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ARMED SERVICES COMMITTEE

**STATEMENT OF**  
**HONORABLE BJ PENN**  
**ACTING SECRETARY OF THE NAVY**  
**BEFORE THE**  
**HOUSE ARMED SERVICES COMMITTEE**  
**ON**  
**FY10 DEPARTMENT OF NAVY POSTURE**  
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Chairman Skelton, Congressman McHugh and Members of the Committee, it is an honor to appear before you today as the Acting Secretary of the Navy. On March 13<sup>th</sup> of this year, I assumed the reigns as the Acting Secretary of the Navy from Secretary Donald Winter. Since that time, I have had the distinct honor and privilege to serve over 800,000 men and women of the United States Navy and Marine Corps—active, reserve, and civilian and their families who stand with them and support them. I am proud to represent these outstanding men and women today and assure you that your Department of the Navy is in superb shape, ready to meet today's challenges.

Today, I am here to present the Department of the Navy's (DON) FY10 budget. This is a budget that represents a commitment to our Sailors and Marines as well as an investment by our Nation. For our Sailors and Marines, the FY10 budget provides the tools that they require to meet today's missions and prepare for tomorrow's challenges. The budget sustains our commitment to both the quality of life and quality of service for the total force. We continue to dedicate our resources to the programs that have proven to be successful in ensuring that we have the *right* person for the *right* job at the *right* time, positioned with the *right* education and the *right* skills. For our nation, this budget sustains a Department of the Navy which can provide worldwide presence, credible deterrence, power projection from platforms anywhere on the globe, and the ability to prevail at sea and ashore. The budget reflects a continuing commitment to our Maritime Strategy and the importance of working together with our global partners to maintain security on the high seas while using the power of the sea to unite, rather than divide. Any commitment to our nation's defense must also secure our military strength for the

future. The FY10 budget reflects our commitment to find ways to efficiently and cost effectively develop the resources necessary to prepare our nation for the unknown threats of the future.

## **OUR NAVY AND MARINE CORPS' CHALLENGE**

For more than 230 years, our nation's global interests have been advanced and protected by a Navy and Marine Corps deployed to provide persistent and predictable engagement, deter aggression, promptly respond to crises, and, when needed, defeat our adversaries. As stated in our Maritime Strategy, the U.S. has a responsibility to protect our nation, allies and partners whose prosperity and interests are bound together by globally interconnected systems of trade, finance and information. This worldwide responsibility requires that our Navy be present and engaged globally. We cannot predict where or how a local conflict might evolve into a matter of regional or global significance – but forward deployed Naval Forces will continue to be key resources in the prevention of these conflicts. In this era of uncertainty, our nation's interests are best advanced by a global presence that creates influence and provides opportunity for peace and stability.

The nature of warfare continues to change; the threats we face today and in the foreseeable future span across the spectrum of conflict, from irregular warfare, to conventional conflicts, to so-called hybrid warfare. There is no clear cut division of “high” and “low.” The “low-end” threats from loosely organized groups may have the same technology as the “high-end” adversaries. We see growing threats from the proliferation of ballistic missiles, anti-ship cruise missiles, and weapons of mass

destruction, plus submarines, mines, and piracy. These threats can come from state, non-state and transnational actors, and it is increasingly likely these threats will occur simultaneously by multiple actors.

These trends show that our nation must have global influence; influence that is achieved by a force that is persistently forward and engaged, where it can deter aggression and assure allies, quickly respond to conflict, rapidly provide aid and stability, and remain to promote security. To ensure security, we must engage on a global basis, and continue to maintain credible capability for uncertain times.

Our Maritime Strategy calls for more engagement to promote security and stability. Cooperative security operations are key to preventing and containing conflict, and operations such as humanitarian assistance and maritime security help prevent and mitigate the effects of conventional or irregular conflict. The Navy and Marine Corps contribute to cooperative security operations through forward presence and sustained, routine engagements with allies and partners. Forward deployed ships and aircraft can also promptly transition from cooperative security to engage in all forms of warfare, if necessary. Trust between nations is built over time by recurring and predictable engagement. It cannot simply be summoned to confront a crisis – “trust cannot be surged”. The Navy connects us to our partners on the neutral court of the sea, improving relations and building cooperation through long-standing, repetitive engagement.

Although the Navy and Marine Corps have always provided maritime security and humanitarian assistance, we are expanding and institutionalizing those contributions to ensure they will remain key drivers of training, force structure, and operations. These core capabilities turn our presence into credible presence. It is through our credible presence and engagement that we deter would-be aggressors to prevent conflict, promote security and stability, protect our nation and its partners, and when necessary, win our nation's wars.

