstops integrated deterrence. Our Navy operates and maintains the most survivable leg of the Nation’s nuclear triad, representing approximately 70% of America’s treaty-accountable, nuclear arsenal. Navy’s FY24 budget requests the resources to replace the 14 Ohio-class submarines with the more capable Columbia-class and continue development of the second life extension of the TRIDENT II D5 missile, as well as refresh supporting infrastructure and modernize our nuclear command, control, and communications systems. Our Ohio-class submarines have been patrolling the oceans on deterrent missions for 42 years. This once-in-a-generation overhaul of our ballistic missile submarine force comes with a massive price tag, but it is a must-pay bill for the Nation so that we maintain America’s assured second-strike capability.

In addition to our nuclear forces, our combat-credible conventional naval forces reinforce deterrence. These forces deploy globally to protect American interests across the spectrum of conflict. Operating far from U.S. shores, naval forces provide the first physical line of U.S. Homeland Defense, preventing potential adversaries from using the seas to threaten the American homeland. Naval Forces are the only element of national power that can fulfill this role.

To deter war, we must continue to work more seamlessly with our Allies and partners across all domains and by integrating key technologies and other instruments of national power. Among other initiatives, we have been working hard to bolster the trilateral security partnership of Australia, the United Kingdom, and the United States, known as AUKUS. AUKUS is a generational opportunity to reinforce the collective defense and prosperity of the United States and two vital Allies who always stand beside us. With the overarching objective of promoting peace and stability in the Indo-Pacific, through our efforts to enable Australia to acquire a conventionally-armed, nuclear-powered submarine capability, AUKUS provides a unique opportunity to strengthen the U.S. Submarine Industrial Base while enhancing two of our Allies’ military capabilities. This trilateral security partnership also provides an opportunity to set a historic precedent in naval nuclear propulsion, setting the highest standards of nuclear nonproliferation. To successfully compete with the PRC and ensure a free and open Indo-Pacific region, we will continue to find ways to integrate our efforts with our robust network of Allies and partners.

The naval service’s ability to control the seas and project power has underpinned America’s national defense and economic vitality for generations. Sea control provides freedom of

maneuver to the Joint Force and our Allies while denying it to our adversaries in conflict. Our ability to project power deters aggression by convincing rivals they have no viable means of achieving their objectives through force. Should conflict arise, forward deployed Sailors and Marines stand ready to fight alongside the rest of the Joint Force, our Allies, and our partners to deny enemy objectives, destroy enemy forces, and compel war termination.

Forward Presence and Campaigning. Naval forces provide the United States strategic advantages in position, influence, and flexibility, independent of access to overseas land bases. Our forward posture guarantees our Nation the ability to respond to crisis, blunt gray-zone activities, and preserve a stable and secure global maritime order. The Navy's global maneuverability supports diplomacy, reassures our Allies, and generates favorable influence and access in critical regions.

Alliances and partnerships remain the United States' greatest strategic advantage. Our Allies and partners recognize U.S. naval forces as their on-scene partner of choice for building combined maritime strength. In turn, the U.S. Navy recognizes the value of America's unmatched network. Having met with over 40 heads of navies around the world over the past year, I have witnessed the power of personal connections to bolster our collective strength. Relationships forged on the seas for over seven decades have been the bedrock of the free and open, international, rules-based order. And they will continue to be so.

Our adversaries do not have the same reinforcing strength and global backing that America shares with like-minded nations. In turn, the United States provides maritime power that no other country can. The U.S. Navy also brings to NATO an ability to assemble and further the interoperable naval combat power of Allies and partners and enable continued deterrence in response to Russia's war on Ukraine. We also leverage the strength of our allies and partners as part of our integrated deterrence of the PRC as well. We are constantly strengthening interoperability, sharing maritime domain awareness, and helping to build capacity for resilient, integrated logistics for our allies and partners.

Across the spectrum of conflict, the U.S. Navy operates forward, exposing and contesting malign activities of our adversaries. The U.S. Navy remains the partner of choice not just because of our strength, but also because of our respect for the rule of law.

Building enduring warfighting advantages. To maintain our warfighting advantage at sea, America needs a larger and more capable Navy. Faced with competitors and emerging disruptive technologies, we must become more agile in developing and delivering our future force. Above all, our naval forces must be combat credible—measured by our ability to deliver lethal effects in contested and persistently surveilled battlespaces.

In collaboration with the other U.S. Armed Services, we have prioritized the future capabilities we need to employ our warfighting concepts and maintain credible deterrence. As we build the

future fleet, we group these critical capabilities into six overarching Force Design Imperatives, as I described in Navigation Plan 2022.

Expand **Distance**. Long-range precision fires across all domains and platforms with greater reach enable naval forces to strike hostile targets while increasing our own survivability.

Leverage **Deception**. Deceptive measures—including stealth, concealment and maneuver, emissions control, and electronic warfare—degrade enemy surveillance and increase adversary uncertainty, enabling naval forces to operate effectively in contested battlespaces.

