STATEMENT

OF

LIEUTENANT GENERAL MICHAEL DANA DEPUTY COMMANDANT, INSTALLATIONS AND LOGISTICS BEFORE THE

HOUSE ARMED SERVICES SUBCOMMITTEE ON READINESS

ON

MARINE CORPS READINESS

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Introduction

Chairman Wilson, Ranking Member Bordallo and distinguished members of the House Armed Services Subcommittee on Readiness, I appreciate the opportunity to testify on the current state of Marine Corps Readiness. Further, I thank the Congress for your support.

As the Assistant Commandant of the Marine Corps testified, fiscal instability, resulting from persistent Continuing Resolutions (CRs) and looming and actual government shutdowns, produce the most significant risk to our readiness. We are concerned that CRs are shrinking our industrial base, negatively affecting the lines that produce our spare parts and the new modern capabilities we require.

The Marine Corps' Installation and Logistics team is focused on ensuring the necessary installations, logistics, and ground equipment readiness is available to ensure the Marine Corps remains capable of "Making Marines and Winning our Nation's Battles". In support of Marine Corps operations, our bases and stations are collectively the "launching pad" that produces and deploys ready, trained forces. Further, our enterprise ground equipment management efforts provide an end-to-end, total life cycle process to account for and maintain-sustain our gear.

Installation Condition and Risk

Our installations support Marine Forces, Marines, Sailors, and their families and serve as the premier MAGTF training, sustainment, and deployment platforms. In terms of total Marine Corps Force serviced on our installations, there are over 180K Marines, 176K Dependents, 29K Civilians, and 140K Retirees. The support ranges from 23K housing units, 600 barracks, 56 fitness centers, 43 child development centers, 5,284 miles of road, 146 hangars, 58 runways and 15K buildings. Due to historic funding challenges, of the 30K facilities in the Marine Corps, 17% or 5,100 facilities are in poor or failing condition, yet still in use and maintained with limited resources.

The state of facilities is the single most important investment to support training, operations, and quality of life. Previously, underfunding of new construction requirements through the Military Construction program (MILCON) limited our ability to field new capabilities and limited the ability of our installations to serve as training and power projection platforms. We ask for your continued support to fund new construction requirements that directly impact readiness and quality of life. Similarly, we have seen our Facility Sustainment, Restoration, and

Modernization (FSRM) backlog grow to \$9B. We ask for your continued support to maintain, restore and modernize our facilities through the FSRM program.

As a result of these past resource challenges, we developed the Commandant-signed Infrastructure Reset Strategy to optimize and modernize our bases and stations. The intent of the Commandant's Infrastructure Reset Strategy is to provide Marine Corps installations that are data-driven power projection platforms, capable of adapting ready training venues to the evolving operating environment, while maintaining a high quality of life for our Marines and their families, all at an economically sustainable rate. We will maximize critical capabilities, minimize total life cycle cost, and better enable operating force readiness. Congressional support and continued funding of the Infrastructure Reset strategy will improve the operational readiness of the Marine Corps.

Ground Equipment Readiness

Our current ground equipment readiness continues to experience relatively high availability and serviceability rates. Due to the tremendous support of Congress, we have reset 99% of our ground equipment with 71% returned to the Operating Forces and strategic equipment programs. We project completion of reset in 2019. While this is a significant accomplishment, the previous fiscal environment prevented us from reconstituting and modernizing the force. The prioritization of current readiness came at the expense of equipment modernization.

Our most important ground legacy capabilities continue to age as modernization efforts fail to keep pace with our requirements. Further, the high op-tempo of the last 16 years of operations has strained our equipment set and has caused accelerated aging. Adequate maintenance funding has been stretched to maintain readiness. We have extended the service life of older platforms such as the Light Armored Vehicle (LAV) and Amphibious Assault Vehicle (AAV) well beyond expected lifecycle dates. Our AAVs are now more than four decades old. Additionally, the average age of LAV's within our inventory is 26 years. Fortunately, resourcing of depot and field level maintenance has kept pace with requirements over the last decade with both baseline and OCO funding. Consistent long-term funding will enable the necessary modernization investment and readiness funding to ensure our ground equipment is maintained in an optimal state of readiness.

Our Depot Production Plants at Albany and Barstow are an essential component to our ground equipment readiness strategy and have been instrumental in maintaining the readiness of our equipment. The Depot executes this capability by funding to 80 percent of the active and reserve level of the OSD requirement. To offset this deficiency, we have instituted a refined approach whereby the service identifies depot candidates using a conditions based methodology as well as advanced manufacturing concepts. As we look to the future, our ground equipment management efforts will align USMC material requirements with available resources. The Marine Corps has a plan to regain and sustain unit readiness; and with your continued support, we can achieve our readiness requirements.

Installation and Logistics Innovation

While we are focused on readiness for today, we are innovating to increase readiness in the future. The Marine Corps has a rich heritage of innovation spanning two world wars, Korea, Vietnam, Desert Storm, and OEF/OIF. Today our Marine Corps Warfighting Lab, Next Generation Logistics (NexLog), and Installation-Works (I-Works) organizations are at the cutting edge of military innovation. Our young Marines are at the forefront of this effort.

Our Marines are the world's military leaders in the realms of 3D printing tactical level unmanned aerial vehicles and using Additive Manufacturing (AM) to produce time and mission critical components. AM also provides Marines the ability to design and locally produce limited technical solutions to local tactical challenges within the timeframe required to address pressing battlefield needs. We have over (70) 3D printers throughout the Marine Corps, and we are fostering innovation through the establishment of "maker spaces" in the operating forces and supporting establishment. We are experimenting with a robust portfolio of unmanned aerial and surface platforms to increase lift and distribution capacity in order to meet the requirements of the modern battlefield. We are also aggressively exploring logistics information technology modernization efforts by focusing on leveraging the cloud environment to enable the assimilation of artificial intelligence. Artificial intelligence will accelerate a transition to a more anticipatory logistics posture based on real-time holistic awareness of equipment condition and supply status.

Additionally, we are innovating to achieve the next generation of installations. Tomorrow's Marine Corps installations will look much different than those in existence today. We are moving towards "smart cities" and advanced transportation technologies to reduce operating costs. We are modernizing how and where we train and the systems to support. Further, we are

advancing our protection capabilities and increasing our resiliency. We are creating an atmosphere of innovation to enhance our power projection capability and build a foundation for emerging technologies such as smart buildings, better traffic patterns, and more efficient service delivery. These improved processes, combined with integrated master planning will create installations which increase our overall training, readiness, and deployment capability.

Conclusion

On behalf of all of our Marines, Sailors - many deployed and in harm's way today - and their families and the civilians that support their service, we thank the Congress and this subcommittee for the opportunity to discuss the key readiness challenges your Marine Corps faces. A predictable and sustained budget that provides the means for our Corps to balance the demands of institutional readiness remains the essential requirement for the Marine Corps to meet its obligations as the Nation's ready force, now and into the future.

We have a comprehensive ground equipment readiness strategy and continued investment in our facilities will positively impact readiness, while reducing costly repairs and restoration costs in the future. With the support of the 115th Congress, we will move forward with our plan and vision to ensure your Marine Corps is organized, manned, trained and equipped to protect our fellow Americans, assure our allies, and deter and, when necessary, defeat our adversaries.