Today our Marines and Sailors are deployed, providing the entire spectrum of action from combat operations in the mountains of Afghanistan to humanitarian assistance in Africa. The Navy has over 9,900 Individual Augmentees and over 6,600 reservists mobilized and deployed on the ground around the world in support of Overseas Contingency Operations. There are 283 active ships in service - 76 percent of these ships, including four aircraft carriers and two large-deck amphibious ships, are underway. Over 50 percent of our attack submarines are underway, with nearly forty percent of our submarine force on deployment.

More than 25,000 Marines are deployed in support of Operations IRAQI FREEDOM (OIF) and ENDURING FREEDOM (OEF). The vast majority are in Iraq; however, we are in the process of drawing down those forces and increasing the number of Marines in Afghanistan. In Afghanistan, we face an enemy and operating environment that is different than that in Iraq. We are adapting accordingly. Nearly 5,700 Marines are deployed to various regions throughout Afghanistan — either as part of Special Purpose

Marine Air Ground Task Force (SPMAGTF) – Afghanistan, 2d Marine Expeditionary Brigade, Marine Special Operations Companies, Embedded Training Teams, or Individual Augments and those numbers will grow substantially. The Embedded Training Teams live and work with the Afghan National Army and continue to increase the Afghan National Army’s capabilities as they grow capacity. Other missions outside Afghanistan are primarily in the broader Middle East area, with nearly 2,800 Marines, to include the 13th Marine Expeditionary Unit.

While we recognize the heavy demand in Iraq and Afghanistan, the Marine Corps is very conscious of the need for deployed forces throughout the rest of the globe. As of 6 May 2009, there are roughly 2,800 Marines deployed in the U.S. Pacific Command’s Area of Responsibility alone, to include the 31st Marine Expeditionary Unit and a 62-man detachment in the Philippines. More than 100 Marines are deployed in support of Combined Joint Task Force – Horn of Africa in Djibouti.

## **COMMITMENT TO THE TOTAL FORCE**

Simply stated; the Department’s people are a precious national treasure. Building on the Department’s Human Capital Strategy, we remain determined to meet that most essential imperative: to equip and train a diverse force of the right people with the right skills to support and accomplish the Naval missions for today and to develop the Navy and Marine Corps leaders for tomorrow. As in prior years, the cost of manpower remains the single greatest investment of the FY 2010 budget. Recruiting and retention remain strong and the outlook for 2010 is positive. During these challenging economic times,

the commitment our nation has made to provide the quality of life our Marines and Sailors deserve has given them the confidence to focus on their demanding military duties, challenging overseas deployments and contingency operations knowing that their families are safe, secure and well cared for. A world class force deserves world class family support programs including decent housing, access to quality affordable child care, and community and health care services. Our nation's economy will recover, and as it does, it will compete for the talented workforce we have nurtured. Our FY10 budget request demonstrates our sustained commitment to our Navy and Marine Corps family by investing in the infrastructure, housing and family programs that make our Department an employer of choice. I ask you to support these programs that will enable us to attract, recruit and retain our best and brightest.

The needs of a nation at war demanded the addition of 27,000 Marines to the active component. We have had great success and will reach our authorized end strength of 202,100 Marines during this fiscal year — more than two years earlier than originally forecasted. Solid planning and your continued support will ensure we meet the training, infrastructure, and equipment requirements resulting from this growth. This growth will significantly improve the ability of your Corps to train to the full range of military operations. It will also increase our capacity to deploy forces in response to contingencies and to support security cooperation with our partners, ultimately reducing operational risk and posturing the Corps for continued success in the future.

Improving the deployment-to-dwell ratio for our Marine Corps operating forces will also reduce the stress on our Marines and their families. Achieving our goal of a 1:2 deployment-to-dwell ratio for active duty and a 1:5 ratio for Reserves is crucial to the

health of our force and our families during this time of war. Our peacetime goal for active duty remains a 1:3 deployment-to-dwell ratio.

The FY10 budget supports our enduring commitment to Sailors, Marines and their families including a comprehensive “continuum of care” that addresses all aspects of individual medical, physical, psychological, and family readiness as well as “best in class” programs and policies to promote life-work integration.

The gratitude of a great nation is best demonstrated in the compassion and care it provides to those that serve and sacrifice. There is nothing more important than the care we provide to our wounded, injured and ill Marines and Sailors. Over the past year, the Navy and Marine Corps have expanded programs to provide both medical and non-medical support for all seriously wounded, ill, and injured Sailors, Marines and their families. The Department’s FY10 budget supports our continuing efforts to provide a lifetime of exceptional, individually tailored assistance to our wounded, ill, and injured, optimizing the success of their recovery, rehabilitation, and reintegration activities. I recently visited the new state of the art inpatient Traumatic Brain Injury (TBI) Unit at the National Naval Medical Center, Bethesda. This new clinic provides world class inpatient care for polytrauma patients with TBI. The compassionate, highly trained and qualified medical professionals that serve in this new clinic are instrumental in actively managing symptomatic patients of all services and thoroughly evaluate complex TBI cases to fashion an appropriate treatment plan and disposition that is best suited to facilitate the patient’s rehabilitation.