Harden **Defense**. Integrating directed energy with hard-kill and soft-kill defensive systems disrupts attacks and keeps naval forces survivable when targeted by adversaries.

Increase **Distribution**. Distributing forces geographically and in all domains enables them to threaten an adversary from multiple attack axes. Smaller, lethal, and less costly platforms—including those manned, unmanned, and optionally manned—further complicate threat targeting, generate confusion, and impose dilemmas for our adversaries.

Ensure **Delivery**. Resilient logistics connecting the foundry to the fleet—enabled by secure communications and information technology—refuel, rearm, resupply, repair, and revive distributed naval forces down to the last tactical mile.

Generate **Decision Advantage**. Naval forces will out-sense, out-decide, and out-fight any adversary by accelerating our decision cycles with secure, survivable, and resilient networks, accurate data, and the assistance of AI-enabled decision aids. Connecting sensors, weapons, and decision-makers across all domains enables naval forces to mass firepower and influence without massing forces.

Together, these six Force Design Imperatives enable DMO and other Joint warfighting concepts. These imperatives also define the requirements for the surface, subsurface, aviation, and information platforms that our fleet needs and will guide our priority investments going forward.

U.S. Navy Priorities

Navy's FY24 budget request delivers a combat-credible Navy designed to deter and, if necessary, prevail in conflict. To deliver that fleet today, tomorrow, and in the future, we will continue to focus on three priorities: Readiness, Capabilities, and Capacity.

Our central challenge is balancing our investments in the future fleet while sustaining a forward posture that keeps America safe and prosperous. It is increasingly costly to operate and maintain our ships. We appreciate Congress' support with additional funding in FY23 to mitigate the effects of inflation. We will continue to need congressional support of the robust budget in FY24.

In today's fiscal environment, we face the enormous challenge of simultaneously recapitalizing our strategic nuclear deterrent, century-old dry dock facilities, and strategic sealift capacity,

while investing in weapons and platforms we will need in a future fight. Our focus on Readiness, modernizing Capabilities, and building Capacity is a result of the threats facing our Nation today and the challenges we face in the decades to come. To defend our homeland and protect our national interests, we cannot field a fleet larger than we can sustain. Hollow fleets cannot fight tonight, and sacrificing current readiness for future capabilities or increased ship counts would severely constrain our Navy’s ability to respond in crisis or conflict. Our Nation needs a larger, more capable, more lethal fleet—but we must build the future fleet at a sustainable rate; not at the expense of warfighters that must be ready to stand the watch tonight.

Readiness

Readiness remains our top priority. Forward-deployed, combat-credible forces deter conflict and protect the free and open system underpinning American security and prosperity.

Across the Navy, from our shipyards and aviation depots, to our global network of bases and stations, to the steaming and flying hours our Sailors need to hone their skills, we are focused on readiness. Our FY24 budget request dedicates the resources necessary to train and educate resilient Sailors that can out-think, out-decide, and out-fight any potential adversary. Today’s security environment demands ships, aircraft, and submarines, as well as expeditionary, information, and special warfare forces that are ready to fight and win.

The Navy is committed to accelerating our warfighting advantage by unleashing our people, and our “Get Real, Get Better” call to action empowers our warfighters to find and fix problems, and to innovate at every level, from the deckplates to our senior leaders. While our Navy team remains the most capable maritime force in the world, we have identified unacceptable variability in our performance. To address this, we must standardize and incentivize best practices, leadership behaviors, and problem-solving techniques throughout the force to reduce this variability and unleash our full potential. The essential element is fostering a healthy ecosystem—a culture— that assesses, corrects, and innovates better than the opposition, accelerating our warfighting advantage in this critical decade.

This past year, the Navy-Marine Corps team executed more than 22,000 steaming days and nearly one million flying hours. Additionally, the Navy participated in roughly 100 exercises with Allies and partners across the globe, strengthening America’s integrated deterrence. We are planning for similarly robust level of exercises and engagement efforts over the next year and in years ahead. As our naval forces remain in high demand, our budget request emphasizes critical aspects of our readiness. Our Sailors stand ready all over the world, from Sasebo to San Diego and from Norfolk to Naples, as our Navy keeps the oceans open and free.

Since the invasion of Ukraine, the Navy has had a continuous Carrier Strike Group presence in the Mediterranean, from the extended deployment of the USS Harry S. Truman (CVN 75), to the current deployment of the USS George H. W. Bush (CVN 77) Carrier Strike Group. Furthermore, the Navy provided early support to European Command operations with surge

deployments of additional forces, to include six destroyers, two P-8 aircraft, two submarines, and a destroyer squadron staff. Our Sailors have been present where it matters, when it matters. Additionally, America's first-in-class aircraft carrier USS Gerald R. Ford (CVN 78) returned to Naval Station Norfolk in November after successfully completing its inaugural deployment in the Atlantic, conducting exercises, strategic engagements, and port visits with Allies and partners.

