Remarks of Chairman Wittman Hearing of the Committee on Armed Services Readiness Subcommittee "Assuring Viability of the Sustainment Industrial Base" February 28, 2013 Welcome to this morning's hearing. I'd like to thank our panel of experts for being here today to address the viability of the Defense Sustainment Industrial Base and the implications for mission readiness as we try to resolve the budget crisis. As we debate the way forward and try to resolve the continuing resolution and sequestration dilemmas, it's important not to lose sight of what's really at stake here: this country's ability to project power and to properly train and equip our warfighters – our men and women in uniform who at this very moment are fighting for us on the battlefields in Afghanistan and will continue to do so for the foreseeable future.

As the debates have raged on, I've been struck by how starkly our military leaders have described the dilemma. As General Dempsey and the other service chiefs recently informed this committee: "the readiness of our Armed Forces is at a tipping point. We are on the brink of creating a hollow force." About this same time, we learned of the delayed deployment of the USS TRUMAN Carrier Strike Group to the Central Command AOR – a region where our missions continue to grow – rather than go away.

Never in my lifetime did I imagine we would again be forced to confront the very real possibility of a hollow military force and the devastation it entails for our nation and our men and women in uniform. Make no mistake – our readiness crisis is real and it's important to understand exactly what's at risk. During this hearing, I'd like you to share your perspective on this and help us answer some basic questions:

- In terms of risk, what does it mean to our national security, particularly our sustainment industrial base, to have ships

moored to the pier, or sitting in dry dock, waiting for depot maintenance?

- What, in your views, are the implications of having airplanes grounded on ramps?
- And finally, what's the impact on our warfighters when we delay or defer reset and retrograde of our equipment?

Joining us today are:

Mr. John Johns, the Deputy Assistant Secretary of Defense for Maintenance Policy and Programs;

Mr. Pete Steffes, Vice President for Government Policy at the National Defense Industrial Association;

Mr. Cord Sterling, Vice President for Legislative Affairs at the Aerospace Industries Association; and

Dr. Nicholas J. Avdellas, Senior Consultant for Materiel Readiness and Sustainment at the Logistics Management Institute.

Gentlemen, thank you all very much for being here. I appreciated your thoughtful statements and particularly appreciated your views regarding the need for detailed strategic planning for the future. Just as I've been an advocate of the Thirty Year Shipbuilding Plan and the benefits associated with determining strategy first and budgetary requirements second, I believe we need to similarly focus on strategic planning when it comes to the viability of the industrial base.

With that, I'd like to wish a warm welcome to my new partner on the Readiness Subcommittee, Madeleine Bordallo, who I've worked with in the past and who I have the highest regard for. I'm truly honored to have such a distinguished ranking member working with me as we address these weighty issues. Mrs. Bordallo?

Questions:

- 1. What do each of you see as the top challenges of fixing the fragility of the industrial base?
- 2. Why have past reform efforts failed?
- 3. What should our subcommittee do as we contemplate building a strategic plan for the future of the industrial base?
- 4. Dr. Avdellas, in your written statement, you stated that DOD needs to "define the right amount of sustainability to produce viable and

responsive readiness and that the process needs to include new and forward-looking strategic planning." Can you elaborate?

- 5. Explain the department's dependency on oco funding and the overall health of the department's base program?
- 6. What happens when a maintenance production line is shutdown and how long will it take to recover that capability if it does?
- 7. What effect does deferring planned maintenance have on our equipment?Will it cost more in the future and what is the effect on the working capital fund?
- 8. What effect does the planned reductions in training and OPTEMPO have on depot workload?