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3 MILITARY CONSTRUCTION, VETERANS AFFAIRS AND RELATED AGENCIES

4 APPROPRIATIONS FOR 2009

5 Tuesday, March 11, 2008

6 U.S. NAVY

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8 | APPROPRIATIONS FOR 2009

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11 | WITNESS

12 | ADMIRAL GARY ROUGHEAD, CHIEF OF NAVAL OPERATIONS

13 | GENERAL JAMES T. CONWAY, COMMANDANT OF THE MARINE CORPS

14 Mr. EDWARDS. [Presiding.] Good afternoon. I want to
15 welcome everyone to our fiscal year 2009 hearing, the
16 military construction and family housing request for the Navy
17 and Marine Corps.

18 Admiral Roughead, welcome to our committee.

19 Admiral ROUGHEAD. Thank you very much for having me.

20 Mr. EDWARDS. Thank you for your lifetime of service.

21 Admiral ROUGHEAD. Thank you.

22 Mr. EDWARDS. General Conway, welcome back to our
23 subcommittee. It is good to have you back.

24 And thank you, both, and your families and all you
25 represent for what you do for our families and our country.

26 This will be another banner year for Navy and Marine
27 Corps MILCON, especially the Marine Corps. The total request
28 is \$3.1 billion, a 41 percent increase over last year's
29 request. For the Marine Corps alone, the request is over \$2
30 billion. I think it is safe to say it may be the largest
31 MILCON budget the Marine Corps has ever requested.

32 Many of these increases are due to the Marines
33 continuing efforts to add another 27,000 personnel to its
34 permanent end strength by 2011. The total request for
35 growing the force in fiscal year 2009 is \$1.4 billion. Much
36 of this money would be invested in new barracks.

37 We want to have a series of questions and discuss a
38 range of issues today, but before we proceed with your

39 opening comments, I would like to recognize our ranking
40 member, Mr. Wamp, for any comments he would care to make.

41 Mr. WAMP. Thank you, Mr. Chairman.

42 And, Admiral, General, it is an honor to even be sitting
43 here at the table with you. Appreciate very much your
44 service to our country and the people that you represent
45 sitting here today.

46 The chairman and I have a great relationship. We are
47 off to a very good start. And I am the new kid on the block,
48 but I admire you, and I look forward to working with him to
49 make sure that you have everything you need to meet the
50 demands of today and tomorrow, especially given the changes
51 that we know that are underway with a ramped up force of
52 United States Marine Corps.

53 I have read the background and look forward to today and
54 then working with you in the months and years ahead to make
55 sure that you have what you need.

56 We are grateful for your service, and thank you for your
57 presence here today.

58 Thank you, Mr. Chairman.

59 Mr. EDWARDS. Thank you, sir.

60 Admiral Roughead is appearing here before the
61 subcommittee for the first time as chief of Naval Operations.

62 Briefly, for the record, let me say that he has 35 years of
63 active service, including six operational commands, and is a

64 1973 graduate of Annapolis.

65 He became the chief of Naval Operations on September 29,
66 2007 and was previously assigned as commander of Fleet
67 Forces Command. He also served as the deputy commander of
68 the Pacific Command, navy chief of Legislative Affairs--we
69 apologize you had that responsibility--and commandant of the
70 Naval Academy.

71 General James T. Conway, before our committee once
72 again, commandant of the Marine Corps; has 38 years of
73 service, and thank you again for that service.

74 He was commissioned as an infantry officer in 1970. He
75 has been the commandant of the Marine Corps since November of
76 2006. He commanded the first Marine expeditionary force
77 during two tours in Iraq. He served as president of the
78 Marine Corps University at Quantico and commanded a battalion
79 landing team in Desert Storm. A native of Walnut Ridge,
80 Arkansas. Now, where is Walnut Ridge, Arkansas.

81 General CONWAY. It is up in the northeastern part of
82 the state, probably closer to Jonesboro.

83 Mr. EDWARDS. All right. I used to spend summers in a
84 little town called Warren, Arkansas, pine and tomato
85 countries.

86 Without objection, your formal testimony will be
87 submitted for the record, and I would now like to recognize
88 you, Admiral Roughead, for any opening comments you would

89 | care to make and then General Conway to follow.

90 | Admiral ROUGHEAD. Chairman Edwards, Representative
91 | Wamp, it is my honor to appear before you today, representing
92 | the dedicated sailors and civilians of our Navy who are out
93 | and about carrying out our maritime strategy and doing
94 | essential work for our nation around the globe.

95 | For our sailors to be forward, they must be individually
96 | ready and mission ready, and shore infrastructure is
97 | essential to their success. To support our mission, our
98 | bases must have scalable, agile and adaptive capabilities for
99 | our warfighters, our ships and our aircraft.

100 | For warfighters, that means facilities that provide
101 | innovative and relevant training. For our ships and
102 | aircraft, it means the ability to properly maintain, equip
103 | and prepare today and tomorrow the force structure, the force
104 | laydown and the operational concepts that we are going to
105 | use.

106 | To optimize individual readiness, shore installations
107 | must provide an environment which enables two things: A
108 | quality of work and a quality of life that our sailors and
109 | Navy civilians deserve. Maintaining quality of work means we
110 | provide our sailors and Navy civilians with the facilities
111 | and support to get the job done efficiently and effectively,
112 | such as optimized maintenance facilities, communications
113 | infrastructure and pier and airfield upgrades.

114 Sustaining quality of life means that we must address
115 not only the needs of the Navy sailor and Navy civilian but
116 those of our families as well. Those resources include
117 quality medical facilities, fitness centers for health and
118 physical readiness, child care facilities and housing where
119 sailors can enjoy their time at home and the assurance of
120 safety of their families when they are far away.

121 In recent years, our shore facilities deteriorated as
122 our investments focused on field readiness. This
123 deterioration impacts our ability to support our fleet and
124 thereby affects our sailors' quality of work. Sailors need
125 the piers and shore repair facilities to keep the fleet
126 ready.

127 It also has a direct effect on our sailors' standard of
128 living. Housing is a crucial element to this, but lack of
129 available, affordable child care is consistently ranked as a
130 top readiness and retention issue.

131 To address this need, we have requested funding for an
132 additional 1,320 spaces at our child development centers and
133 homes this year. We are grateful for your support of our
134 public-private ventures, which satisfy critical housing
135 needs. These and other important initiatives will improve
136 recruiting and encourage sailors, Navy civilians and their
137 families to stay Navy.

138 To recapitalize our facilities and sustain our

139 operational requirements today and in the future, we must
140 make the right investments and the right capabilities and
141 services at the right installations now. Navy Installation
142 Command has made progress by leveraging best practices and
143 consolidating budget development. The Shore Readiness Board
144 of Directors that I created in November, shortly after I
145 became the chief of Naval Operations, will further allocate
146 funds to the appropriate capabilities.

147 With the 2009 budget, we will have the necessary
148 resources to maintain our readiness.

149 I thank you and the committee again for your time today
150 and for your continued support of the 600,000 sailors, Navy
151 civilians and our families.

152 I stand ready for your questions.

153 [The information follows:]

154 ***** INSERT *****

155 Mr. EDWARDS. Thank you for your comments.

156 General Conway?

157 General CONWAY. Chairman Edwards and Congressman Wamp,
158 it is my pleasure to always provide you with forthright
159 analysis assessments here at the Marine Corps. I bear that
160 in mind as we appear before you today.

161 The Marine Corps retains the mission to provide a
162 multicapable force for our nation, the two-fisted fighter, if
163 you will, able to destroy enemy formations with our air and
164 ground team in major contingencies but also able to fall back
165 on our--and warfare skills all over decades of conflict.

166 Our magnificent patriots have been extremely effective
167 in disrupting insurgents and the Al Qaida in the Al Anbar
168 province. In the spirit of jointness, I would note that it
169 has been Marines and soldiers and sailors in a composite
170 effort over time that has brought success there.

171 We are still supporting a surge in Iraq, and we have
172 already shifted from population protection to transitioning
173 security responsibilities to Iraqi security forces, and Iraq
174 will be stepping up to the task. While it may not be our
175 core competency, Marines have addressed the nation-building
176 aspects of our duties with enthusiasm and determination.

177 In answer to the most recent call from the secretary of
178 defense, we are also deployment more than 3,000 Marines to
179 Afghanistan. There, Marines will assist the joint force in

180 | either gaining or maintaining momentum there. We fall in on
181 | our expeditionary ethos of living hard and fighting well as
182 | part of an air-ground team.

