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HOUSE SUBCOMMITTEE ON MILITARY CONSTRUCTION,
VETERANS AFFAIRS, and RELATED AGENCIES,
COMMITTEE ON APPROPRIATIONS

STATEMENT OF
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(ENERGY, INSTALLATIONS, AND ENVIRONMENT)

BEFORE THE
HOUSE SUBCOMMITTEE ON MILITARY CONSTRUCTION, VETERANS AFFAIRS,
AND RELATED AGENCIES

OF THE
COMMITTEE ON APPROPRIATIONS

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Introduction

Chairman Carter, Ranking Member Wasserman Schultz, and distinguished members of the Subcommittee, thank you for the opportunity to testify on the Department of the Navy's Fiscal Year (FY) 2025 budget request. We submit a request that invests in critical readiness enablers across the EI&E portfolio, bolsters the resiliency of the critical infrastructure upon which we rely, all so we can reduce risk and increase mission success for our Navy and Marine Corps.

Current Context

A ready Navy and Marine Corps responds whenever the Nation calls. Around the globe, around the clock, the Navy and Marine Corps are where they need to be, when they need to be there, able to do all that we ask of them because of the critical readiness enablers across the EI&E portfolio. Since we last met, the Navy and Marine Corps have made significant progress across the portfolio and that progress has happened because of partnerships across the Federal family, with state and local partners, and all who are a part of the communities where we train, work, and live.

The Navy and Marine Corps infrastructure portfolio continues to age. A significant number of facilities across the enterprise have exceeded their planned useful life, and deferred maintenance and sustainment have compounded risk in this critical portfolio. To fight and win the Department of the Navy (DON) requires ready, reliable, and resilient installations, and that includes the buildings, systems, and assets that comprise them. We are redoubling our efforts not only to prevent, remediate, and mitigate the risks resulting from vulnerabilities in the shore portfolio, but also to restore and sustain our infrastructure, including housing, core utility infrastructure, and operational facilities. The Navy and Marine Corps are taking steps to improve how we resource these critical requirements, through their Installation Investment Plan (IIP) and the Facilities Investment Strategy (FIS), respectively. These efforts inform the development of the DON's 30-year infrastructure plan, and these efforts combined will refocus the department on these concerns.

The last time I testified before this Subcommittee, I thanked you for your support of the modernization of the Fallon Range Training Complex in Nevada, which will ensure that Naval Aviators and Navy SEALs have training ranges and facilities that provide them a realistic environment to train like they fight. The Department of the Navy will increase the readiness of our warfighters while also prioritizing the stewardship and safety of the sacred environmental and cultural resources, and the health of the local economy. After a diligent, committed process with the Tribal Nations to ensure their concerns were addressed, the Navy is reviewing the final range

access Memorandum of Agreement which will be signed at a formal ceremony within weeks. As we modernize this vital training range, the DON will continue to meet its obligations as part of the community and stewards of the environment, while enabling the warfighting mission.

As we focus on our critical infrastructure portfolio, we remain engaged with our defense communities. When I last testified on the DON's budget request, the Secretary of Defense had directed the stand-up of the Red Hill Joint Task Force (JTF) to oversee the defueling of the Red Hill Bulk Fuel Storage Facility and charged the DON with the safe and expeditious closure of the facility. As of last month, the JTF has completed its mission to remove the fuel reserves from the facility and on March 28, 2024, the JTF conducted a transfer of authority ceremony, putting the Navy Closure Task Force-Red Hill (NCTF-RH) in charge of all activities at Red Hill. The mission of the NCTF-RH is the permanent closure of Red Hill, and long-term environmental remediation, requiring coordination with state and federal stakeholders in order to protect public health and the environment. NCTF-RH's motto is "Safe, Deliberate, Engaged, Committed." With every action, we are prioritizing the health and safety of the people, environment, and communities of Hawai'i, and look forward to continuing productive and collaborative relationships with all stakeholders.

Strategic Priorities

Secretary Del Toro set forth guiding principles for the DON to strengthen maritime dominance, build a culture of warfighting excellence, and enhance our strategic partnerships. These objectives support our National Defense Strategy and drive DON action. In my capacity as the Assistant Secretary of the Navy for Energy, Installations, and Environment, I support Secretary Del Toro's guidance by focusing on three cross-cutting areas: Critical Infrastructure, Communities, and Climate Action. I am also the DON's Designated Agency Safety and Health Official, and across all three of these areas, I am driving safety as a foundation for our work. Critical infrastructure includes not only our power projection platforms, but also includes essential warfighting, readiness, and quality of life support that naval facilities provide. Our communities are the places that we come together to live, train, work, and also includes the environment and natural resources that surround these places. For Climate Action, climate readiness is mission readiness. The DON is implementing *Climate Action 2030* to create a force that can operate and succeed in any environment through the guidance of my Chief Sustainability Officer memorandum series. This includes the infrastructure we rely on to fight and win, which is vulnerable to threats such as extreme weather events and sea level rise. We are focused on building resilience and

reducing the national security threat of climate change, and we view climate readiness as a tactical, operational, and strategic enabler for our Sailors and Marines.

