Statement of the Honorable John Garamendi Chairman, Readiness Subcommittee "F-35 Sustainment"

April 28, 2022

First, some administrative and technical notes. Members are reminded that they must be visible onscreen within the software platform for the purposes of identity verification. Members must continue to use the software platform's video function while attending the hearing unless they experience connectivity issues or other technical problems that render the member unable to fully participate on camera. If you experience technical difficulties, please contact the committee staff for assistance.

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2

feature to communicate with staff regarding technical or logistical support issues. Finally, you will see a 5-minute countdown clock on the software platform's displa2y but, if necessary, I will remind you when your time is up.

COUNTDOWN FOR HOUSE RECORDING SERVICES: 5, 4, 3, 2, 1...

Good afternoon.

Ladies and gentlemen, I call to order this hearing of the Readiness Subcommittee of the House Armed Services Committee.

Over the past few years, it has become abundantly clear that sustainment is the most acute long-term challenge facing the F-35 program. Sustainment will amount to more than 80% of the program's total lifecycle costs, at a mind-boggling \$1.3 trillion. Largely because of supply issues and poor reliability and maintainability, average F-35 mission capability rates are barely over 55%, with a paltry 30% of the aircraft capable of performing all of their assigned missions. Repeated decisions to shift funding from depot repair to new production have created a more than 10-year delay in standing up DoD's organic F-35 repair capacity. The services face annual multi-billion-dollar gaps between projected sustainment costs and their own affordability goals. Due to both a deeply flawed maintenance strategy and high levels of degradation to the power module, the F- 35's engine has grounded planes at a rate that far exceeds the average for other fighters.

I could go on.

How did we get here? Twenty years ago, DoD's acquisition strategy presumed that industry knows best. As a result, the Department surrendered a great deal of control over the largest weapon program in history to its prime contractor. Lockheed Martin was able to retain the technical data rights and intellectual property necessary to sustain the F-35 program throughout its lifespan, and the government could not competitively bid for sustainment contracts because no other firm could access the data they would need to do the job.

As one would expect in such a sole-source situation, the sustainment costs of this program have ballooned to be so out of control that they could – ironically for the prime contractor – ultimately constrain the number of aircraft the services can purchase or the number of hours they can fly.

Thankfully, I believe it is still possible to align the incentives so that all parties can collaborate to fix these problems. We highlight the mistakes of the past not to beat a dead horse, but to extract hard-learned lessons to ensure these mistakes are not repeated in other programs and to help create a future F-35 sustainment concept that can serve our common goal of building and flying enough F-35s to support the national defense strategy.

4

I am immensely proud of our work in last year's NDAA to establish guard rails to compel the F-35's prime contractors and the Department to take the necessary actions to reduce sustainment costs and increase F-35 readiness. I look forward to hearing updates from Mr. Morani and General Fick on the Department's thinking and planning in response to these directives. I also am eager to hear from Ms. Diana Maurer from the Government Accountability Office, an organization whose work has been indispensable to diagnosing and remedying the problems plaguing the F-35 program over the years.

With that, I would like to turn to our Ranking Member, Congressman Mike Waltz of Florida, for any remarks he may have.

<<< READINESS Ranking Member opening comments>>>

Thank you. Mr. Waltz. I would now like to welcome and thank our witnesses:

- Mr. Steven Morani, Acting Assistant Secretary of Defense for Sustainment, Department of Defense
- Lieutenant General Eric Fick, Program Executive Officer, F-35 Joint Program Office, Department of Defense
- Ms. Diana Maurer, Director, Defense Capabilities and Management Team, Government Accountability Office

Your formal testimony will be put into the hearing record. Please proceed with your remarks.