183 | We do, however, have a significant issue with our
184 | families, though the Marines are doing extremely well.
185 | Simply put, they are proud of their contributions to this
186 | war, but they are tired. We owe it to those families to put
187 | our family service programs onto a wartime footing. For too
188 | long, our programs have been borne on the backs of
189 | volunteers, perhaps acceptable during peacetime, but
190 | untenable during a protracted conflict. The Congress has
191 | been exceptionally supportive in enabling us to make good on
192 | the promise to do more.

193 | Of course, we look forward to our obligations to the
194 | nation, and we have learned lessons in trying to build a
195 | force as we fight. We are growing our force, but it is more
196 | than just manpower. This growth requires training,
197 | infrastructure and equipment to meet the needs of our
198 | country. You have helped us meet those requirements with
199 | steady support and encouragement, and for that, we certainly
200 | thank you.

201 | For our infrastructure, the Marine Corps has dedicated
202 | funding more than eight times our historical average--your
203 | point earlier, sir--for barracks and construction; however,
204 | this increase is the result of more than just our growth.

205 For the longest time, we placed some of our operational
206 priorities above these projects. Frankly, we put ourselves
207 in--with regards to our barracks. We now have a severe
208 backlog of repair needs and construction requirements.

209 I think the photos in my written statement will provide
210 you an appreciation of the conditions of some of our most
211 dire barracks, some of which were built actually during the
212 Korean War.

213 We are committed to providing adequate billeting for all
214 of our existing, unmarried, junior enlisted Marines and
215 non-commissioned officers by 2012 and for our increased end
216 strength by 2014.

217 On behalf of your Marines, I extend a great appreciation
218 for your support this year, and I thank you in advance for
219 your efforts on behalf of our brave servicemen and women who
220 are in harm's way.

221 I assure you that the Marine Corps appreciates the
222 increasing competition for the nation's discretionary
223 resources, and we will continue to provide a tangible return
224 on every dollar spent.

225 Thank you, Mr. Chairman.

226 [The information follows:]

227 ***** INSERT *****

228 Mr. EDWARDS. Great.

229 Thank you, both.

230 Could I ask you, both, just for the record, what
231 percentage of your personnel are married versus single?

232 Admiral ROUGHEAD. Mr. Chairman, for us, it is in the--I
233 want to say in the 70 percent range. I can find you the
234 exact number, but it really is around 70 to 80 percent. And
235 many of them, as you know, are dual-income families, which
236 really is the driver behind a lot of the child care
237 initiatives and family support programs.

238 General CONWAY. And for us, it is much less than that.
239 It is 40 to 45 percent.

240 Mr. EDWARDS. Forty to 45 percent? Okay.

241 One of the questions that I ask every year, and I want
242 to establish a track record so we can trace it, is based on
243 DOD definitions, how many personnel do you have in families
244 living in inadequate housing and/or inadequate barracks
245 today?

246 And the, General Conway, you mentioned 2012 and 2014 as
247 the end goal for having them in housing that meet standards.
248 Could you tell me, if you have access to that, how many
249 personnel is living in housing or barracks that don't meet
250 basic DOD standards? And would you define what those
251 standards are?

252 Admiral ROUGHEAD. Yes, sir. For our family quarters,

253 the definition of inadequacy is any unit that requires over
254 \$50,000 in repair. In the continental United States, we do
255 not have quarters that fall into that category, but we do
256 have quarters outside of the continental United States that
257 are considered inadequate, specifically 46 in Guantanamo Bay,
258 Cuba, 736 in Sasebmo, Japan and six in Guam.

259 With regard to our single accommodations, single sailor
260 accommodations, the requirement for us is a one-plus-one
261 configuration for our barracks with a 90-square-foot per
262 person square footage. At the end of this year, we will have
263 eliminated the inadequate accommodations for our permanent
264 party sailors.

265 As you know, we are working to move our E-3 and below
266 and E-4, less than 4 years of service, off of our ships and
267 provide them with a home port ashore. At the present time, I
268 have 9,000 sailors who do not have accommodations. By the
269 end of 2010, I will have that number down to 2,100. That
270 does not mean that they will be in a one-plus-one
271 configuration. My priority is to give them an option off the
272 ship first, and so that is what we are continuing.

273 Mr. EDWARDS. Admiral, just for the record--and this is
274 now a DOD-wide definition of adequate family housing, not a
275 Navy unilateral decision--but, technically, under the
276 definition of adequate family housing, a family, mother and
277 dad with two children under the age of 10, could be living in

278 a home, say, a two or three-bedroom home, and that home might
279 need \$49,999 worth of repairs--a leaky roof, dishwasher and
280 dryer don't work, floors are warped--but for \$49,999 you
281 could fix that home. But even if the Navy had no intention
282 of fixing that home, that would technically be defined as
283 adequate housing.

284 Not that there are that many--I hope there are not many
285 cases like that, but is it correct that technically that home
286 would be defined as adequate housing, because for just
287 \$50,000 you could fix it and it would meet standards; is that
288 correct.

289 Admiral ROUGHEAD. That would be the technical
290 definition. It would technically be under the adequate
291 standard.

292 Mr. EDWARDS. I hope we can work with you on this. I
293 just think for obvious reasons that standard doesn't really
294 give the services or the Congress the data we need to figure
295 out how many people are truly living in housing that they
296 shouldn't be living in. But I think you told me earlier, on
297 average, you are putting about \$8,000--

298 Admiral ROUGHEAD. On average, it is about \$8,000, which
299 I think speaks to the quality and repair of the homes that
300 our folks are living in.

301 Mr. EDWARDS. Right.

302 Admiral ROUGHEAD. And also, as we spoke, the

303 | authorizations that we have been given by the Congress to
304 | pursue public-private ventures has, in my entire time in the
305 | Navy, which is, as you so kindly mentioned to be about 35
306 | years, I have never seen our sailors live in the kind of
307 | housing as they currently are. And I believe that has been
308 | made possible through your endorsement and approval of the
309 | public-private ventures.

310 | Mr. EDWARDS. That is great news to hear. Thank you.
311 | General Conway?

312 | General CONWAY. Sure. I will get back to you, if I
313 | can, with the exact numbers, but just to give you an
314 | overarching perspective, let me say that we do have
315 | substandard housing in both the United States and overseas
316 | for some of our families that are based there.

317 | But I would hasten to say that we are fast overtaking
318 | those issues with the public-private ventures. By this year,
319 | we are at about ⁹⁶~~95~~ percent of those public-private ventures
320 | that are effective, and in another couple years it is going
321 | to be at ⁹⁷~~99~~ percent. And the few exceptions that we have in
322 | the United States will be conscious exceptions for valid
323 | reasons. So this whole public-private venture concept has
324 | just been a tremendous windfall to us.

325 | When a Marine sergeant with ^{four}~~two~~ children can have a
326 | 2,300-square-foot house overlooking the Pacific, you know
327 | that things are definitely looking up.

328 I would add that I don't know how many Marines I have
329 talked to overseas who say that they had a level of comfort
330 leaving their families back on the base now because it is
331 such a nicer community and a nice place, and the family is
332 not thinking about going home for the duration of the
333 deployment. So it really helps reduce the consternation
334 given the tempo that we are experiencing.

335 I wish I could say the same about the barracks; I
336 cannot. We have barracks that were built well before the
337 Korean War and World War II. I am not proud to say that as
338 an institution we have done this to ourselves in a very real
339 sense, to the degree that we have taken available monies and
340 simply not put them against the housing. We have prioritized
341 other things ahead of housing now for a long time to the
342 point where we are currently, as I said in the statement--

343 Unlike the other services, we look to billet our young
344 Marines, E-1 through E-3, in two-man quarters. After they
345 become an NCO, then they can expect a single room ~~within~~ a
346 head facility. But until that time, we think it is good for
347 us as an institution, because we are the youngest of all the
348 services, by far, and it is also good for the nation, because
349 we save some monies in not asking for that single-man kind of
350 capability.

351 We have a program that is built through 2012 that will
352 take care of those billeting concerns. My predecessor

353 finally slapped the table and said, "We have got to do
354 something about this, the time is now," and here is a
355 program, certainly, that is underway.