Critical Infrastructure

Navy and Marine Corps installations are power projection platforms from which naval forces train, deploy, and maintain forward presence to enable geographic Combatant Commanders to meet operational requirements. Historically, the DON has accepted a significant level of risk in the resourcing of our installations; as a result, the DON infrastructure portfolio carries known, aggregated risk from many years of underinvestment in the sustainment and recapitalization of our facilities, structures, and utilities infrastructure. We will not be successful without substantial, consistent investments in the infrastructure that comprises our installations and enables readiness. Additionally, the DON is reviewing critical infrastructure to fully address the gaps in modernization and recapitalization. The DON's Critical Infrastructure Synchronization forum continues to work through the challenges of infrastructure resilience and to address the threats to most critical facilities and core utilities.

To fight and win the DON requires ready, reliable, and resilient systems and assets. The DON is leading action to not only prevent, remediate, or mitigate the risks resulting from vulnerabilities of our infrastructure, but also to restore and sustain core utility infrastructure including water, electricity and telecommunications. We have programmed \$137 million for cyber hardening using hardware and software modernization. Holistic recapitalization of our infrastructure and demolition of excess, failing infrastructure will ensure that our forces, systems, and facilities can continue to operate in expected future environments.

Facilities Sustainment, Restoration, and Modernization (FSRM). Our FY 2025 budget request includes \$4.6B in Facilities Sustainment, Restoration, and Modernization (FSRM) funding for the Navy and \$1.35B for the Marine Corps to maintain the working order of our facilities and utility systems and to prevent the premature degradation of mission-critical facilities. The Navy budget request targets key shore capability areas such as utility systems, Unaccompanied Housing, airfield operations, waterfront operations, depot maintenance, and ordnance facilities, as well as continued demolition funding to address excess facility footprint. The request also increases sustainment funding to 100% of the modeled requirement for Nuclear Deterrence Facilities, Naval Operational Architecture, Unaccompanied Housing, and fitness centers. The

Marine Corps budget request continues efforts to eliminate poor and failing facilities and improve Quality of Life (QoL) through *Force Design 2030* initiatives. Our FY 2025 budget request includes targeted FSRM investments to repair poor and failing facilities at Naval Air Station (NAS) Lemoore, NAS Oceana, Joint Base Pearl Harbor Hickam, Naval Support Activity (NSA) Bahrain, Submarine Base Kings Bay, Naval Base Kitsap, Marine Corps Base (MCB) Camp Lejeune, Marine Corps Recruit Depot (MCRD) Parris Island, and MCB Quantico.

Shipyard Infrastructure Optimization Program. To keep our Nuclear Fleet ready, we continue to modernize our four public shipyards through the Shipyard Infrastructure Optimization Program (SIOP). Over the past year, we completed renovations and improvements of our dry docks at both Norfolk Naval Shipyard and Puget Sound Naval Shipyard and awarded a \$2.84 billion construction contract for the replacement of Dry Dock 3 at Pearl Harbor Naval Shipyard. SIOP will improve the operational availability of our Fleet by providing modernized facilities, infrastructure, and equipment that will increase our shipyards' capacity and capabilities to complete maintenance availabilities, and through updated requirements we are anticipating our future environment. Through this infrastructure optimization, we also improve the Quality of Service (QoS) for more than 37,000 Sailors and Civilians who work at our public shipyards, and utilize planning and design funding in support of future requirements.

Military Construction. The DON's FY 2025 budget request includes \$4.6B for Military Construction (MILCON) to optimize Navy and Marine Corps installations to enable global logistics, warfighter development, and employment from the shore. The Navy requested \$3.4 billion, including \$2.0 billion for SIOP. The Marine Corps requested \$1.2 billion, and continues to support the Commandant's *Force Design 2030* strategy and the Defense Policy Review Initiative. Additionally, there is \$291 million for new mission platforms supporting *Columbia*-Class and D5 Life Extension Program 2 (D5LE2) QoL, infrastructure improvements in Darwin, Australia, to support Marine Corps Forces, procurement of additional land to support the Fallon Range Training Complex Modernization in Nevada, and the replacement of aging infrastructure.

