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STATEMENT OF

GENERAL ROBERT B. NELLER

COMMANDANT OF THE MARINE CORPS

BEFORE THE

HOUSE ARMED SERVICES COMMITTEE

ON

CONTINUING RESOLUTION CONSEQUENCES

05 APRIL 2017

Not public until released by the House Armed Services Committee General Robert B. Neller, USMC Commandant of the Marine Corps

General Robert B. Neller assumed the duties of Commandant of the Marine Corps on September 24th, 2015. A native of East Lansing, Michigan, he graduated from the University of Virginia and was commissioned in May 1975. He previously served as the Commander, Marine Forces Command from June 2014 to September 2015.

General Neller has served as an infantry officer at all levels. He commanded the Marine Security Force Company Panama during Operations JUST CAUSE and PROMOTE LIBERTY, 3d Light Armored Infantry Battalion during Operation RESTORE HOPE in Somalia, 6th Marine Regiment, 3d Marine Division and Marine Forces Central Command.

His Joint assignments include service in the Policy Division of Supreme Headquarters Allied Powers Europe (SHAPE) in Casteau, Belgium, and as the Director of Operations (J3) of the Joint Staff in Washington, D.C.

He has also served as Executive Officer, 7th Marine Regiment, G-3, 2d Marine Division, G-3, II Marine Expeditionary Force, Assistant Division Commander for the 1st and 2d Marine Divisions, and Deputy Commanding General, I Marine Expeditionary Force (Forward) during Operation IRAQI FREEDOM 05-07.

General Neller is a graduate of the Advanced Armor Officer Course, the Marine Corps Command and Staff College, the NATO Defense College and the Armed Forces Staff College. He holds a M.A. in Human Resource Management from Pepperdine University.

Introduction

Your Marine Corps stands ready to answer the call in any clime and place as our Nation's Naval Expeditionary Force-in-Readiness. That said, our current operational tempo remains exceptionally high. We continue to adapt and innovate across our five focus areas of people, readiness, training, naval integration, and modernization in the context of the current continuing resolution (CR) and resulting resource challenges. We are building a "5th Generation Marine Corps" able to counter the evolving threats of this century (China, Russia, Iran, North Korea, and violent extremism). This requires us to change the composition of the force, while we continue to execute our material readiness recovery plans, and concurrently modernize our equipment.

The Marine Corps has and will remain good stewards of the resources we are provided; we are affordable. Case in point; for 7% of the Department of Defense budget the Marine Corps provides 21% of the active infantry battalions, 15% of the fighter/attack aircraft and 19% of the artillery battalions. However, operating under CRs for some portion of the past eight fiscal years, to include government shutdowns, has impacted readiness. Operating under a full-year continuing resolution through the remainder of FY17 will seriously degrade readiness across our force affecting our people, readiness, and modernization efforts. Additionally, without the ability to reprogram funds while under a full year CR, the Marine Corps is unable to address unplanned urgent needs and other operational requirements such as tools to counter adversary Unmanned Aerial Systems in theater. In specific terms, a full year CR and no additional funding may result in the following: the termination of flight operations in July, delayed construction of one amphibious ship, a halt to many modernization gains, cancelled or reduced participation in service-level, joint and combined exercises, many necessary to prepare units for deployment

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such as Integrated Training Exercise (ITX), and reductions in available aviation munitions to include delays to necessary modification of laser Maverick missiles, procurement of Hellfire missiles, and recovery of Laser Joint Direct Attack Munitions (JDAM) stocks. Marines are deployed around the globe and need adequate resources to meet our commitments and at the same time prepare and adapt to meet the challenges of our evolving foes.

People

The center of gravity of the Marine Corps is its people. Trust amongst Marines is critical to readiness. The Marine Corps has reason to look inward in light of the "Marines United" revelations to ensure our culture reflects our core values of honor, courage, and commitment, to improve the manner in which we value and treat all Marines, and emerge a better Corps. At the same time, the American people trust us with precious resources. We must and will remain good stewards with what we are provided, however, central to meeting and upholding our commitment is dependable and predictable funding such that we are fully ready to accomplish the mission.