356 As you mentioned, sir, in your opening statement, we
357 also funded now for some of those additional quarters we are
358 going to have to have by 20~~11~~¹², 20~~12~~¹⁴ as we bring new Marines
359 onboard, those additional 27,000 Marines.

360 So we are not out of the woods by any stretch of the
361 imagination, but I think, comparatively, we are much better
362 off than we were at one time, and we see some definite lights
363 on the horizon.

364 Mr. EDWARDS. Would you have a ballpark guess as to how
365 many barracks right now don't meet what you would consider to
366 be standards for Marines?

367 General CONWAY. Sir, I would say it is probably at
368 least half.

369 Mr. EDWARDS. Half. What would that number--in real
370 numbers, how many barracks would that be?

371 General CONWAY. Sir, the program for new barracks is
372 calling for ~~189~~³⁰, I think, so I hate to give you a rough
373 estimation but if you are looking at essentially half of that
374 being substandard at some point, you are--

375 Mr. EDWARDS. ~~One hundred and eighty nine~~^{Thirty} barracks?

376 General CONWAY. Yes, sir.

377 Mr. EDWARDS. Different barracks projects?

378 General CONWAY. Different buildings; yes, sir.

379 Mr. EDWARDS. Okay. You meant in terms of the number of
380 individual Marines that are living in barracks that we don't
381 believe meets modern standards.

382 General CONWAY. Well, part of that would be a
383 distortion because we have got so many people overseas, and
384 so that would not be a correct detail. I can get all that
385 for you--

386 Mr. EDWARDS. Could you?

387 General CONWAY. --and lay out those that are deployed
388 and not--

389 Mr. EDWARDS. Okay. If you wouldn't mind giving us the
390 hard numbers, because I think each year we just want to
391 compare how we are doing this year, and I think we are making
392 progress. Everybody deserves credit for that, but if you
393 could follow up with the hard facts, that would be great.

394 General CONWAY. Absolutely.

395 Mr. EDWARDS. Thank you, both.

396 Mr. Wamp?

397 Mr. WAMP. Thank you, Mr. Chairman.

398 Admiral, I think the chairman gives us a very good
399 forecast on things, and I know that last year's bill and the
400 coming budget request are favorable, but BRAC is still an
401 issue in terms of meeting our 2011 deadline, and I know that
402 the Navy shows in the out-years some savings that will be

403 derived from BRAC, yet in the 2008 budget request versus the
404 actual omnibus appropriation bill, there was a delta between
405 the request and the final funding amount.

406 What does that do to your schedule? Does that put a
407 pinch on you? And is your 2009 BRAC request actually just
408 trying to catch up with what you didn't get in 2008?

409 Admiral ROUGHEAD. Yes, sir. Because of the rescission,
410 we have put in jeopardy being able to fulfill the requirement
411 to be complete by 2011. And it actually affects two
412 projects: One for me in Seattle, and then Jim has one in
413 Quantico. So that is very important to us if that could be
414 restored.

415 Mr. WAMP. General, do you need to speak to that or
416 just, "Ditto"?

417 General CONWAY. Pretty much the same, sir. We do have
418 one other BRAC issue. There are only two, really, that
419 affect us. The one that would bring together various
420 intelligence agencies in Quantico, with BRAC already being
421 looked at with regards to that, not the least of which is the
422 traffic, because Quantico is a pretty busy place already.

423 But the other thing is that we have a facility in Kansas
424 City that is getting ready to move from there this year down
425 to New Orleans ostensibly, but there will need to be
426 construction started on the federal city in New Orleans or we
427 won't be able to go there in town. We will wind up moving

428 out--

429 So both of those issues are BRAC-related and both--
430 Mr. WAMP. I am also very interested in--we get the
431 previews of Pacific Command and last week had the Central
432 Command, and your enlisted guys come through here and that is
433 fantastic, so a little bit of overlap. Really interested in
434 this Okinawa to Guam piece of the big transformation, and I
435 say tongue-in-cheek, make sure that the island of Guam
436 doesn't sink with all this construction and concrete going
437 into it. But kind of give us an update on that from your
438 perspective in terms of that transition because it is such a
439 major shift, and it is a huge investment over the next 5
440 years.

441 General CONWAY. Yes, sir, it really is. And let me
442 start with the investment aspect of it, sir. The reason, I
443 think, that our government finds it so unattractive is that
444 there is estimated to be a bill somewhere between \$10 billion
445 an \$11 billion, and the Japanese, at this point, are signed
446 on to pay for \$6 billion plus of that, and we would pick up
447 the remaining \$4 billion plus.

448 What it would entail is, essentially, the movement of
449 about 8,000 Marines from Okinawa onto the island of Guam.
450 Our major headquarters would go, the--headquarters would go,
451 as would both the--and division headquarters.

452 What we consider to be, I think, earnest money is the

453 Japanese commencing construction on what we call the Futenma
454 Replacement Facility. The Futenma Airfield right now is in
455 the middle of a very popular area. It wasn't when it was
456 built, but it has grown up around there a good deal, so the
457 Japanese want to move that facility, as a part of the
458 arrangement, off what we call Camp Schwab on the island, and
459 they are in the process of, again, doing their own
460 environmental aspects of that construction.

461 We had come up on a mild problem--we hope it will be
462 mild--and that is the discovery of a little mammal called
463 dugong, which lives in the coral off of Camp Schwab. Now,
464 the Japanese are aware it is there, and they are not
465 concerned about it, because there are tens of thousands of
466 other dugongs elsewhere. It is actually one of our courts in
467 the United States that has said that the department did not
468 give the dugong proper consideration in arriving at our
469 negotiations with the Japanese. So although we don't have a
470 halt work, we do have some judicial issues that we have got
471 to get over.

472 In terms of our spending, sir, and in terms of what is
473 taking place on Guam, until such time as the Japanese start
474 to build, we are only in the planning phase. My commander in
475 the Pacific, Lieutenant General John Goodman, is looking at
476 developing training opportunities. The Navy is looking at
477 reinforcing that with some interconnectors, both high-speed

478 | vessels and perhaps some amphibs.

479 | We look at establishing some training bases around the
480 | Pacific region that will help us with engagement but also
481 | help to get the Marines off the island. I think you
482 | indicated it is very small, and there is not a lot of
483 | training opportunity there, so it concerns us some that our
484 | forward forces would be fully trained and ready for whatever
485 | might happen.

486 | But I would simply finish, I think, by saying, we are
487 | not going to be spending much of any money until such time as
488 | we see, again, proper investment on the part of the Japanese
489 | that would tell us that their series of governments now agree
490 | with it and support it.

491 | Mr. WAMP. General, a question in this round. Last
492 | week, we heard about the need for Marines in Afghanistan from
493 | Admiral Fallon. You are at 184,000 in 2007--184,000 on your
494 | ramp up, I think. What we can look for in 2008 in terms of
495 | your continued recruitment of these new Marines that are
496 | needed in the future?

497 | General CONWAY. Sir, we actually exceeded--our goal was
498 | 184,000. We actually beat that by a couple of thousand. We
499 | think we can do that again this year based on every
500 | indication thus far. We think that we can be as high as
501 | 194,000 Marines based on this year's efforts. Our recruiters
502 | are just doing magnificent work out there.

503 And, of course, I think you know that we are building
504 those units first that are most highly stressed. And we have
505 built a couple of infantry battalions. There is a third one
506 that will be in the rotation soon. Other units, MPs,
507 engineers, intelligence folks, we are trying to build those
508 units to the greatest level of OPTEMPO for the--requirements,
509 such as the--

510 Mr. WAMP. Well, a week ago, Friday, my nephew graduated
511 from boot camp at Parris Island, so my family is doing our
512 part to help you all.

513 General CONWAY. We will take care of him for you.

514 Mr. WAMP. Thank you, sir.

515 I yield back.

516 Mr. EDWARDS. Thank you.

517 As I recognize Mr. Farr, could I just follow up on the
518 BRAC question, and you can have your staff submit it in
519 writing, a couple page summary of the negative impacts. You
520 didn't get any of the--\$933 million, as I recall, was the
521 amount that we used for other priorities, including veterans'
522 health care, and we need to try to substitute all of it or
523 the vast majority of that. If you could give us, in writing,
524 what the real consequences are of the issues you discussed,
525 that would be helpful.

526 Mr. Farr?

527 Mr. FARR. Thank you very much, Mr. Chairman.

528 I want to commend both of you for your outstanding
529 service. We are really proud that both of you command our
530 resources with such great capacity that you do.