We have deepened our integration with the U.S. Marine Corps with the establishment of Task Force 61/2 under Naval Forces Europe. This effort streamlined command and control of Navy and Marine Corps forces deployed to act as a deterrent and reinforce Alliance cohesion in the wake of Russia's invasion of Ukraine. We operationalized this cohesion with the deployment of the USS Kearsarge (LHD 3) Amphibious Readiness Group (ARG) with the 22nd Marine Expeditionary Unit (MEU) embarked. After the USS Kearsarge ARG-MEU deployment, the same team provided the core U.S. military command element that quickly established humanitarian support for Türkiye after the recent earthquake, utilizing the USS Hershel "Woody" Williams (ESB 4) to deliver disaster relief supplies for those affected by the earthquakes.

To deliver forward presence and capability, our Navy continues to make progress improvements. For example, our aircraft depots are reducing the time it takes to conduct maintenance and return aircraft and engines back to the Fleet. Our PB24 request improves funding over FY23 enactment to sustain gains in our aircraft mission capable rates. Of note, in our aviation depot maintenance account, we increase funding for engines by \$25 million, \$9 million for components, and \$1 million for our Depot Readiness Initiative. The PB24 request provides for the operation, maintenance and training of nine active Navy Carrier Air Wings, with the necessary flight hours and maintenance efforts to ensure their carrier and expeditionary strike groups are combat ready. The budget request aligns with our broader focus across Naval Aviation to increase lethality and readiness through process improvement and finding efficiencies at all organizational levels. As aviation costs—across both the private and public sectors—continue to increase, the Navy recognizes the need to maintain a relentless drive to reap the full benefit of every investment dollar.

Better maintenance performance has been a point of emphasis across the Navy. Repeatedly deploying combat-credible forces starts with performing high-quality maintenance on time and in full. Data-driven reforms such as Performance-to-Plan (P2P), the Naval Sustainment System (NSS), and other initiatives continue to improve maintenance processes and increase operational availability. Over the last several years, the aviation community has enhanced readiness as we maintained over the threshold Mission Capable Rate for most Type-Model-Series Aircraft, including the F/A-18E/F, E/A-18G, E-2D, P-8A, MH-60R, and MH-60S. This represents a significant improvement in Navy aircraft readiness, but we are not yet satisfied. We are getting real and getting better at applying what we have learned in aviation to our maintenance processes across the fleet.

We continue to take a data-driven approach to improve surface ship and submarine maintenance, and we have seen positive results. However, unprecedented hiring challenges in a competitive job market, along with sustained, pandemic-induced delays and supply chain issues, have hampered progress for our public and private shipyards. Our budget request funds both private and public sector ship maintenance to 100 percent, with a focus on increasing capacity and retaining highly skilled labor at the public shipyards. On top of those resources, we have invested considerably in other requirements essential to the material condition of our Fleet. Completing maintenance for our Virginia-class submarines and returning them to the Fleet on time is a critical warfighting priority. To that end, we added \$541M for Virginia-class materiel and spares to build depth and breadth in on-hand inventory to help ensure that the necessary parts are available when required during maintenance availabilities.

We remain committed to driving down costs wherever and whenever possible. In particular, P2P-driven improvements—such as the goal of awarding contracts 120 days before the start of a maintenance availability, level loading ports through better prediction of workload, better availability planning, and improved long-lead-time material acquisition—have provided effective solutions for readiness. Still, just like our industrial partners, our public shipyards face headwinds from workforce constraints, supply chain logjams, and increased costs due to inflation. We recognize the challenges, are not satisfied with current conditions, and will continue to invest in people, processes, and infrastructure to drive maintenance delays down to the only acceptable number—zero.

Today, the average age of U.S. naval shipyard facilities and related infrastructure is 62 years, while the average dry dock age is approaching 100 years. The Shipyard Infrastructure Optimization Program (SIOP) provides a strategic roadmap for necessary investments in our public shipyard dry docks, capital equipment, and facilities. We are committed to taking a holistic, analytic approach to our critical shore infrastructure, making necessary investments to overhaul and optimize our Nation’s shipyards through SIOP, and ensuring our shore establishment can support fleet operations. With \$2.7 billion requested for SIOP in our budget request, the Navy can continue to upgrade and reconfigure our four public shipyards. This robust investment in the infrastructure and facilities of our four public shipyards is a vital effort to maintain and support upgrades of current and future submarines, aircraft carriers, and surface combatants.

When fully executed, SIOP will deliver required dry dock repairs and system upgrades that will optimize workflow within the shipyards through significant changes to their physical layout. Moreover, the SIOP investments allow the public shipyards to recapitalize industrial plant equipment with modern technology that will substantially increase productivity and worker safety. As a result of previous SIOP investments, we have already completed construction of the Super Flood Basin at Portsmouth Naval Shipyard, construction of the Norfolk Naval Shipyard Production Training Facility, and design of Pearl Harbor Naval Shipyard Dry Dock 3 Replacement. We remain committed to working with Congress, DoD leadership, the shipyard

workforce, impacted communities, regulators, and industry leaders as we continue to drive down maintenance delays. We acknowledge that submarines are still experiencing an unacceptable amount of delay days. Still, these investments in our four public shipyards are rebuilding the industrial base we need to maintain, upgrade, and return our ships, submarines and aircraft carriers back where they belong—deployed at sea.