The FY17 National Defense Authorization Act approved an end strength of 185,000 Marines. Under a full year CR we would not be able to grow to that end strength. The Marine Corps operating forces are currently averaging, in the aggregate, less than a 1:2 deployment to dwell ratio. This tempo is not sustainable as it does not provide options to train to our full mission sets and puts unreasonable strain on our Marines and families. A combination of a deliberate and measured end strength increase coupled with prudent operational employment of the force is the only path to a sustainable 1:3 deployment to dwell ratio. The CR does not afford this option. A full year CR will impact the Reserve Component (RC) the most as it will result in a 44 million dollar, or 6.2 percent decrease from the amended FY17 budget request in the Reserve Personnel, Marine Corps (RPMC) account. This decrease will directly impact the Marine Corps Reserve's FY17 ability to fulfill commitments to Combatant Commanders (CCDRs) to provide forces in support of regional security cooperation, crisis response, crisis prevention activities, and support to combat operations. Our Special Purpose Marine Air Ground Task Force – Southern Command is largely comprised of Marines from the RC – this deployment will suffer, potentially straining relationships in that region. Furthermore, the fourth quarter would see almost a 50 percent reduction in drill and annual training. The Marine Corps multi-year Training and Readiness Plan includes the integration of Reserve units, detachments, and individuals into Service, Joint, and Multilateral level exercises; therefore, the 44-million-dollar reduction will have substantial impacts on FY17 unit formations that have been planned for over a year. If not funded, the reduction will immediately create a force management dilemma that will increase an already high operational tempo across the total force.

Readiness

Readiness is central to who we are as Marines. We are the force "most ready when our nation is least ready," which is incompatible with tiered readiness in theory or practice. Forward deployed forces in every geographic combatant command are trained and ready; Marines in Iraq, Afghanistan and Syria, the over 21,000 in the Pacific, and those embarked on naval ships with our three deployed Marine Expeditionary Units are ready. Marines don't get ready when the crisis occurs. We must prepare those next to deploy and maintain a ready bench to respond to crisis or contingency, with minimal notice. While forward deployed forces and those about to

deploy will remain ready, the instability of the current fiscal environment, compounded by current shortfalls in our Operation and Maintenance (O&M) accounts, impact our ability to maintain a "ready bench." A full year CR would see and even larger O&M deficit and exacerbate the problem further.

For example, Marine Aviation is in the midst of a focused readiness recovery effort. We have developed an extensive plan to recover or improve readiness across every Type/Model/Series in the current legacy inventory, all while we continue to procure new aircraft. We are realizing steady improvements in aviation readiness, but the plan requires sustained funding, parts and supply support, flight operations, and time. Under a full year CR, flight operations within the continental U.S. will cease in July and hard fought gains made in Marine Corps aviation readiness will stall or be reversed. Finally, a full year CR will further delay the modification of nearly 200 laser Maverick missiles, procurement of 100 Hellfire missiles, and delay the planned recovery of Laser Joint Direct Attack Munitions (JDAM) shortfalls. These delays affect our ability to replenish warfighting assets, impact our current operational capabilities to support current contingency operations, limit our next to deploy units' ability to train, and cost us more in the long-run.

A full year CR will reduce the scope and scale of exercises which will impact unit level deployments for training, service level pre-deployment training such as ITX, and large, multilateral exercises such as BOLD ALLIGATOR '17 and COLD RESPONSE '18. This will not only reduce readiness, it will impact hard won, but never guaranteed relationships with foreign partners and allies.