531 I want to just mention, General, that I represent the
532 Defense Language Institute, and I am--

533 Mr. EDWARDS. You do?

534 [Laughter.]

535 You have done a great, great job.

536 Mr. FARR. It is all I ever talk about here, that and
537 the naval--

538 It is just fascinating to walk in and see those classes
539 in--and whatever language of the moment. They are small
540 classes, but the young people that are in there, in a school
541 command, which is under Army Command, TRADOC Command, only
542 tells me that the first people to come on a new language are
543 the Marines. They call up and say, "We are sending seven
544 Marines here to learn postume," and they say, "We will be
545 ready for them," and hang up the phone and say, "We would
546 better start postume class; we don't have it." And by the
547 time the students get there, they have one set up. It is
548 amazing.

549 And I want to just tell both of you, because I
550 really--the Defense Department is wonderful. We passed, last
551 week, a crisis corps for the State Department and USAID to be
552 able to pull in the most talented people that are in our

553 civilian inventory to match your talent in the military, so
554 the states can all come together in a single command with
555 training, not defense training, but civilian and operations
556 training. I think the Senate is going to pass this bill.
557 The president wants it badly, and you really ought to help
558 him.

559 General CONWAY. You need it badly.

560 Mr. FARR. I appreciate your testimony, Admiral, about
561 the bringing together this Navy Installations Command, the
562 idea of getting one stop for running installations. What you
563 and I talked about on the phone, the problem is you say we
564 leverage the best practices and successes of individual
565 installations as we provide shore operations support on a
566 regional level.

567 And the idea is that the best practices can all be
568 brought into one common command like you pointed out was a
569 response to the fires in California. The problem is that a
570 lot of these installations are much alike, but, as you know,
571 the Naval Post-Graduate School is different. It is an
572 academic institution.

573 You are going to go out and discuss with the school, I
574 know, because you only have to address the graduating class,
575 but I hope you get into that issue and where that doesn't
576 follow through, where just small micro decisions don't get
577 done or the delays are so long. Because it is a real problem

578 | for operating that school.

579 | I also wanted to ask you, you said as we execute our
580 | 2009 budget, we will abide by the following principles.
581 | First was aggressively identify and eliminate infrastructure
582 | identified as excess capacity. Hasn't it always been done
583 | internally when you got prepared for the last BRAC round? Do
584 | you have a lot of that information or they didn't go into
585 | excess capacity?

586 | Admiral ROUGHEAD. Actually, Mr. Farr, if I could just
587 | start with the ^{NPS}~~NPS~~. Coincidentally, Dan Oliver happened to
588 | be in the building yesterday and he and I sat down for about
589 | a half an hour and talked about the school and also some of
590 | the things that I will be able to engage in when I go out
591 | there.

592 | But I would say, one of the things that has become
593 | apparent to me since becoming CNO about 5 months ago is
594 | that--and you point to an aspect of how we are managing and
595 | resourcing our shore installations--is that we still, even
596 | though our Installations Command manages the regions, within
597 | those regions, we still have other activities under different
598 | commands that are in there.

599 | And what we are doing is beginning to, still under
600 | Installations Command, but bringing in all of the issues of
601 | all of the participants and then looking at, what is the best
602 | approach given the different real tenets that exist there,

603 | and how do we make sure that we are covering and providing
604 | the types of services to meet the needs of all the various
605 | activities that may be in there. So I think that is going to
606 | help, getting to the point that you raised.

607 | The other aspect is that as we go into the development
608 | of the fiscal year 2010 budget, to be able to look at what I
609 | consider the three key institutions of learning and
610 | development in our Navy, and those are: Where we begin,
611 | which is the Naval Academy, where we then enhance and advance
612 | the academic qualifications, which is the Naval Post Graduate
613 | School, and then the Naval War College, where we then add the
614 | higher levels of operational art and strategic thinking to
615 | our officer corps.

616 | And in that 2010 budget, to look at how are we allowing
617 | the tide to lift all boats, if you will. So that is
618 | something that I am very interested in doing.

619 | Mr. FARR. Good. Good.

620 | Admiral ROUGHEAD. With regard to the excess
621 | infrastructure, yes, we did get ready for that on BRAC, but I
622 | travel around a bit. I commanded the Pacific fleet, and then
623 | I had the privilege of then coming east and commanding the
624 | Atlantic fleet. And we have a lot of bases, and sometimes to
625 | clear my head I go for runs around the bases, and I will run
626 | by a building that is vacant and not being maintained or by
627 | some pier space that is not being used and is beginning to

628 fall down and creating problems.

629 So that is the type of excess infrastructure that I am
630 talking about, not necessarily closing bases but how do we
631 really get the infrastructure within our bases and within our
632 structures, that which we don't need and it is either in
633 disrepair and becomes a hazard or doesn't reflect well on the
634 Navy. What should we do to get rid of that? And then also
635 on those bases how do we make sure that we have the right
636 type of infrastructure to the mission?

637 Mr. FARR. Well, I applaud you for doing that. I would
638 also--because you mentioned the academic institutions that
639 you have, what I have learned is that there is also excess
640 capacity within those classrooms, and there is a demand out
641 there that is usually in the civilian section, other federal
642 employees or, in some cases, those private sector that we
643 work with. And I think that that is one thing that the
644 military has got to look at also is where can we get a better
645 bang for the buck? Can we invite these in?

646 It is not like applying to a regular public or private
647 university. This is space available where there is a
648 decision made by the command that this will be an appropriate
649 kind of person to have in the classroom. Because I think you
650 can get a better bang for your buck. You may have some title
651 10 restrictions on that, but we may need to make some
652 exceptions to those in the modern era.

653 Admiral ROUGHEAD. I think, for example, our chief of
654 Naval Research estimates that we have a need for about 400
655 engineers a year, civilian engineers. And if there is
656 capacity, for example, at the post-graduate school, he is an
657 advocate of being able to bring those civilians in. I would
658 say, as you mentioned, perhaps there needs to be some
659 legislative relief, but, also, I believe those who are
660 sending those for that engineering degree need to kick into
661 the pot as well.

662 Mr. FARR. Well, as we do in the IMET Program, we could
663 do the same thing for civilian IMET.

664 Mr. EDWARDS. Thank you.

665 Mr. Berry?

666 Mr. BERRY. I wanted to thank you, gentlemen, for your
667 service and all you do for this country. I don't have any
668 questions.

669 Mr. EDWARDS. Thank you. He is the smartest one on the
670 subcommittee.

671 [Laughter.]

672 Mr. Crenshaw?

673 Mr. CRENSHAW. Well, I have got a couple of questions.

674 Welcome back, General, and, Admiral, it is great to have
675 you in front of the subcommittee.

676 Admiral, as you probably know, I have had a lot of
677 discussion with senior Navy officials about dispersing our

678 | assets, including your predecessor, Admiral Mullen. And as
679 | you know, right now, on the East Coast, all our nuclear
680 | carriers, which soon will be all the carriers we have, are
681 | home ported in Norfolk, and when you look at dispersing
682 | assets, both nuclear and non-nuclear, that is a lot of eggs
683 | in one basket. I think there are six big amphibians as well in
684 | Norfolk.

685 | And then you look at the fact that on the West Coast,
686 | the Pacific fleet, we have got, I guess, six carriers and,
687 | counting Japan, you have got three different home ports.

688 | So you haven't been before the subcommittee before, and
689 | I would like to hear you talk a little bit about your view,
690 | what your perspective is on this whole issue of dispersal of
691 | assets, particularly in today's world of terrorism and all
692 | the kinds of things. You know, it brings back memories of
693 | Pearl Harbor. But I would appreciate your perspective.

694 | Admiral ROUGHEAD. Yes, sir. And thank you for that
695 | question, sir, because it leads to something that I charged
696 | my staff to do shortly after I became CNO, and that was for
697 | us to take a look at what I call our force laydown. Where do
698 | we have the ships, where do we have the airplanes, what is
699 | the command structure that we have in place, and do we have
700 | it in the right place? Does it best serve our response
701 | requirements? Does it best serve the presence requirements
702 | that we may be called upon to perform globally? And are we

703 | able to support our people in a way that they are the most
704 | competent and then their quality of life is as good as we can
705 | make it? So I have my staff working on that.