Maintenance delays and other readiness issues are not solely shipyard problems. To ensure fleet readiness, we must also reinforce and build resiliency into our supply chain. The Naval Sustainment System-Supply is driving end-to-end naval supply chain integration and reform as it streamlines the Navy's supply chains to increase readiness, decrease turn-around times, increase availability of spares, and reduce costs. The key to sustained success will come from the better use of data as we improve the resilience and responsiveness of the Naval Supply System.

Our Sailors—and the civilian workforce that supports the fleet—remain our most important weapon system. We must continue to evaluate and improve our capabilities to achieve our mission of attracting, developing, and managing talent to ensure our advantage at sea while providing exceptional service to our Sailors and their families. Notably, our budget request contains a substantial 5.2% pay raise for our military and civilians. From education and training to overall health and wellness, our budget invests in our Navy's most important asset—our people.

To ensure the readiness of every operational unit, we are working hard to resolve the manpower problems that exist in the fleet. The solution begins with more robust recruiting and retention efforts. We also need to keep honing and optimizing personnel readiness metrics to include the experience and proficiency of Sailors to determine whether operational units are getting personnel with the right skills. The solution demands the continuous effort of leadership as we must continue to prioritize and care for our Sailors and Civilians.

The Navy continues the Fleet Training Wholeness initiative to integrate live platforms and simulators across our strike groups. This initiative funds Live, Virtual, and Constructive (LVC) training at the unit and strike group levels. In the fleet, LVC continues to be a game-changer in training our combat leaders. To date, fleet exercises like Large Scale Exercise-21 have connected eight Maritime Operations Centers, three Marine Force Operations Centers, eight Carrier and Expeditionary Strike Groups, and 30 ships into a single LVC training environment. As we look ahead to Large Scale Exercise-23, planned for August of this year, our expanding LVC capabilities will only increase the numbers of total participants—training both at-sea and pierside—in an advanced, global scenario. From the pilot in the cockpit to the technician on the radar scope, LVC initiatives allow warfighters in all domains to train together at unprecedented levels of integration and complexity.

Investments in training like the Ready Relevant Learning (RRL) initiative allow the Navy to continue to modernize Navy training and accelerate new delivery methods, supplementing our traditional brick-and-mortar schoolhouses with modern, multi-media, multi-platform solutions.

In addition, RRL will develop Career-Long Learning Continuums for Navy ratings to map out technical, professional, and leadership training requirements for apprentice, journeyman, and master level milestones in a Sailor's career. Career-Long Learning Continuum efforts will change the paradigms of Navy training by delivering Navy Enlisted Classification refresher training, performance support at the point of need coupled with journeyman and master core training to close not only existing capability gaps, but also enhance fleet readiness.

To maintain a Fleet prepared to fight and win in long-term strategic competition, we continue to evaluate and improve our capability to attract, develop, and manage a talented and diverse workforce. Furthermore, at a time of intense talent competition and a rapidly evolving tactical and technical landscape, we are committed to modernizing and enhancing our entire talent management approach to recruit and retain the best and brightest. We are also reengineering advancement and assignment policies and practices to deliver a positive Sailor experience in terms of transparency, flexibility, and career-driven choice, while attempting to balance Sailor personal and professional desires with Navy priorities.

As part of this initiative, we released MyNavy Assignment (MNA)—an upgrade to our detailing platform providing visibility of all available billets as part of the Detailing Marketplace Assignment Policy (DMAP). MNA is a modern user interface providing Sailors the ability to bookmark billets of interest and provide amplifying information. DMAP continues to expand Sailors' options beyond the traditional enlisted career paths. It also rewards Sailors in sea-intensive ratings who stay on sea duty by offering assignment-based monetary incentives and early advancement opportunities for many Sailors who possess the requisite proficiency and experience. We expanded this practice and policy to supervisor positions through the Senior Enlisted Marketplace (SEM), beginning with Master Chief billets during FY2024 advancement selection boards. We plan to expand to Senior Chief and Chief Petty Officer billets in the following two years to expand SEM to become the primary means of advancement.

To accelerate those Sailors with the highest competence and strongest record, we expanded the Advancement-to-Position (A2P) program to fill priority supervisor and journeyman-level billets in eight additional ratings. A2P assists in filling critical gaps and rewards proven performers willing to take a difficult assignment with a spot promotion. We have also empowered commanding officers and officers-in-charge to reward top performers with both an advancement and geographic stability allowed by a guaranteed follow-on three-year assignment at the same unit through the Command Advancement-to-Position program. These talent management initiatives support Sailor development, increase transparency, and generate Fleet-wide, warfighting readiness.

