

**Statement of**  
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**Before the House Armed Services Committee**  
**Subcommittee on Seapower and Projection Forces**  
**On “Logistics and Sealift Force Requirements”**  
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I want to thank the members of the Congress for inviting me and my colleagues here to testify in front of this Subcommittee on Seapower and Projection Forces. A major strategic advantage of the U.S. is its ability to project and sustain forces anywhere and anytime around the globe. I am honored to represent the proud members of United States Transportation Command (USTRANSCOM). Our Service component commands, the Army's Military Surface Deployment and Distribution Command (SDDC), the Navy's Military Sealift Command (MSC), the Air Force's Air Mobility Command (AMC); our functional component command, the Joint Transportation Reserve Unit (JTRU); and our subordinate command, the Joint Enabling Capabilities Command (JECC), in conjunction with the transportation industry, provide unparalleled logistics support and enabling capabilities to our forces, their families, and coalition partners around the world.

Under the President's Unified Command Plan, USTRANSCOM has six designated roles and responsibilities: (1) mobility joint force provider, (2) DOD single manager for transportation, (3) DOD single manager for global patient movement, (4) Distribution Process Owner (DPO), (5) global distribution synchronizer, and (6) provide joint enabling capabilities. Our continued success in these roles depends on preserving an agile and resilient global distribution network – a complex array of capabilities, infrastructure, access, partnerships, and command and control mechanisms. This complex network underpins our Nation's response to emerging crises, and undergirds our warfighters' successes. Through this network, the United States maintains the strategic advantage to project and sustain forces anywhere and anytime across the globe.

### **Strategic Sealift Requirements**

Our nation has been, and will continue to be, reliant on sealift as the predominant means

to move military equipment and supplies in support of global operations. The world's oceans represent the vast deep-blue space over which the life blood of any decisive U.S. combat power must travel. Our nation's strategic sealift capability comprises two distinct fleets. First is the gray-hulled organic fleet, consisting of continental United States-based vessels in a reduced operating status and pre-positioned ships at strategic locations worldwide. Second is a commercial merchant fleet managed by commercial operators, for which the Department of Transportation provides government advocacy. A series of DOD mobility studies, informed by our National Military Strategy, have validated the DOD's sealift requirements as follows: 20 million square feet (MSFT) of Roll on/Roll off (RO/RO) capacity of which 5 MSFT are provided by our commercial carriers, the ability to surge approximately 34,000 shipping containers (20 foot container equivalents), 86 petroleum tanker ships, and an array of special purpose ships. The 20 MSFT of RO/RO capacity (91 vessels) is the most critical to accommodate military equipment and is comprised of forward deployed prepositioned ships and government owned ships in reduced operating status, along with commercial sealift augmentation vessels. It is important to note that the crews for both government ships as well as commercial ships are sourced from the same pool of qualified U.S. Merchant Mariners. The subsequent paragraphs further highlight the afloat prepositioning program, government organic strategic sealift, U.S.-flag commercial fleet, civilian mariner posture, and the challenges of maintaining future readiness.

### **Afloat Prepositioning Program**

Our afloat prepositioning program is managed by our Navy Component Command, MSC, and is an essential element in the DOD's readiness strategy. Afloat prepositioning strategically places military equipment and supplies aboard ships located in key ocean areas to

ensure rapid availability during crisis. The 25 vessels in the prepositioning fleet support the Army, Navy, Air Force, Marine Corps and Defense Logistics Agency, and include a combination of U.S. government-owned ships and long-term charters of U.S.-flag commercial vessels. In addition to combat equipment sets and supplies, this fleet also includes specialized capabilities to include an Over the shore Petroleum Discharge System (OPDS), an expeditionary transfer dock, and aviation maintenance in support of USMC.

### **Government-Owned “Organic” Sealift Fleet**

In addition to the aforementioned prepositioned vessels, the government-owned organic fleet consists of 61 vessels comprised of a Surge Fleet and a Ready Reserve Force (RRF) fleet. The Surge Fleet is managed by MSC and includes 15 RO/RO vessels in a reduced operating status. The RRF, managed by MARAD, is comprised of 46 vessels in reduced operating status with 35 RO/RO vessels and 11 various multi-purpose vessels. Both the surge fleet and the RRF are maintained in a reduced operating status, available in 5 days, referred to as “ROS-5” with the exception of OPDS in ROS-10. ROS-5 enables DOD to meet validated deployment timelines. USTRANSCOM routinely conducts readiness exercises, called Turbo Activations, to ensure the fleet remains at a high state of readiness.

The Surge Fleet comprised of U.S.-built vessels and the RRF fleet comprised of mostly foreign-built vessels are maintained and operated by American ship management companies, and subsequently crewed by U.S. Merchant Mariners upon activation. These companies conduct all organizational level maintenance, manage the U.S. Merchant Mariners, and oversee the lifecycle maintenance of the vessels under MSC and MARAD governance.