706 | As you know, we also have about ready to be put out for
707 | public comment the environmental impact statement,
708 | specifically focused on the base in Mayport and the 13
709 | options of the different force packages that we could put
710 | down there. That will be out for public comment with a
711 | decision to be made by the secretary in January of next year.

712 | So I believe that when those two things come together,
713 | it will really inform us as to, do we have the laydown rights
714 | and to be able to base that decision on a strategic
715 | underpinning of it is the best thing for the country and for
716 | the Navy if we position our forces in this way. And I look
717 | forward to getting that from my staff. I am very interested
718 | in doing the same in the Pacific as well.

719 | As General Conway mentioned, with his moving Marines
720 | there, what do we in the Navy have to change to be able to
721 | support the missions that the Navy and Marine Corps have to
722 | be performing in the next couple of decades?

723 | Mr. CRENSHAW. You mentioned the environmental impact
724 | study. As I understand it, there is a preliminary report
725 | that is supposed to be made public this Friday. Is that
726 | still the plan?

727 | Admiral ROUGHEAD. Well, my understanding, Mr. Crenshaw,

728 | is we are on track to release it here very, very soon, and I
729 | am not aware of any issue that will be an impediment to that.

730 | Mr. CRENSHAW. And as you may know, last year, this
731 | subcommittee added language to the omnibus appropriations
732 | bill that said that the Navy would--as soon as the
733 | preliminary report is released, then the Navy would do a
734 | study of just how much it would cost in terms of dredging and
735 | in terms of multi-construction if this environmental impact
736 | study, which is about Mayport, once that was completed, there
737 | would be a study to say, "These are the costs that would be
738 | involved to make the upgrades to make Mayport capable of home
739 | porting a carrier."

740 | Are you aware of that, and are they getting ready to--I
741 | think it was a 30-day timeframe to begin that study. Is that
742 | on track? I mean, once--is that still--

743 | Admiral ROUGHEAD. Yes, sir. What would be the dredging
744 | cost and impact in the basin to take it down to a depth, and
745 | that process will go forward.

746 | Mr. CRENSHAW. And any other military construction.
747 | Because there has been a lot of non-nuclear upgrades done in
748 | Mayport--

749 | Admiral ROUGHEAD. Right.

750 | Mr. CRENSHAW. --but I think everything else--just last
751 | question, Mr. Chairman, and I don't presume to know what the
752 | EIS study is going to show or what the Navy is going to

753 | decide, but a couple of hypothetical questions: If the
754 | decision were made to home port a nuclear carrier at Mayport,
755 | obviously you would have to have the dredging done, but some
756 | of the military construction projects, like the nuclear
757 | facility, I think it is called a nuclear maintenance
758 | facility, would it necessarily have to be in place if a
759 | carrier came and wasn't due for an availability for a couple
760 | of years?

761 | Would it be within reason to say, once we have done the
762 | warp upgrades and the dredging upgrades, some of the military
763 | construction that might be nuclear-specific would need to be
764 | in place, not necessarily the day that the home port was
765 | announced but certainly in a reasonable time to do any
766 | availability.

767 | I mean, that is a hypothetical question, but, in
768 | general, is that precedent, I mean, when you home port a
769 | carrier other than times when not everything is in place that
770 | doesn't need to be in place until availability takes place.

771 | Admiral ROUGHEAD. As you said, Mr. Crenshaw, that is
772 | kind of a hypothetical question, but we, as a matter of
773 | routine, have not home ported nuclear carriers in very many
774 | places. I can say that the work that we are doing, for
775 | example, to prepare the George Washington's arrival into
776 | Japan, the work that we will have done there will be able to
777 | support the maintenance availability.

778 As you know, in the Northwest, we have a nuclear
779 certified shipyard. San Diego already has the infrastructure
780 for nuclear aircraft carriers and submarines, and then, of
781 course, Norfolk has significant nuclear repair and
782 maintenance capabilities there. So that is kind of new
783 ground that we are plowing, and we have to look at that very,
784 very carefully and the type of support that would be
785 required.

786 Mr. CRENSHAW. Got you. I mean, the dredging,
787 obviously, and any kind of warp upgrades, but if there was
788 something that was controlled maintenance facility that took
789 a year to build that wasn't going to be needed, that
790 might--again, that is hypothetical, it is in the realm of
791 possibility.

792 Admiral ROUGHEAD. Sure, but I also would say that it is
793 very important because of very, very high standards that we
794 place on the safety of our nuclear-powered warship that we
795 really have to make sure that the requirement facilities are
796 in place because of the safety issues that are involved.

797 Mr. CRENSHAW. Thank you, Mr. Chairman.

798 Mr. EDWARDS. Thank you, Mr. Crenshaw.

799 Mr. Kennedy?

800 Mr. KENNEDY. Thank you, Mr. Chairman.

801 Admiral Roughead, thank you very much for your service.

802 General Conway, thank you for your service.

803 I wanted to ask, sort of, military construction, first
804 on that. With respect to housing, I know the chairman was
805 mentioning it earlier, but I wanted to ask for your input on
806 it, because it seems to be the big challenge in terms of
807 moving to further accommodate our junior enlisted members
808 with their barrack situations, and the move toward the
809 privatization has been successful where it has been done.

810 And, certainly, dealing with our operation and
811 maintenance budget, this has been a program that has been
812 quite successful. And yet because change is involved, there
813 has obviously been a lot of reticence in the Pentagon to move
814 very quickly toward expanding it all too far and wide.

815 But I was wondering whether you could comment on your
816 perspectives on it, given the fact that so far out there it
817 has provided a pretty good method of providing quality
818 housing for our soldiers, sailors, airmen, Marines and Coast
819 Guardsmen, and yet it has certainly got a lot of potential
820 for further application. And what you see is that
821 application, and I know the Navy has done a great deal with
822 it. Do you think we can expand it to some of our junior
823 enlisted for their barracks?

824 Admiral ROUGHEAD. Yes, sir. You will have to look far
825 and wide to find a stronger proponent of public-private
826 venture housing and barracks.

827 I have seen the quality of life of our sailors increase

828 | dramatically since we moved into that program. Personally, I
829 | am about to ready to move into my own fourth PPV house, and I
830 | think it is a great success for us.

831 | Most recently, I was struck during a visit in San Diego
832 | with the new Pacific Beacon PPV venture. I would move in
833 | there tomorrow myself, because it really is not only a
834 | wonderful facility but it provides the types of services that
835 | young men and women expect when they come into the Navy, and
836 | we are able to do that through PPV.

837 | I would encourage continued use of the PPV for not only
838 | our married sailors but also for single sailors and the
839 | authorizations that we have in place for the three
840 | single-sailor PPVs--San Diego, Norfolk and Mayport--but then
841 | to see if we could ride on the authorizations in San Diego
842 | should we be able to expand that single-sailor PPV. In other
843 | words, I would like to see the authorizations that we already
844 | have in place to be the authorizations that allow us to
845 | expand it in the future. It is wonderful, and it is a huge
846 | difference in quality of life for our people.

847 | General CONWAY. Sir, we are watching it carefully. The
848 | concern that we have has to do with occupancy rates.

849 | Mr. KENNEDY. Right.

850 | General CONWAY. And as ~~we~~ much as we deploy and as much
851 | as we are forward based right now, we are concerned that we
852 | could build something that would then be unfair to the owners

853 and unfair to the Marines--

854 Mr. KENNEDY. Right.

855 General CONWAY. --in terms of the payment arrangements.

856 So we are watching the Navy experiment very closely. I

857 think there is the potential there for better quality of

858 life. There is the potential that maybe our supporting

859 establishment, our bases who are not expected to deploy,

860 could live in something like that.

861 Mr. KENNEDY. Right.

862 General CONWAY. But those are determinations we are

863 going to have to make and I think probably maybe even before

864 this year is out.

865 Mr. KENNEDY. Well, we certainly look forward as a

866 committee to work with you and see that quality housing comes

867 to every single person wearing a uniform.

868 Admiral Roughead, while you are here, if you could

869 comment on the issue of DDG-1000 and what we see in the

870 future as far as--and application of this, kind of,

871 one-size-fits-all command and control that we have managed to

872 finally put in place now, these new systems, command and

873 control that we are off and running on but yet, obviously, we

874 are facing this initial bow wave of costs, and people may

875 look at that and say we should redo this all over again when

876 all the work has been done to set us off in this course.

877 What your feeling? I know Admiral Mullens was very much

878 a part of the initial move to get this going.