Demolition. The DON must take steps to reduce excess inventory. The FY 2025 budget request included \$166 million (Navy) and \$108 million (USMC) in demolition funding to reduce the current footprint, allowing the DON to better prioritize existing facilities sustainment resources

across our most critical facilities. The Marine Corps has identified multiple excess barracks facilities, and, as part of their *Barracks 2030* initiative, will demolish those barracks in the poorest shape and focus recapitalization efforts on the remaining facilities. They will maintain this effort across future budgets to ensure that we right-size the current facility inventory. In addition to funding allocated for this purpose under FSRM, the DON will use the new authority granted in the FY 2024 NDAA to use Unspecified Minor Military Construction (UMC) funds.

Focus on the Indo-Pacific Region. As we continue to strengthen our international partnerships, we are also focused on relationships in our defense communities. We are deeply committed to the government and citizens of Guam. We will begin the relocation of Marine Corps personnel from Okinawa to Guam in support of the Defense Policy Review Initiative, by December 2024. The Deputy Secretary of Defense appointed the Under Secretary of the Navy to serve as the Senior Defense Official for Guam (SDOG). In this role, Under Secretary Raven will serve as the DoD's senior representative when meeting with key leadership and stakeholders in Guam. Thank you for the extension of the H2B visa program through 2029, which is vital to offset workforce capacity challenges. We appreciate this committee's support as we carry out this process in a disciplined and sustainable manner that will enhance the readiness of our forces.

Quality of Life Investments. DON is committed to investment prioritization in a way that clearly values, links, and acknowledges the essential Warfighting, Readiness, and QoL support that naval facilities provide. Building on FY 24, this budget request provides \$415 million to execute major renovations of 10 Unaccompanied Housing barracks across the DON. It also provides \$570 million to operate and maintain Child Development Centers and Child Youth programs. Additionally, this budget request includes a \$377 million Family Housing Operations budget request to maintain and operate over 3,500 government owned family housing units, over 62,000 privatized units, and over 1,650 leased family units worldwide. It supports construction of 93 family housing units on Guam as well as the renovation of 64 family homes in Iwakuni, Japan. We have already begun investing in the most pressing infrastructure problems, including essential utilities, barracks, energy security, and Wi-Fi. The Navy has established a pilot program to provide free Wi-Fi in 12 barracks in the Norfolk area, and Marine Corps is establishing a pilot program to provide free Wi-Fi in select barracks at one West Coast installation and one East Coast installation.

Housing for our Sailors, Marines, and Families. The DON remains committed to the health and safety of our Sailors, Marines, and their families. We are focused on the early identification and resolution of housing issues, as well as improving processes and oversight of our resident's experiences.

For barracks, this includes \$1.2 billion over the FYDP for barracks construction. We continue to work with sister services and OSD on implementation of the NDAA and recent GAO recommendations. We have also established that no Sailors reside on-ship during maintenance availabilities and that berthing barges are available for duty section personnel. The Marine Corps' *Barracks 2030* initiative lays out an ambitious plan to improve the Marine Corps management of barracks, modernize the inventory, and update the refresh rate of material. The Marine Corps has implemented the Capital Planning Tool (formerly the Readiness Maximization Tool) to leverage a tiered approach to facility lifecycle management that reduces footprint while prioritizing investments for the most critical facilities.

For the Military Housing Privatization Initiative, we are reinforcing DON oversight and exercising active leadership to ensure that the families who live in privatized housing have the tools and support they need. FY 25 includes requests for \$245 million for construction as well as \$377 million for operations, including the management, services, furnishings, utilities, maintenance, leasing, and privatization support, in support of our family housing program. Over the past year, the DON Housing team implemented many oversight and QoL initiatives including full implementation of the Tenant Bill of Rights, universal lease, completion of the third-party inspection of homes, increased resident advocates and home inspectors, and other NDAA and audit recommendations. We continue to improve the tools to perform better analyses of our processes, policies, and the overall program to ensure higher levels of service and satisfaction for our Sailors, Marines, and their families.

Communities

Wherever the Navy and Marine Corps have an installation, facility, base or station, our Sailors, Marines, and families call that defense community home. We build relationships with residents and businesses in these communities, and we continually look for opportunities to strengthen the resources and resilience for the entire community.

Environment and Mission Readiness. The DON is actively pursuing a broad portfolio of environmental stewardship actions at our installations and ranges across the world to protect the environment, an asset that supports our National Defense. Our FY 2025 budget request includes more than \$1 billion to fund compliance with environmental laws and regulations; conserve and manage natural, cultural, and marine resources on our installations and ranges; and conduct environmental planning and environmental consultation and permitting. This allows us to continue investigations and cleanup on installations; implement the DoD ongoing per- and polyfluoroalkyl substances (PFAS) response strategy at our installations; sustainably manage and modernize our ranges and mitigate compatibility risks; and build environmental resiliency into our planning, operations, acquisitions, and installation management. The DON will continue to seek opportunities to partner through programs such as the Readiness and Environmental Protection Integration Program to advance the National Defense Strategy, protect investments in critical infrastructure and to build installation resilience.