With great sadness, we recognize that suicide rates increased in 2022. Navy leaders and I have been traveling to ships, squadrons, and bases to listen, learn, and help. Every loss of life is a tragedy. As we continue to destigmatize mental health treatment, we are working to ensure every Member has access to the full continuum of mental health support. Our budget request expands

mental health programs like Sailor Assistance and Intercept for Life, adds support for the 21st Century Sailor Office, and increases our Warrior Toughness Teams to help foster the mental, physical, and spiritual resilience of our forces. Along with these programs, we are working to ensure the availability of mental health and wellness support worldwide, including at specialty and primary care clinics, Navy installation counseling centers, on the waterfront, embedded within the fleet, and via virtual health platforms. Navy Chaplains and deployed resiliency counselors provide confidential counseling and are essential in ensuring the spiritual readiness and resiliency of the Naval Force. The Navy's budget request continues to resource quality care for our Sailors and support services for them and their families.

Though we work in the profession of arms and accept the hazards that come with defending our country, all Sailors deserve to be treated with respect and dignity and should feel safe among their fellow shipmates. We are focused on creating a culture intolerant of sexual assault and are actively executing and evaluating the DoD Prevention Plan of Action. This is a comprehensive approach to promote prevention and reduce destructive personnel behaviors that lead to incidents. In addition, we are implementing the 82 Independent Review Commission (IRC) recommendations on accountability, prevention, climate, culture, and victim care. Sexual Assault Prevention and Response (SAPR) personnel remain fully available to Sailors worldwide to address victims' physical, mental, and emotional well-being, strengthen resilience, encourage reporting, and support victim recovery.

Moreover, we do not accept any form of sexual harassment in our Navy. To ensure Sailors are heard, and to remove actual or perceived bias from the process, Navy Sexual Harassment investigations are now conducted by an independent third party assigned from outside the command. Likewise, the establishment of the Navy's Office of Special Trial Counsel ensures that accountability for sexual assault and sexual harassment, among other serious offenses, will be handled by an independent, specialized, and expert cadre of professionals. We listen, and we continue to learn. Our work to eliminate sexual assaults and remove sexual harassment from our fleet is not done.

When Sailors are valued for their diverse talents and are treated with respect and dignity, they feel a sense of belonging to their teams and deliver a higher level of performance. With nearly 50% of recruitable talent coming from diverse populations, the Navy must be deliberate in advancing a culture where every person, regardless of their background, has the opportunity to succeed as a Sailor and where our Navy, in turn, benefits from our Sailors' talents, experiences, and insights. We have built on lessons learned from our findings in Task Force One Navy and have launched 53 Task Force One Navy initiatives, which remain on track for full implementation.

All of our most pressing challenges require strong leadership. However, in the past year, as required to support the Space Force and by the FY17 National Defense Authorization Act, the Navy reduced more than eight percent of its Flag Officer billets. These leadership reductions

come at a high cost to maintaining operational readiness, impeding the Navy's efforts in an already challenging operational environment. At present, nearly one-third of the Navy's remaining 149 Flag Officer billets are double- or triple-hatted. These significant additional demands on leadership have ripple effects on readiness that negatively permeate across the fleet. To ensure our Navy can respond in crisis and win in conflict, we need Flag Officers with the focus and bandwidth to respond thoughtfully to the many challenges the Navy must navigate.

In the Navy, we serve as families. To improve the lives of our Sailors and their families, we continue to focus on improving the consistency of Sailor pay, quality of unaccompanied housing, and other quality of life services. This includes installing broadband internet services and wireless connectivity, improving berthing barge living conditions, improving crew parking and transportation, and ensuring an overall better experience for Sailors on the waterfront. Access to high-quality childcare is critical to supporting our warfighters. Our budget request supports increased staff salaries and adds two new Child Development Centers. Funding will also support adding full-day pre-Kindergarten opportunities at overseas locations.

We know that to retain our Force of talented and trained Sailors we must continue to invest in ways that benefit them and their families, while providing environments that make them feel valued and enable them to serve honorably. Continued funding to improve the lives of Sailors will be our greatest return on investment. Our people form the keel of our fleet's readiness and they will inspire the next generation to answer our Nation's call to serve.

Capabilities

The Navy's budget request makes substantial investments that will modernize our capabilities. The Navy prioritizes delivering capabilities that can achieve lethal and persistent effects inside adversary weapon engagement zones, generate advantages to create off-ramps in crisis, and decisively win should crisis escalate into conflict. As the challenges in this era require the support and unified effort of Allies and partners, it is fundamental to our success that we develop compatible and complementary capabilities. To win now and in the future, we strive not only for interoperability with Allies and partners, but also for interchangeability across the combined force.

As we build and deploy a Navy capable of deterring and, if necessary, defeating a strategic competitor, we must prioritize capabilities for DMO—our Navy's foundational operating concept for maintaining warfighting advantage in contested seas. The Navy's budget request focuses on delivering these critical capabilities. To expand our reach, we are investing in hypersonic weapons, space-based capabilities, unmanned tanking, and long-range precision fires. For increased deception and defense, we are investing in undersea platforms, weapons, and systems, next-generation aircraft and surface platforms, cyber capabilities, counter-surveillance, and integrated weapons systems. Finally, we are investing in smaller, lethal platforms, autonomous systems in all domains, AI, resilient logistics, and integrated combat systems and

networks, all of which enable a more distributed fleet, the delivery to sustain it, and expand our decision advantage.