879 Admiral ROUGHEAD. Well, I am pleased that in the last
880 couple of weeks we have been able to put two of the DDG-1000s
881 on a contract and begin moving forward with that ship.
882 Because unlike previous ships, and particularly combatants,
883 that we have built in the past, where we would introduce,
884 perhaps, two new technologies, the DDG-1000 has 10 that we
885 are moving forward.

886 The one that I believe is critically important, has the
887 technology that has allowed us to increase our staff, I think
888 that what we will derive from the DDG-1000 is we will clearly
889 shape the future of how we build the follow-on, for example,
890 the cruiser follow-on that we have, but getting these ships
891 going that will allow us to put those technologies into play
892 and then from that I believe that then just feed future
893 programs.

894 Mr. KENNEDY. Well, that is encouraging to hear.
895 Obviously, a lot of constraints in our capital budget for
896 shipbuilding and so forth, but this is obviously a big
897 program, and we want to make sure we don't stumble as we get
898 started, because it has been an investment we have made for
899 years, and it is just about to pay off, so you have got to
900 keep going.

901 Thank you.

902 Mr. EDWARDS. Thank you.

903 Judge Carter?

904 Mr. CARTER. Thank you, Mr. Chairman.

905 Thank you, both, for being here. I apologize for being
906 late. Way too much stuff going on here.

907 It is my understanding the Marine Corps has expressed a
908 real desire to increase the family services support for the
909 Marines and their family members, especially those folks who
910 are coming back from being deployed and while they are
911 deployed. How does this budget help to meet that goal?

912 General CONWAY. Sir, our family services programs for
913 years has relied on virtually next to nothing, \$5 million a
914 year in the budget for family programs. Now, to contrast
915 that, we were spending \$50 million a year more for college
916 education programs, assistance programs, if you will.

917 So comparing the bases, you can see right away that we
918 didn't have it right. We relied on the practice of
919 volunteers to do most of the heavy work, and perhaps in
920 peacetime that gets you through, but that certainly doesn't
921 get you through a protracted conflict like this.

922 So we recently decided to reprogram about \$30 million of
923 our own monies in order to be able to put more against the
924 requirement that we saw through our family services program
925 and then probably 2 weeks after that walked in to see the
926 deputy secretary of defense, Gordon England, on something
927 entirely different, and he asked me, could we use--could the

928 | Marine Corps use \$100 million of GWOT monies in order to be
929 | able to really jumpstart this family program.

930 | The Army was going to get six or seven times that,
931 | although a lot of theirs was associated with some level of
932 | MILCON and that wasn't our intent. But he said it seemed
933 | like a fair apportionment, and if I could spend it--I assured
934 | him we could--that it would be likely in fact and would
935 | really be appreciated.

936 | Mr. CARTER. And is this budget addressing those needs
937 | and as we continue down the road to approve these family
938 | services, are we sending it to them and do we even know how
939 | we want to go forward? Because I think this committee wants
940 | those family services to be there for our Marines.

941 | General CONWAY. Sure. My officer, my three-star
942 | general who works the programs and resources, said to me just
943 | the other day, you can see that we are creating a level of
944 | expectation here to meet a dependent need. But we are going
945 | to need to get some of this, I think, into the top line. He
946 | doesn't think that even with the, perhaps, GWOT money this
947 | year and next that we can sustain even the efforts with \$30
948 | million over the course of future years. So he feels like we
949 | are going to have to ask for more in that context to be able
950 | to support our families.

951 | Mr. CARTER. Well, I think we will certainly want to
952 | hear about that as it comes down the pike.

953 Now, it is my understanding that the Marine Corps has
954 been pretty successful in the growing the force project; kind
955 of ahead of schedule.

956 General CONWAY. We are being incredibly successful, and
957 I attribute that to the great young Americans out there who
958 want to fight for their country. They, I think, have that
959 expectation when they join the Marine Corps.

960 Mr. CARTER. Well, of course, as we do this, we want to
961 make sure that we are adequately providing facilities and
962 barracks and all the other things as we grow the force,
963 because I think all of us see the necessity to grow the force
964 across the board is very important.

965 General CONWAY. Yes, sir.

966 Mr. CARTER. And as you have said, and others have said,
967 these are family folks that are fighting wars for us these
968 days, and we have to provide this privatization in housing
969 that we have been talking about and other things. We need to
970 stay ahead of the curve, not playing catch up. This is my
971 personal opinion. I think that makes a better corps, it
972 makes a better fighting force.

973 General CONWAY. I agree with you.

974 Mr. CARTER. And so I am hopeful that you will highlight
975 these things in this budget and other budgets to come, as we
976 move down this line and growing the force so that when we put
977 these Marines into fight, we also are giving them the

978 services and the lifestyle when they get home.

979 General CONWAY. Sir, we project that we are going to
980 see \$4.6 billion go into the top line in 2009, and it is
981 about that same amount on through 2012. Now, there is this
982 concern that we have got that because of our success that we
983 are seeing, with the additional 2,000 last year and what we
984 think will be an additional 2,000 this year, we are getting a
985 little bit ahead of our planning curve.

986 Mr. CARTER. That is kind of why I asked the question.

987 General CONWAY. But, again, my three-star general who
988 managed that thing is very good, and I think he is doing some
989 visitations and some of those types of things to make sure
990 that we are resourcing--

991 Mr. CARTER. Well, I just wanted to express my concern.

992 Thank you, Mr. Chairman.

993 Mr. EDWARDS. Thank you. And let me just ditto that
994 Judge Carter speaks for all of us in saying this subcommittee
995 wants to stay firmly committed to and focused on improving
996 quality of life for families. No one is more aware than the
997 two of you and the sacrifices that children are making and
998 the spouses are making.

999 That leads me to my question. For the record, could
1000 each of you submit how many child care centers would be
1001 needed to meet 100 percent of the need? And also same
1002 question, vis-a-vis youth activity centers.

1003 General CONWAY. Yes, sir.

1004 Mr. EDWARDS. And I would also, to talk about here, I
1005 would like to ask you about inflation. I don't know if in
1006 your MILCON planning process it has changed, but in years
1007 past OMB dictated a 2.4 percent inflation package per year
1008 for military construction, which, frankly, we all know
1009 doesn't even meet the laugh test in the Pacific Northwest,
1010 the Southeast, other parts of the country and the world.

1011 Are you still having to operate under that assumption?
1012 Are you allowed within the Pentagon planning process to make
1013 more realistic assumptions about inflation in the out-years?

1014 Admiral ROUGHEAD. Well, Mr. Chairman, I mean, there is
1015 no question that inflation is having an effect on what we are
1016 able to build and how quickly we are able to build it. I
1017 would see it, and my staff engineer would reluctantly come in
1018 and tell me about the growth and how it was kind of pricing
1019 us out. But we do follow the templates that are provided.
1020 We plan the projects, but we are feeling the tension with
1021 inflation. I mean, the growth in some of the countries
1022 around the world in things like steel and the demands for
1023 cement and what have you is producing an inflation pressure.

1024 Mr. EDWARDS. Right. Does OMB still demand that you use
1025 a 2.4 percent inflation factor?

1026 Admiral ROUGHEAD. In our burgeoning process, yes, sir,
1027 we follow the standard.

1028 Mr. EDWARDS. So that basically means the second, third,
1029 fourth and fifth years FYDP are underestimated relative to
1030 the true cost of construction.

1031 Admiral ROUGHEAD. If the predictions are accurate.

1032 Mr. EDWARDS. Right.

1033 General Conway?

1034 General CONWAY. I will say I just went to St. Louis
1035 this last week for a presentation, and I saw my
1036 brother-in-law there who is in construction. He said that
1037 raw materials are down, and we talked about it some. He said
1038 it runs sideways but, generally, it is the Northeastern, so
1039 your concern is still correct, sir, but it is seasonal, it is
1040 regional and runs sideways. So a lot of variables in all of
1041 that.

1042 Mr. EDWARDS. Okay. Maybe I will finish not with a
1043 question but just a comment to get this on the record. There
1044 has been discussion about seeing that all individually listed
1045 projects be put in the statute, not in the report language of
1046 our appropriations bill. It has a certain ring with the
1047 public, want to hide this in the report language.

1048 The report language is out there to the public and the
1049 press to see anyway, but given you have unexpected inflation
1050 in some parts of the country, if we put these projects in the
1051 statute, then no longer can we and the Senate subcommittee
1052 approve reprogramming to move money from one project where

1053 one installation will say it came in under budget.