Tribal & Indigenous Affairs. The Department of the Navy has created enduring relationships with federally recognized Tribal Nations, Native Hawaiian Organizations, and Indigenous Communities. These communities have traditionally occupied and relied upon the lands and waters for subsistence and cultural practices where the Navy and Marine Corps have installations and train to ensure mission readiness. In October 2023, the DON hired the first Director of Tribal and Indigenous Affairs, to develop a comprehensive program throughout the Navy and Marine Corps to ensure continued transparency in our consultations with Tribal Nations and Indigenous Communities.

Climate Action

Global climate and environmental change are transforming the context in which the Department operates. Rising temperatures, droughts, and more frequent, intense, and unpredictable storms and floods have degraded military readiness and imposed significant costs on the Department. These climate-related hazards are affecting basing and access to locations vital for deterrence and warfighting objectives while degrading critical infrastructure and capabilities. Climate change makes the world a more volatile place. It brings extreme weather events, humanitarian crises, and heightened friction around essential natural resources. This volatility increases demand on our forces while simultaneously impacting the capacity to respond to those

demands.

Climate Action 2030. As the environment changes, we must adapt to the change: climate readiness is mission readiness. As the Chief Sustainability Officer for the Department, I have issued five memoranda on infrastructure, water security, nature-based resilience, sustainable acquisition and procurement, and shore energy goals. These memoranda direct the Navy and Marine Corps to make tangible progress on these key components of our climate strategy, and important enablers of resilience. We are also engaging with allies and partners around the world as climate change is top of mind for many key partners in the Pacific and the Caribbean who face stark climate adaptation challenges. We are also collaborating with allied militaries to ensure interoperability and resilience as navies and militaries modernize, electrify, hybridize, and move to alternate sources of energy to reduce the vulnerability of reliance on fossil fuels.

Climate resilience is already an essential component of DON's mission readiness. We are facing challenges and building resilience today on the almost 5 million acres of Department of Navy-managed lands where we test, train, live, and work. Installations are facing a variety of climate-related hazards from heat, to wildfires, droughts, extreme precipitation, and storms. All of these threaten our built and natural infrastructure, as well as how we operate.

Installation Resilience. Installation resilience directly impacts the entire spectrum of military operations. Military headquarters, region, and installation staff are working to holistically incorporate climate change considerations into master planning and programming processes in order to be proficient at planning, preparing, adapting, and recovering from a range of natural or manmade threats.

Energy. DON's FY 2025 budget request invests \$1 billion in the DON energy portfolio, which includes Operational and Shore Energy. Secure, reliable energy is critical to the DON's ability to provide global presence, deter competitors, respond to crises, and, if necessary, fight and win our Nation's wars. Clean and reliable energy support electrification and power Artificial Intelligence, directed-energy weapons, autonomous vehicles, future technologies, and ensure success in contested environments.

Operational Energy. FY 25 invests \$639 million for Operational Energy to invest in initiatives that support the operational requirements of contested logistics, expeditionary advanced base operations, and distributed maritime operations. DON prioritized investments to sustain operations

in contested logistic environments to include energy storage, power controls, and distribution; mobile fuels distribution assets, platform upgrades for sea and air; synthetic fuels certification and power sources, metering and monitoring, and platform thermal management.

Shore Energy. The DON invests in shore energy initiatives to ensure that our installations remain the power projection platforms from which we man, train, and equip our Sailors and Marines and that installations are resilient to a broad spectrum of interrelated and interdependent threats that cross both domains and dimensions. The FY 25 budget request invests \$365.2 million for Shore Energy to address the increase of power demanded by missions at our installations. In addition, the investment will improve energy resilience and reliability through investments in clean energy solutions which are necessary to implement electrification initiatives, and to support the high energy demand from data centers, directed-energy weapons, and autonomous vehicles. The FY 25 request for shore energy invests in energy resilience technologies such as installation-level microgrids and battery energy storage systems, as well as building efficiency and electric vehicle charging facilities.

Conclusion

Thank you for your steadfast commitment to our Sailors, Marines, Civilians and their families and for your purposeful focus on our FY 2025 budget request. I look forward to our continued partnership and dialogue as we work together to ensure the Navy and Marine Corps remain the world's greatest maritime fighting force. The DON remains focused on ensuring that we remain the world's most powerful naval force to meet both today's operational demands and the warfighting needs of the future.