We are expanding the Operational Stress Control (OSC) program to develop a comprehensive approach to promote psychological resilience and sustain a culture of

psychological health among Marines, Sailors and their families. We mourn the tragic loss of even one to suicide and are unswerving in diligence to prevent suicide and support for those with Post Traumatic Stress Disorder (PTSD). A resilient warrior knows there is no shame in seeking help. We are committed to removing the social stigma of seeking help. We are taking a compassionate approach to substance abuse prevention, building healthy and financially secure families by reducing stress on individuals with training and education to nurture positive family relationships through physical wellness and family support programs. No segment of our Navy and Marine Corps family better embodies the commitment to service than our Reserve component. Called upon to leave their jobs, their communities, and their families to serve our nation, we are committed to providing the comprehensive care and support they and their families need. We will invest in their service by ensuring they maintain physical readiness, and we will provide them the training and equipment they need to succeed. Our covenant of support to them continues after they have demobilized and returned to their homes. We will continue to invest in reintegration programs and to monitor and support their post-deployment health and wellness. Our citizen Sailors and Marines deserve the best we can provide, and we must not let them down.

## **COMMITMENT TO OUR NATION**

The challenges our nation faces in this highly inter-connected world are diverse and complex. The Navy and Marine Corps team must have the tools necessary to support a strategy that balances the enduring requirements for traditional naval capabilities with those needed to confront and influence the highly dynamic global security environment.

The FY10 budget provides the Department of the Navy with the capacity and capability to ensure that this strategy is supported by providing the means for persistent forward presence as well as the flexibility needed to ensure that our nation can address these challenges where ever needed on short notice.

The Navy's FY10 budget provides for robust development of programs. Specifically, the budget provides the funding for eight ships, 203 aircraft and the development of nearly 2,500 missiles and munitions. The budget sustains our commitment to our submarine force with the construction of the 12<sup>th</sup> Virginia Class submarine. In support of our aviation enterprise, this budget funds the first four carrier variant Joint Strike Fighters as well as nine F/A-18E/Fs. It additionally begins the first year of six Low Rate Initial Production (LRIP) P-8A Poseidon aircraft. In total, the budget provides for a deployable force of 287 ships, 11 aircraft carriers and 31 large amphibious ships. It includes balanced support for baseline deployed and non-deployed steaming days, the associated flight hours, and related ship and aircraft maintenance.

### **FINDING THE RIGHT BALANCE**

The Department of the Navy budget submission reflects our view of the best balance between our most important resource, our people, and our need to maintain the current force while preparing for the future. As we all know, in an environment of finite resources we must maintain balance between our manpower, procurement, and operating accounts, as well as science and technology and military construction. As the administration undertakes a comprehensive review of the nation's National Security

Strategy and National Defense Strategy, we have invested prudently in the most important programs while deferring investment in some others. The outcome of these reviews, in conjunction with the Department of Defense's Quadrennial Defense Review, will inform our investment decisions in future years. To be clear, none of the decisions we have deferred this year impact our ability to address current or projected threats, now or in the near future. However, as we look to the far term, these reviews will help us develop an investment strategy that matches our national defense needs with the evolving geo-political environment.

A critical aspect of this balancing is ensuring that the Department of the Navy continues to pursue a performance based culture which actively develops process improvements and efficiencies. The Department is committed to the creation of process improvements which will clearly identify warfighter requirements and align our acquisition strategy with those requirements. Alignment, however, is not enough. The Department of the Navy is committed to pursuing acquisition reform and cost control measures in order to be responsible stewards of the taxpayer's resources and relieve the stress on our procurement accounts. We support the efforts of Congress to promote acquisition reform and look forward to implementing these measures to produce the best results for the taxpayers. In one of our most challenging areas, shipbuilding, the Department has already taken steps to promote the most cost effective use of resources. We have embarked on a path of promoting stability in the shipyards, reducing ship types and increasing reuse of ship design and components, maturing ship design prior to starting construction, and increasing competition and the use of fixed price type contracts. In

addition, over the past year, the Department implemented a revised acquisition and governance process to ensure the stakeholders from the resources, requirements and acquisition communities revisit each major acquisition program at defined intervals; addressing technical maturity, affordability and program health. In conjunction with recent initiatives to revitalize and grow our acquisition workforce, we believe these efforts will promote the procurement of affordable, high quality, highly capable systems to support our warfighters and protect our national interests far into the future.

In closing, I ask for your continued support as we balance the resources necessary to defend our great Nation. On behalf of our Sailors, Marines, civilian employees and their families -- thank you.