1054 And under the present system, you ask us to move that
1055 money to another project where in the Pacific Northwest you
1056 are facing maybe a 15 percent inflation rate per year. And
1057 in order to please the public out there, we put all this in
1058 the statute. We will no longer have that authority.

1059 So I say that for the record. I am not asking you--I
1060 don't want to get you crossways with anybody proposing that
1061 as a policy, but if that is to be the case for the 2009
1062 appropriation bills, we need to think seriously about how we
1063 give you the flexibility to be able to handle that.

1064 You could end up with a project that is 90 percent
1065 completed, the day care centers or barracks, but you can't
1066 complete it for an entire year, because we can't sign our
1067 name on the letter and give you that reprogramming authority.

1068 So I hope we will keep that on the table as we move forward
1069 this year.

1070 Mr. Wamp?

1071 Mr. WAMP. Mr. Chairman, thank you.

1072 Admiral, we were fascinated with Admiral Fallon's
1073 testimony last week, some of which we can't talk about, but I
1074 think AFRICOM proposal on the table, investments in Djibouti,
1075 I think, in your budget request of \$31 million. For a
1076 non-permanent facility, that is getting into some real money,
1077 and we know that there is more to follow, but you talk about

1078 | securing the maritime assets. What do you foresee there?

1079 | What will your role be?

1080 | Admiral ROUGHEAD. Yes, sir. With regard to AFRICOM, we
1081 | are in the process of providing the manpower to man the staff
1082 | that is taking place and thinking through what the right
1083 | command relationships are for my naval commandant commander
1084 | and supporting General Ward and the work that he is going to
1085 | do down there. We have already had more activity on the
1086 | African continent in the last couple of years than probably
1087 | in the previous couple of decades.

1088 | But with regard to Djibouti, I do believe that Djibouti
1089 | will be a point of presence for quite some time. As you
1090 | know, we have a lease there, and I think that there will be
1091 | presence. It is a critical area and a critical fight that we
1092 | are involved in. So the improvements that are making there
1093 | are to enable the joint force--and it is not just sailors but
1094 | Marines, Army and Air Force--to be able to better perform
1095 | their missions that I think are important in that very
1096 | critical area of the world.

1097 | Mr. WAMP. Let me ask you all both a question about
1098 | joint basing. I flew back from China and other ends of the
1099 | world with Whip Clyburn in January, and we stopped at Hickam,
1100 | he hadn't been there before. But I remember when chief
1101 | enlisted men came in here. The Air Force really has a beef
1102 | with joint basing. From your perspectives, where is the

1103 joint basing process right now?

1104 Admiral ROUGHEAD. I will speak from some experience out
1105 in the Pacific, because I have had responsibility for Pearl
1106 Harbor, and, as you know, Pearl and Hickam are together.
1107 Also, looking out toward Guam. I think at the local level,
1108 we have had some good efforts by the commanders in doing
1109 these tabletop exercises that allow us to identify where are
1110 some of the issues would be and how we work our way through
1111 the bases. Particularly, I think it is important to never
1112 lose sight of what the missions of those bases are and can we
1113 support that.

1114 OSD has recently issued some guidance that the services
1115 are taking aboard and working our way through. I do believe
1116 that there are some efficiencies and benefits to the joint
1117 basing process, but each base is going to be different, and
1118 it is a function of mission, it is a function of population,
1119 it is a function of the location, where it is. And so I
1120 don't believe that one size fits all and that we have to look
1121 very hard at that.

1122 Where we are in trying to prejudge what the standards of
1123 living or the core levels will be, I think it is a little
1124 premature to determine whether somebody is going to win or
1125 lose. I think we have to work our way through it. We have
1126 to keep in mind that the objective is to provide the right
1127 mission support for whatever that joint base is there to do

1153 | your master sergeant recommended Camp Pendleton. Would you
1154 | say the same thing, that would be a good place to go to see,
1155 | kind of, where we have been and where we need to go?

1156 | General CONWAY. Sir, there are places--yes. If you
1157 | wanted to see it all, the whole spectrum, Camp Pendleton is
1158 | probably the place to go. If you wanted to see it at its
1159 | worst, I am not sure that Camp Pendleton and our major bases
1160 | aren't the first to make some fairly major strides forward.

1161 | What I have experienced in my travels about the corps in
1162 | just over a year now is that at some of our secondary bases
1163 | and stations they really need the most help. When we sent
1164 | out word on what the needs were for this \$100 million and how
1165 | it should be allocated and assigned out, our secondary bases
1166 | and stations were the people that really needed help at that
1167 | point, as opposed to Pendleton, Lejeune or even being--

1168 | But I think Pendleton is still the best.

1169 | Mr. WAMP. Thank you, sir.

1170 | Thank you, Mr. Chairman.

1171 | Mr. EDWARDS. Thank you, Mr. Wamp.

1172 | Mr. Crenshaw?

1173 | Mr. CRENSHAW. Thank you, Mr. Chairman.

1174 | General Conway, let me ask you a little bit about Blount
1175 | Island. A lot of hard work went into changing that from a
1176 | lease facility now to be owned by the Department of Defense,
1177 | and some exciting things are happening there. There are some

1178 security challenges, there are some organizational
1179 challenges, but it seems that has all been--as I understand
1180 it, there is going to be a master plan coming from the
1181 Marines.

1182 And then can you share with us a little bit about that,
1183 and how it is--are there any infrastructure needs that are
1184 going to be part of that? The new ship is going to be part
1185 of that. Is it going to change anything that we need to do
1186 with Blount Island? Can you, kind of, just give us an
1187 overview of that?

1188 General CONWAY. Yes, sir, I can. Blount Island is
1189 absolutely critical to us, because even as we speak, they
1190 have got one of our MPS, maritime prepositioning squadrons,
1191 in a rehab kind of role, and they do marvelous work
1192 offloading the ships and starting the equipment and getting
1193 everything back up to speed.

1194 When we offloaded that equipment in 2003, about 95
1195 percent of it was just ready to go. So they do marvelous
1196 work between they and squadrons, and so therefore it is an
1197 absolutely critical facility to us and what we do for the
1198 nation.

1199 There are 10 major projects that need to be managed to
1200 turn^{it} into ~~it~~ the facility that we would like to be and to
1201 keep it doing what it is going now for the long term. That
1202 comes to a total of something around the order of \$150

1203 million to \$155 million that at this point is essentially on
1204 our unfunded list. We don't have the money ready and
1205 available to do the things that the commander and his
1206 boss--we regionalized all the bases and stations. He works
1207 for the major general overall, but both the commander there
1208 and General Williams agree that these are exactly the things
1209 that we need to do to bring it up to, kind of, a world class
1210 kind of facility.

1211 So we are going to work hard to try to find that money
1212 in the future to, again, keep the general--for us.

1213 Mr. CRENSHAW. Great.

1214 This one may be, Admiral, more for you. It was
1215 mentioned about the bachelor housing, and I think it was
1216 originally going to be San Diego and Norfolk and Bremerton
1217 and now Mayport is kind of in that mix.

1218 Just a couple of kind of specific, and I don't know if
1219 you have all the details, but as I understand it, it depends
1220 on whether those facilities are going to be on the base or
1221 off the base. I think in San Diego they are on the base--no,
1222 they are off the base, and then in Norfolk, on the base. And
1223 issues about, like, in Mayport it would be on the base, and
1224 then there is some issue about when you sell land, a private
1225 entity, on a military base, you need to have some sort of
1226 easement, egress and ingress, that kind of thing.

1227 Do you know much about--I mean, I would be curious to

1228 know how it is going because some of the housing that was
1229 kind of geared toward the basic housing allowance, and you
1230 have got kind of an income strain where the developer could
1231 come in and say, "'Well, I know the money is coming in," but
1232 when you have got some of these younger sailors that probably
1233 don't have a basic housing allowance, how does that impact a
1234 developer when he says, "I am going to build a facility." He
1235 doesn't really have any guaranteed income stream.

1236 Are those questions that you are familiar with? Anybody
1237 that could talk about those things?

1238 Admiral ROUGHEAD. Yes, sir. I think with that, I
1239 wouldn't even begin to get into the easement laws and what
1240 have you on that, but as you pointed out, the models are
1241 different, and I think that is what is important as we go in
1242 and put in the type of accommodations for sailors, is to look
1243 again specifically at the installation, where can it best be
1244 placed? And in the case of San Diego, it is off, but there
1245 is very easy access.