Our adversaries are also heavily investing in emerging technologies. In response, the Navy will adopt a more agile approach to experimentation and force modernization, leveraging partnerships with industry and academia. Working closely with Allies and partners, we will expand our partnerships across the entire technology ecosystem. Maritime dominance has always depended upon the employment of game-changing capabilities in combat.

Rising to meet today's challenges with unmatched capabilities, the Navy-Marine Corps combat team completed its first deployment of F-35C and CMV-22B this past year. The warfighting advantages these platforms bring to the battlespace provide the Joint Force with an undeniable, lethal edge over our adversaries. Both aircraft, though different mission sets, allow our forces to project power deep behind enemy lines. In addition, the USS Gerald R. Ford completed its first deployment. This aircraft carrier not only signals the next generation of our fleets' principal weapon of power projection has arrived, but also that our nation remains poised and committed to maintaining our warfighting advantage for decades to come. Deploying such capabilities and platforms marks the culmination of many years and many people's hard work, showing the capabilities that our Nation can bring to bear.

One of the key areas that is shaping and will continue to shape future warfare is the incorporation of cyber-warfare tools to detect and defeat adversary attempts to infiltrate and disrupt our warfighting systems. The Navy continues to make this a priority focus area to ensure our forces are ready to respond to adversary cyber-attacks. In addition, the Navy is working closely with the Joint Force to develop cyber capabilities that can be used across the entire spectrum of conflict. As such, the Navy will continue moving from its current compliance-based cybersecurity approach to one where the right to operate is earned and managed every day. Teams organized around the Department's recently-announced Cyber Ready effort will develop solutions, select tools, and produce methods, policies, guidance, and concepts of operation for instituting this new approach. A critical element to implementing this approach is the need to ensure the Navy has a skilled cyber-workforce comprised of both military and civilian cyber experts. To ensure the Navy has the cyber workforce the nation needs, and in alignment with Congressional intent, we are implementing a dedicated cyber designator. We remain committed to growing this capability alongside the Joint Force, as well as with our Allies and partners, collectively building a more robust security outlook.

In response to potential adversaries developing and fielding hypersonic missile systems, the Navy collaborated with the rest of the defense enterprise to make hypersonics one of our highest priority modernization efforts. This past year has been marked with certified successes for our Conventional Prompt Strike capability. In 2022, we conducted one First Stage and one Second

Stage Solid Rocket Motor static fires, marking five successful static fire tests of the newly developed missile. In another joint effort, the Navy Strategic Systems Programs and the Army Hypersonic Project Office successfully conducted the second High Operational Tempo for Hypersonics flight campaign in October, 2022. These developments represent significant progress in our hypersonic capabilities, and both programs are on track to support the first fielding of a hypersonic capability to the Army later this year. Both the Army and the Navy programs are on track to support the first fielding of a hypersonic capability to the Army later this year. Stable funding at the requested level will keep this critical capability on track to field on Zumwalt-class DDGs, followed by Virginia-class SSNs equipped with the Virginia Payload Module. The rapid development and demonstration of conventional land and sea-based hypersonic strike weapon systems support our Nation's ability to deter and, if necessary, defeat potential strategic competitors. Modernizing capabilities will remain a priority to ensure our Navy maintains warfighting advantage.

Weapons with range and speed are critical capabilities. Our budget request pursues four multi-year procurement contracts for Advanced Medium Range Air-to-Air Missiles and Standard Missile-6 (SM-6). In addition, our request allows us to continue to work jointly with the Air Force in the procurement and production of Joint Air-to-Surface Standoff Missiles and Long Range Anti-Ship Missiles. We are also increasing our investments in Maritime Strike Tomahawks, as well as refreshing and recertifying existing Tomahawks and MK-48 Heavyweight Torpedoes.

Above the sea, we remain resolute in our commitment to the Joint Force in establishing air superiority in the maritime domain, and sustaining our unique ability to project power from the flight decks of our aircraft carriers. The Navy's PB24 request supports procurement of thirty-four aircraft, modification, spares and support equipment. In this budget, our significant aviation investments include 15 F-35C Lightning II's, 14 Multi-Engine Training Systems, 2 MQ-4 Tritons, and 3 MQ-25 Stingray II's. These advanced platforms are helping us drive down risk in our future carrier airwings, which will fully integrate unmanned carrier aviation. This past year, we completed MQ-25A aircraft in-flight refueling of Navy carrier-based aircraft and its first carrier demonstration. This unmanned aerial platform will complement the capability of our combat strike fighters and extend the range of our aircraft carriers.