The average age of this fleet is approximately 40 years old and our first vessels will begin to reach their 50-year service life in 2020. Based on age out rates, we anticipate that

we will lose 4 MSFT of organic RO/RO capability by 2030 and an additional 5 MSFT by 2040. As a result we are working closely with the U.S. Navy to begin recapitalization planning to prevent a significant loss of capability in meeting DOD's enduring sealift requirements, and anticipate future Navy funding to support.

### **Commercial Sealift and U.S. Sealift Emergency Preparedness Programs**

DOD has long relied on commercial augmentation to meet sealift requirements in peace and war. Access to commercial fleets is formalized through DOD contracts, MARAD Voluntary Intermodal Sealift Agreement (VISA), the Maritime Security Program (MSP), and the Voluntary Tanker Agreement (VTA). Through these programs, DOD gains critical access to U.S. commercial capabilities and the merchant mariners that will crew our government fleet.

Since their inception in the mid 1990's, these commercial augmentation programs have provided the federal government assured access to a significant amount of capacity and intermodal capabilities that cannot be replicated by government sources. VISA provides a staged, time-phased means to transition from peacetime to war while minimizing disruption to the Nation and its commerce. VISA and MSP are complementary programs. Specifically, MSP provides a fleet of up to 60 military-useful commercial vessels routinely operating in international commerce, with intermodal networks throughout the world, and a seasoned crew of U.S. Merchant Mariners. In addition to cargo preference, each MSP ship receives a legislatively appropriated stipend to offset the cost of operating under a U.S.-flag relative to a foreign flag.

The health of the Maritime Security Program relies on government impelled cargo; viable commercial trade; and the MSP stipend. Due to the decline in the sealift industry, we are concerned about our nation's ability to retain a U.S.-flagged merchant fleet in support of

commerce and national security. Over time, the U.S.-flag vessels in international trade has fluctuated, rising from 92 in 2001 to 106 in 2011 and is now down to 78 vessels. The MSP stipend helps defray the operating cost differential between a U.S. flag and a foreign-flag vessel. In the overall scheme of DOD's sealift program, DOD relies on leveraging commercial capacity to access important sealift capacity.

The U.S. National Sealift policy underscores our role as a maritime nation and clearly articulates the need for DOD to retain the ability to respond "unilaterally to security threats" while taking into account the costs and benefits involved.

### **U.S. Merchant Mariner Pool**

The current link between the government-owned fleet and the commercial fleet is manpower, specifically qualified commercial merchant mariners. With the responsibility to manage the global mobility enterprise, USTRANSCOM is dependent on a healthy U.S. Merchant Mariner pool. U.S. Merchant Mariners are critical to USTRANSCOM's ability to meet its military requirements, and their training and proving ground are the commercial vessels of the U.S.-flag fleet. As the numbers of vessels decrease, fewer opportunities exist for future generations of mariners to gain critical experience. Currently MARAD assesses we are medium risk with approximately 11,300 mariners available, trending toward high risk. Although we are currently capable of meeting activation requirements, we remain concerned about the decline of the U.S.-flag fleet and the associated merchant mariner pool, as our overall sealift capability is tied to commercial industry, both for the vessel capacity and manpower.

### **Future Challenges**

We recognize that where we are today is not where we will need to be in the future. I

would like to highlight three future challenges pertaining to U.S. Sealift in support of our military strategy: mariner availability, age-out of our government sealift fleet, and a joint operating environment with emerging great power rivals.

Regarding the available U.S. Merchant Mariners, we are working closely with MARAD to ensure the nation retains a viable U.S. Merchant maritime capacity in support of DOD's sealift requirement.

Second, we are working with the U.S. Navy on a recapitalization plan to prevent the degradation of our enduring organic sealift requirements due to forecasted age-out rates.

Third, emerging adversaries will attempt to counter U.S. interests around the globe and contest our operations in the domains of cyber, space, air, and maritime in ways we have not seen since WWII. This will require continuous innovation and agility to adapt faster than our adversaries. We are working today within DOD to anticipate emerging threats and vulnerabilities to USTRANSCOM's global distribution network.

We will need, and greatly appreciate continued congressional support in each of these areas to maintain the competitive advantage that DOD's Strategic Mobility capability brings in support of our National Defense Strategy.

### **Final Thoughts**

Many outside of this committee are unaware that in a major contingency, the United States Army sails to the fight. While our current sealift capacity is adequate with acceptable risk, the environment is changing rapidly and not necessarily in predictable ways. As such, we can state that our need to project power will not decline, and may increase in the future.

In this unpredictable environment, what we can predict is the age-out of our current government-owned fleet. The Nation recognized the necessity to vastly improve sealift

capabilities after Desert Shield and Desert Storm, and created the government-owned capability we have today. Action is necessary to maintain the capability into the future.

We appreciate the teamwork and support from key stakeholders like Congress, the U.S. Navy, and Department of Transportation as we seek future investments to modernize our government-owned sealift fleet, and seek ways to reinvigorate our U.S. Merchant Marine capability. The emerging joint operating environment will certainly challenge us in ways that we have not been challenged before. Thank you again for your interest in the readiness of DOD's Joint Deployment and Distribution Enterprise.