Our ground equipment readiness is approximately 90 percent availability and 94 percent serviceability, allowing the Marine Corps to conduct mission requirements. That said, under a

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full year CR we can expect to see delayed maintenance, shortages of parts, dramatically extended work hours as Marines try to sustain the increased workload of unserviceable equipment. Furthermore, long-term underfunding of aging facilities and sustainment requirements has resulted in the degradation of our infrastructure and increased long-term costs to return these assets to proper condition. Funding for our facilities sustainment, recapitalization, and modernization (FSRM) has been sacrificed to support the readiness of our deployed and deploying forces in recent budget cycles. A full year CR will impact an already bad situation resulting in a 10 to 15 percent reduction to facilities sustainment levels and/or elimination of currently programmed demolition, restoration, and modernization projects, including recovery from the tornado damage recently sustained at Marine Corps Logistics Base Albany, Georgia. Infrastructure sustainment is a key enabler to our current readiness. Investment in real property, facilities maintenance, and base infrastructure to support the missions and readiness of our operating forces and other tenant commands are critical to providing the capacity and capability needed to build, train, and launch combat ready forces.

Modernization

Modernization is future readiness; however, under a full-year CR recapitalization and modernization efforts will be disrupted. Budget cuts since the Department of the Navy top line peaked in FY08 coupled with fiscal uncertainty, forced us to utilize limited resources to ensure the readiness of deployed forces and sacrifice end strength, home station readiness, infrastructure sustainment, quality of life programs, and delay critical modernization. We need to modernize rapidly, to replace "old iron" with new, reliable, sustainable, and affordable equipment across the Marine Air-Ground Task Force (MAGTF). We must remain relevant and develop as a "5th Generation Marine Corps" able to operate across all domains.

FY17 CR based prohibitions on program new starts and quantity increases, as well as limitations on investment funding at line item levels, will prevent planned funding and production rate increases for multiple ground and aviation programs. Under a full-year CR specific FY17 new starts, quantity increases, and line item funding increases will be affected. New starts affected by a full year CR include: Cyber Operations Technology Development supporting Marine Corps Cyber Mission Forces, CH-53K low rate initial production (LRIP), Unmanned Aircraft Systems (UAS) Sensor Payloads, and Joint Air-to-Ground Missile (JAGM). Under a full year CR our acquisition of key systems is at risk and would drive necessary reductions to include: Joint Light Tactical Vehicles (74 vehicles), Common Aviation Command and Control System (CAC2S) (10 systems), RQ-21 UAS (1 full system: ground infrastructure plus 5 air vehicles), F35B (1 aircraft), and CH-53K (2 aircraft). Slowing CAC2S is detrimental to our aviation combat element as it is a much needed command and control (C2) upgrade necessary to further exploit the information domain. Additionally, many programs require funding increases included in our amended FY17 budget request to support capabilities to meet the needs of an ever changing future operating environment. Systems that require additional funding include: Network on the Move (NOTM), Ground / Air Task Oriented Radar (GATOR), and Precision Extended Range Munition (PERM). A full year CR prevents a funding increase for NOTM – another C2 system necessary to increase ground maneuver capabilities. New starts, quantity increases, and requested line item funding increases are all essential tools to ensure our Marines are operating with the most technologically advanced equipment necessary, building future readiness for our Corps, and are prohibited when operating under a CR.

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Conclusion

The Marine Corps will continue to meet current operational requirements; however, without support for our budget requests and consistent funding we cannot achieve and sustain acceptable levels of readiness. To truly operate, recover, recapitalize, and rebuild the readiness our nation needs, the Marine Corps requires the resources and stability provided by the FY17 budget, plus the additional resources identified by the Secretary of Defense in the FY17 Request for Additional Appropriations. Funding the Marine Corps via a CR continues to stress the force, stunt necessary capability and capacity growth, and reverse hard earned gains made by our readiness recovery efforts. The American people expect and deserve nothing less than a Marine Corps that is ready and capable of deterring and defeating future threats, and the Marines Sailors, Civilian Marines and our families need the resources to successfully meet this challenge.