1246 So I think each one has to be looked at and we will see
1247 how the--with regard to the public-private for single
1248 sailors, there is BAH that is provided, and that is why--you
1249 know, it is not a free lunch, because even though the private
1250 contractor picked it up, that now creates a manpower bill
1251 because of what we are doing.

1252 But it is clear to me that the contractors that are

1253 involved and meeting with them seem to be pretty optimistic
1254 about the future. I think it is important that the facilities
1255 that we build are properly sized for the fleet that we expect
1256 to be there for some time so that we don't get into a period
1257 where there is vacancy. So all those go into the mix, and I
1258 think the two that we have in place now are moving ahead, and
1259 that is why I am very interested in the third one.

1260 Mr. CRENSHAW. Are they actually in place? You have got
1261 people living there now?

1262 Admiral ROUGHEAD. Well, in San Diego we have sailors
1263 living in a converted building, the Pacific Beacon, which is
1264 the four-tower complex that is being built. It is still
1265 under construction but moving ahead very, very rapidly. And
1266 the quality of work, the quality of the rooms--every room in
1267 those four towers that a sailor will live in looks out on San
1268 Diego Bay. Not many people who live in San Diego can see
1269 that.

1270 Mr. CRENSHAW. Probably a pretty good recruiting tool.
1271 I know I have seen the married housing out in San Diego, and,
1272 I will tell you, it is just magnificent.

1273 But I wonder, with the single sailors, would there ever
1274 be, or have you thought about, issues about discipline and
1275 just kind of cohesion? Because if you are on a ship,
1276 obviously, you are there all the time, and if you are out
1277 somewhere, are those things that you have heard complaints or

1278 | has there been discussion about how--

1279 | Admiral ROUGHEAD. Mr. Crenshaw, so far it has gone very
1280 | well, and I give the credit to our young men and women who
1281 | live there. When you give them a quality place to live, they
1282 | will take care of it. And the contractor has an interest in
1283 | maintaining it so that their maintenance costs are down.

1284 | I would also say that one of the things that struck me
1285 | about the effort that we have on the way in San Diego is the
1286 | way the contractor has worked with other providers--phone
1287 | providers, Internet providers--that really are tailored to
1288 | the types of schedules that our sailors are on. So that, if
1289 | for example, they get called away on a mission, that they are
1290 | not penalized with trying to terminate a service before they
1291 | leave.

1292 | And that is why I think it is really a program that is
1293 | providing quality of life for our people that is very
1294 | important, and it is going to be very important to attract
1295 | young men and women into--but I think all the Air Force. If
1296 | they come in and they see a great place to live with the
1297 | types of things that are part of their life today, the kind
1298 | that could meet with friends and family that is so important
1299 | to them, that is huge, and I really appreciate your support
1300 | and everything you have done to make that possible.

1301 | Mr. KENNEDY. If I could add, I have heard stories where
1302 | the contractors actually give a smaller stipend to some of

1303 | the dorm, if you would say, or some of the guys that are
1304 | going to be the, kind of, watch out for everyone else on the
1305 | floor, and in exchange they pay half the rent in order to
1306 | keep everyone else, kind of, in line. And its like those
1307 | kinds of informal bargains that they make with--

1308 | Mr. CRENSHAW. It is like a hall monitor.

1309 | [Laughter.]

1310 | Mr. KENNEDY. Hall monitor. That kind of stuff they
1311 | have figured out works.

1312 | Mr. CRENSHAW. One quick question: I was looking at
1313 | this, Admiral, the right places. It is a chart that shows
1314 | some East Coast and it talks about the possible home port of
1315 | the LCS and DDX. It shows a possible home port at Norfolk,
1316 | and like other places, it doesn't say possible home port.
1317 | Has any decision been made about that?

1318 | Admiral ROUGHEAD. No, sir. That is what I have my
1319 | staff working on now is to go out and look at where do we
1320 | want the capabilities and the capacity to the numbers to be
1321 | for the world that we envision in the next few decades. It
1322 | is trying to look into the crystal ball and then saying, "We
1323 | believe the capability that we are going to need."

1324 | Mr. CRENSHAW. So you could have put possible home port
1325 | in other places.

1326 | Admiral ROUGHEAD. Yes, absolutely.

1327 | Mr. CRENSHAW. Just checking. Thank you.

1328 Mr. EDWARDS. Mr. Kennedy?

1329 Mr. KENNEDY. Just looking forward to having you up to
1330 the Newport, Rhode Island war college. We have got huge
1331 transitions as a result of BRAC, as you know, a lot of MILCON
1332 issues because of the absorption there for the Marines that
1333 are coming up, 700^{NAVY and marine personnel}, from supply school, and we are doing the
1334 best we can absorbing them all. But for 40 years there
1335 wasn't an anticipation there that that would be necessarily
1336 the place for quite the hub of activity that it is going to
1337 be now for the next 50.

1338 I knew the war college would always be there as an
1339 anchor, but as far as everything else, the surface warfare
1340 and the naval undersea warfare, NAFs and everything else.
1341 That was never quite a guarantee. So all those old
1342 buildings, I mean, we have still got--our sailors are living
1343 in and buildings that are vintage World War II, so we are
1344 going to be working to try to bring that up to snuff. That
1345 is our challenge, so we will be working with you to try to do
1346 that.

1347 Admiral ROUGHEAD. Thank you, and thank you for your
1348 support. The war college has just continued to do great
1349 work, not just in our operational and strategic thinking and
1350 putting in place some new courses of instruction that are
1351 important to our future but also really expanding nationally.
1352 They are doing some really good things, and thank you for

1353 | your support.

1354 | Mr. KENNEDY. Thanks.

1355 | Mr. EDWARDS. Mr. Carter?

1356 | Mr. CARTER. I guess I have got one last question. It
1357 | just seems like they have recently changed the rules for
1358 | having incremental funding for large MILCON projects. How
1359 | does that affect each of your service's planning, both
1360 | currently and in the future, as you look down the road, how
1361 | are we going to plan these large MILCON projects?

1362 | Admiral ROUGHEAD. Yes, sir. It is somewhat out of step
1363 | in that we fully fund and then when it is incrementally
1364 | funded and the change is made to incrementally fund, that is
1365 | money that we no longer have available. So in subsequent
1366 | years, we have to go ahead and reprogram the other
1367 | increments. So it is one that, I believe, of reconciliation
1368 | of how we budget and move forward would be very helpful to
1369 | us, and I think we would be able to benefit greatly if that
1370 | were to happen.

1371 | General CONWAY. Same is true, sir, for our corps. I
1372 | think it is true across the Department of the Navy. It
1373 | caught us a little unaware. We would like to counter back,
1374 | if you will, and see if we can get some things changed.

1375 | Mr. CARTER. Yes. It seems troublesome to me.

1376 | Thank you, Mr. Chairman. That is all.

1377 | Mr. EDWARDS. Okay. I will just quickly ask one

1378 question. A number of others will submit, if we can get
1379 their answer in writing.

1380 But vis- -vis Guantanamo, in this budget, there is a
1381 request for \$63 million for new family housing and \$21
1382 million for a new fitness center. I don't know who the next
1383 president is going to be, and I don't know what our policy is
1384 going to be regarding the detainees in Guantanamo. Without
1385 getting into that debate, would you make this request even if
1386 the policy were to be not to continue keeping the detainees
1387 in Guantanamo?

1388 Admiral ROUGHEAD. Yes, sir, I would, because, to circle
1389 back around, I think that our interests in the Caribbean are
1390 significant. The amount of infrastructure, particularly the
1391 energy infrastructure in the Gulf of Mexico, and what we have
1392 on Guantanamo and the folks that we have there, I do believe
1393 these investments are worth it for the Navy.

1394 Mr. EDWARDS. I saw that housing down there last year.
1395 It is pretty questionable.

1396 Mr. Wamp?

1397 Mr. WAMP. I am through, Mr. Chairman. Thank you.

1398 Mr. EDWARDS. Mr. Kennedy?

1399 Mr. Crenshaw?

1400 Well, if not, on behalf of the entire committee, let me
1401 thank you for your service to our country and for being here
1402 today.

1403 | Thank you.

1404 | The hearing is adjourned.

1405 | [Whereupon, at 2:54 p.m., the subcommittee was

1406 | adjourned.]

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