We continue to make progress on the future technologies we need. This past year, we completed over 4000 hours and 46,000 nautical miles of unmanned surface vehicle operations. These unmanned systems, and others like them, will play a key role in building our capability to conduct DMO. To operationalize the Department's Unmanned Campaign Plan, we established Task Force 59, which has been a game-changer for the fleet. As we prioritize the Indo-Pacific and push warships to patrol those waters, we have leveraged unmanned surface vessels and achieved outstanding maritime domain awareness in a critical region with three major chokepoints—the Suez Canal, the Bab Al-Mandab, and the Strait of Hormuz—spanning a

maritime area the size of California. This achievement provides the Navy with scalable solutions to monitor the world's waterways and keep the oceans open and free.

As AI and other disruptive technologies rapidly proliferate, we must proactively work to gain every advantage. Many of these rising technological developments play to our strengths as a nation. More sensors, providing more information, create more battlespace transparency. Our application of AI solutions will provide our forces with decision superiority as we map, measure, manage, and govern the battle space. We will continuously leverage such technological developments to better the fleet and our Sailors. While strengthening our Force, we must remain aware that no nation has a monopoly on innovation—and history has shown us the navy that continues to adapt, learn, and improve the fastest gains a strategic warfighting advantage.

To enhance our current and future hybrid fleet, we are maturing AI-enabled warfighting capabilities and developing an AI-ready workforce. This past year, Task Force 59 led and participated in International Maritime Exercise (IMX) 2022, the largest maritime AI and autonomous system exercise ever held. Along with this IMX, we executed Digital Horizon, an event exercising 15 advanced unmanned systems, 10 of which operated in the Middle East for the first time. Task Force 59 led industry partners during phased evolutions, both ashore and at sea, to advance fleet efforts to enhance regional maritime awareness with greater effectiveness and reduced cost.

Along with building testing platforms and driving operational concepts for the future fleet, Task Force 59 advances our understanding of commercial technology that has the potential to complement other government-sponsored AI procurement and operations. In support of these efforts, the Unmanned Task Force continues to focus on rapid experimentation and solving operational problems to quickly inform acquisition strategies. We also continued work with partners and Allies in events such as NATO Maritime Unmanned Systems Initiative Exercises.

Capacity

Congress's support of the Navy's shipbuilding budget this past year helped us signal our partners in industry—as well as our challengers around the world—that we will remain the world's strongest maritime power. Authorizing and appropriating the procurement of 12 battle force ships displays Congress' continued commitment to the Navy's shipbuilding programs. We appreciate the strong support by Congress for naval shipbuilding during FY23 enactment. This year, our budget requests funding for procurement of an additional nine battle force ships.

With sustained funding, the Navy can turn the corner on beginning to build the fleet this Nation needs: a combat-credible, hybrid fleet capable of succeeding across the continuum of day-to-day competition, crisis, and conflict. We also need a fleet with the capacity to distribute assets and deliver larger volumes of kinetic and non-kinetic effects across all domains to meet the strategic and operational demands of the Joint Force.

The Navy's most critical role in support of our national defense and robust nuclear posture continues to be maintaining the most lethal ballistic missile submarines in the world. Thus, our number one acquisition priority remains the on-time delivery of the Columbia-class ballistic missile submarine. Originally designed for a 30-year service life, the first of the Ohio-class ballistic missile submarines will be retired in 2027 after 42 years of highly effective deterrent patrols. The Columbia-class will replace it as the Navy's contribution to the nuclear triad—which remains the most survivable leg of the U.S. strategic nuclear deterrent force. This is a once-in-a-generation investment, and sustaining our Nation's most secure and reliable strategic nuclear deterrent will require considerable resources. When the Columbia-class enters full-rate production in FY26, delivering the Nation's sea-based nuclear deterrent will consume nearly a quarter of the Navy's entire shipbuilding budget. The Navy's request funds the second Columbia-class submarine and delivery of the first vessel in FY28. Specifically, the Columbia-class program request of \$5.8 billion, includes the first of two years of incremental full funding for the second submarine, to be awarded in FY24. The budget request also includes continuing Integrated Enterprise Plan funding initiatives, material procurement for future boats, and continued funding for Submarine Industrial Base investments. The strategic significance of this platform requires the Navy and the Nation to dedicate the necessary resources to ensure its on-time delivery.

Shipbuilding remains critical to increasing our fleet's capacity, and requires significant investments from both the government, as included in the FY24 request, and the private sector. A combined commitment ensures healthy competition in the shipbuilding industrial base, which is vital to meeting Navy requirements in support of our national interests and defense of the homeland. With the help of Congress, the Navy and private shipbuilders are identifying opportunities to generate resiliency and productivity in the shipbuilding workforce. Part of the challenge of growing the fleet is having enough shipyards with the capacity and workforce to build the ships that we are budgeted.

