Chairman Cochran, Vice Chairman Durbin, distinguished Senators, I appreciate the opportunity to testify today in support of the President’s request for additional funding and other matters of interest to the committee. Mr. Chairman, I request the committee accept my statement for the record.

As you know, the President is committed to strengthening our military. The security situation facing our country has become more challenging; the looming threats have outstripped the level of resources we have been allocating to defense.

I wish to state at the outset of this hearing that we in the Department of Defense are keenly aware of the sacrifices made by the American people in the form of the additional $30 billion budget request in FY 2017. We take seriously the responsibility to spend wisely this money to enhance the protection of our Nation against emerging threats. This increase in funding will help address the worsening security situation confronting us around the globe. We must recognize that hesitation now to invest in defense would deepen the strategic mismatch between our future security and the military means to protect our people and freedoms.

Our military must ensure that the President and our diplomats always negotiate from a position of strength. Global threats require a global response applying the full weight of our own and our Allies’ power, Allies which are also increasing their defense outlays.

Diplomatic solutions will remain our preferred options but we cannot deny the role of our military in setting the conditions for diplomatic progress: military deterrence is only credible if the military strength is sufficiently formidable that Allies can confidently align with us in tempering adversaries’ designs.

We must look reality in the eye: we see Russia and China seeking veto power over the economic, diplomatic, and security decisions of nations on their periphery. Terrorist groups murder the innocent and threaten peace in many regions and target us. North Korea’s reckless rhetoric and provocative actions continue despite United Nations censure and sanctions. This situation calls for our Department to maintain a safe and secure nuclear deterrent and a decisive conventional force that can also fight irregular enemies, since our military must be able to counter all threats facing us.

I’m here today to request your support for the additional $30 billion request for FY 2017. General Dunford and I will outline what this additional funding will do for our Nation’s defense. But the reason we are appearing here cannot be considered in isolation. While some might prefer a larger amount, several compelling factors convinced us to limit the request. It is late in this fiscal year and this $30 billion is the number we believe we can execute responsibly. We want to do everything we can to ensure wise allocation of
these funds. In concert with this budget request, we must also have continuity of effort that is not possible under another continuing resolution. Only an FY 2017 appropriations bill can permit us to spend the American taxpayers’ money judiciously and start us on the long road back to military readiness to ensure we can fight effectively. The last six years of sequester’s effects, budget cuts, and repeated Continuing Resolutions have damaged our readiness to a degree that will take time to recover.

The request before you represents the first step in a three-phased multi-year effort to restore readiness. In FY 2017, we will fill in readiness gaps that must be initiated this year. In FY 2018, we will seek to balance the force with a budget that precludes further damage stemming from Continuing Resolutions and sequestration. By FY 2019, I expect our force growth will be on track and sustained with high quality troops supported by equipment programs, permitting us to adapt to the changing character of modern war.

I must note there are specific readiness gaps across our forces, which I prefer to address in closed session so as not to embolden our enemies.

Phase one is this year’s defense appropriation, including the $30 billion request for additional appropriations for FY 2017, to get our aircraft back in the air, our ships back to sea, and our troops back in the field with refurbished or new equipment and proper training. This is a necessary investment to ensure our military is ready to fight today.

The request represents a consolidated effort to fill current warfighting readiness needs, including $25 billion of additional funding for maintenance, spare parts, training time, flying hours, munitions stocks, and manpower, as well as funding to support the Services’ highest-priority unfunded requirements. The request also includes $5 billion to accelerate the campaign to defeat ISIS, address emerging requirements for Operation Freedom’s Sentinel, and provide support to other global counterterrorism operations. We are confident we can efficiently allocate this increase and spend it responsibly in the months remaining in the fiscal year.

Consistent with my initial budget guidance to the Department, we based this request on a realistic appreciation of the capacity we need to fight and win on the battlefield. Beginning to fill readiness needs and field a ready joint force in the future requires more than just closing a gap in Operation and Maintenance funding in FY 2017. The reality is that we cannot repair our way out of this problem: we cannot stay ready only with the equipment we have today, much of which is hard used and beyond its useful life. In some cases, we need to acquire new equipment to increase the inventory of forces that are ready to deploy. I have imposed rigorous oversight of the budget process, ensuring the Services have tied their requests solely to readiness needs – and I have a personal responsibility to discipline our requests moving forward.

- The Army’s request includes funding for the additional 28,000 Soldiers approved in the FY 2017 National Defense Authorization Act; for additional training and
flight hours across all components; for munitions and ammunition production capabilities; and for equipment and modernization, including aircraft, unmanned aerial systems, and air defense systems.

- The Navy’s request includes funding for the additional 3,592 Sailors and 2,426 Marines. It includes funding for increases in ship maintenance costs; for pilot training, including additional tactical and student flight hours; for additional aviation spare and repair parts; for an additional 24 F/A-18 E/F Super Hornet aircraft to support continuing need for combat aircraft; and for ground combat and communications equipment for Marine Corps operating forces.

- The Air Force’s request includes funding for the additional 4,000 Airmen approved in the FY 2017 NDAA. It includes funding for increasing the number of pilots in the Air Force; for sustainment of weapons systems to increase aircraft availability; for additional F-35A, MC-130J, and HC-130J aircraft; for modification, upgrades, and life-extension efforts on F-15, F-16, and other aircraft; and for the support of flight line and maintenance operations, including investments in facility operations, restoration, and modernization.

Phase two starts with our FY 2018 budget request to balance the defense program and prepare for sustained growth. This funding will allow us to acquire capabilities we do not have or cannot execute this year, and it will allow us to adapt to the changing character of war by providing cyber, space, and electronic warfare capabilities.

The Department will work in concert with congressional leaders to reverse sequestration. This would return Congress to its active oversight role instead of relying on non-strategic and self-destructive cuts. Failure to reverse sequestration would bring about the need to recalibrate our approach to asserting U.S. influence around the world.

Phase three looks beyond FY 2018. We will work with the Congress and this committee to integrate our FY 2019-2023 budget request within a coherent strategy. We recognize we must address urgent threats like North Korea and violent jihadist terrorists in transnational organizations. But we cannot focus solely on urgent threats when other countries with far greater potential to threaten our future security continue to expand their military capability.

To ensure our strategy is fit for its time, we have initiated the Defense Strategy Review directed by the Congress to reimagine our strategic concepts in all areas. We will complete the review by this fall to ensure a new framework informs our long-term planning, matches resources to our strategic commitments, and avoids the hubris that we can predict the threats of the future. We will also work with the President and the Congress to ensure the budget we present is sustainable and that it provides the Commander-in-Chief with viable military options.

We already know we face a dilemma between increasing personnel end strength and force structure on the one hand, and investing in equipment as well as research and
development on the other hand. I know we will have to make hard choices as we develop our new defense strategy and shape the FY2019-2023 defense program. With the help of Congress, I believe we can build a force that is more lethal without placing undue burden on the American economy. This will require sustained commitment from the Congress in the form of additional funding and regular, on-time appropriations informed by a common set of assumptions.

I have examined each Service’s requirements and recommendations, and I am working with the Military Department Secretaries, our Service Chiefs, and the Chairman of the Joint Chiefs of Staff to develop recommendations on current and future end strength plans consistent with the President’s emerging national security strategy.

Thank you for your strong support and for ensuring our troops have the resources and equipment they need to fight and win on the battlefield. I pledge to cooperate closely with you for the defense of our nation and to keep our Armed Forces second-to-none. I welcome your questions.

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