The shipbuilding industrial base faces an increase in demand across the enterprise, particularly in nuclear ship construction. As the Navy ramps up production of the Columbia-class, we continue to procure two Virginia-class submarines per year. The Virginia-class submarine budget requests \$10.3 billion, or 32% of this appropriation, funding two Block V submarines and Advance Procurement for two FY 2025 and two FY 2026 submarines. Additionally, we continue production of the world's most capable, most lethal surface vessels. The Ford-class carrier program requests \$1.9 billion, and funds the seventh increment of funding for CVN 80, and the sixth increment of funding for CVN 81. As part of the surface combatant portfolio, our budget requests \$4.5 billion for two Arleigh Burke-class Destroyers as part of the FY23-FY27 multi-year procurement of modern Flight III Destroyers. We plan to award these destroyers this fiscal year. To support the building of our Constellation-class Frigates, our request includes \$2.2 billion for the fifth and sixth ships of this class. These investments ensure that we field a fleet

that sails forward, keeps the oceans open, and ensures our maritime advantage on and below the seas.

To ensure that we can build the future submarines and aircraft carriers, we are taking steps to expand and strengthen the nuclear industrial base by investing in six key areas: shipbuilder infrastructure, supply chain capability/capacity, scaling new technologies, addressing workforce trade skill gaps and constraints, expanding productive capacity via strategic outsourcing of large scale fabrication, and government oversight of expanded industrial base efforts. In the Navy, any time we are splitting atoms, we know the work will be demanding, but these nuclear-powered platforms require our sustained commitment and continued support of the shipbuilders delivering these critical assets to the fleet.

Beyond these nuclear shipbuilding projects, we are working closely with private shipyards to strengthen the Surface Combatant Industrial Base and Frigate Industrial Base. A key focus has been on the Workforce Development investments that address risk in schedules, increase capability to meet future force structure, promote job creation and economic security, and address risk in single or fragile supply chains. Expanding the capabilities of suppliers and shipyard infrastructure in the surface ship industrial base results in greater industrial base stability, cost savings, and improved efficiency as production increases to build greater quantities of surface combatants. These initiatives are paralleled by ongoing private sector investments to expand the nation's shipbuilding industrial base. We support any efforts to grow our capacity to build more ships annually. This is all part of a long-term commitment and clear signal to industry that the unique work done in our private shipyards is essential to the nation, and the workforce they provide will be gainfully employed for years to come. The Nation's shipbuilding industrial base remains a strategic asset. It requires continued support to expand its capacity, and to recruit and retain the workforce the Nation needs to deliver the fleet of tomorrow.

A robust munitions industrial base, capable of delivering critical munitions in large quantities and in strategically relevant timeframes, is also an essential component of our Nation's warfighting capacity. The rapid expenditure of munitions in Ukraine has demonstrated the timeless truth that industrial capacity is a key enabler of victory. Our budget request adds over \$2 billion in critical munitions investments, including supporting multi-year procurement contracts. We are working closely with our defense partners to make the necessary investments to allow us to rapidly ramp up production of critical munitions right now. We are taking a multi-pronged approach to introduce both stability and competition into the weapons acquisition process in order to accelerate delivery times, increase inventories, and lower costs. This includes use of multi-year contracts and large lot procurements, recertification of existing munitions, new production, and exploration of alternative systems designed to circumvent our adversaries' advantages and play to our strengths. We are also working with our partners and Allies to ensure their requirements are met, as well. Today's weapons are intricate, specialized, and depend on complex supply chains, which challenges our ability to quickly ramp up production. We cannot afford to wait until conflict begins to make these critical munitions capacity investments.

Unmanned systems will play an ever-increasing role in expanding the capacity and distribution of our fleet. We will explore opportunities to scale proven capabilities of unmanned Maritime Domain Awareness systems, such as those demonstrated by Task Force 59. In addition, the AI-enabled software that meshes our network of systems and platforms will provide an array of decision advantage solutions as we track forces, manage the battlespace, and maintain our dominance at sea. Finally, we must focus on accelerating the adoption of technologies and scalable platforms that provide increased capability and capacity, while laying the foundation for our future hybrid fleet.

Conclusion

The U.S. Navy's mission has never been more essential for the preservation of American security and prosperity. Facing increasingly aggressive challengers, the Navy's priorities—Readiness, Capabilities, Capacity—will help us maintain our combat credibility in contested seas.

In line with the NDS, the Navy's Fiscal Year 2024 budget request keeps us on a steady path to modernize U.S. naval power, while maintaining readiness and sustaining a forward posture that keeps America and our Allies safe and prosperous.

Capable ships, submarines, and aircraft are expensive instruments of national power, as are the costs of maintaining and sustaining them. However, without a ready, powerful Navy, the costs we incur in potential conflict could be much higher. The investments we make now will shape the global maritime balance of power for the rest of this century.

This is my final testimony before this Committee. It has been the honor of a lifetime serving as the Chief of Naval Operations these past three-plus years.

On behalf of more than 600,000 active and reserve Sailors and Navy Civilians, thank you for allowing me to testify today. I am grateful to this Committee and to your colleagues in Congress for your steadfast commitment to the Navy. Let us continue our work to deliver the Navy that this Nation deserves—a Navy that will preserve peace, strengthen prosperity, and defend America for many decades to come.