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## Opening Statement (As Prepared) Chairman Joe Courtney

Subcommittee on Seapower and Projection Forces Hearing:

"Department of the Navy Fiscal Year 2023 Budget Request for Seapower and Projection Forces" May 18, 2022

Click here to view the hearing.

We meet today to discuss the Fiscal Year 2023 budget request for Navy and Marine Corps shipbuilding. Appearing before the Subcommittee today are:

- Jay Stefany, Principal Civilian Deputy, Assistant Secretary of the Navy for Research, Development and Acquisition;
- Vice Admiral Scott Conn, Deputy Chief of Naval Operations for Warfighting Requirements and Capabilities: and
- Lieutenant General Karsten Heckl, Marine Corps' Deputy Commandant for Combat Development and Integration.

Before I begin my opening remarks, I would like to welcome the newest member of this Subcommittee, Rep. Sylvia Garcia from Texas' 29<sup>th</sup> Congressional District. I couldn't think of a better way to get your start on the Armed Services Committee than by joining this hearing.

Gentlemen, I'd like to thank you in advance for your testimony, and I thank you for your years of service to our nation.

I've had the honor of serving on this Subcommittee since my first day in Congress. There are two things I would note as we start today's hearing.

First, I can't recall a single year where anyone on our Subcommittee was completely happy with the shipbuilding budget or the shipbuilding plan. With the 2023 budget and plan in hand, I'd note for the record that this streak remains unbroken.

That is because all of us who serve on this Subcommittee take seriously our constitutional charge to raise and maintain a Navy. Which leads me to my second point.

That is to emphasize that, as we have every single year that I've served on this Subcommittee, we will now discharge our duty to examine the budget, the recommendations it proposes, and the changes we believe are needed our long-term shipbuilding and at-sea force structure. Our members and staff are already hard at work building the next defense authorization bill, and the discussion today will help inform those efforts.

I'm proud that we've always taken an independent look at the budget and made thoughtful changes, driven by our talented members on both sides of the aisle, where needed. I expect this year will be no different.

With that, I wanted to make a few opening observations to get us started.

I think it's important to put the budget in the context of recent history. First, this budget is the first time in at least five years that the president's budget request came to us at a level higher than what Congress enacted in the year prior. This is also the first year we have received a future year's defense plan, or FYDP, for shipbuilding since 2020, when the last administration proposed cutting an attack submarine and producing only 44 ships across its five-year plan. It's also the first time since 2019 that we have received a full 30-year shipbuilding plan. While the Biden administration, like the Trump administration and the Obama and Bush administrations before it, did not submit a FYDP or 30-year shipbuilding plan in its first year in office; the prior administration skipped the requirement to submit a shipbuilding plan entirely in 2020.

So, there's an understandably heightened level of interest in the details of these documents, especially with the rapidly changing events unfolding around the world.

It's also important to note that shipbuilding, as I've said often here, is a long game. It relies on careful planning, steady state production, constant vigilance and innovation, and most importantly, a highly skilled workforce to get the job done. The industrial base is busy right now with more than 50 ships under construction and 20 more waiting to start. At the same time, this industry is facing the same challenge as every other in our nation tight now – strained supply chains, alongside hiring and workforce retention challenges. I strongly believe we need to be deliberate and targeted as we consider changes and additions to our shipbuilding profile.

With regards to the specifics of the proposal before us, the request for eight battle force ships in 2023 and 50 more across the future years defense plan provides a reasonable starting point for our work this year. It's by no means perfect – no budget or plan is – but it lays out both the challenges and opportunities for us this year and the decade ahead.

As we continue our work on the 2023 defense bill, we're already focusing on a few key issues.

In recognition of the critical role of our undersea forces, the budget provides robust support for steady production of the Virginia class and Columbia class submarines. That steady production rate is absolutely vital to industrial base stability and security requirements, and will remain a high priority for our subcommittee. I also welcome the \$750 million included in 2023, and more than \$2.4 billion over the next five years, for efforts to shore up the

submarine supply chain, production facilities, and growing the skilled workforce.

Additionally, the Department proposed a number of long-term planning decisions that the Subcommittee here will consider. Some of these items include the scale of DDG procurement in the next multiyear block contract, the timeline for Light Amphibious Warship, and future production plans for the Constellation-Class Frigate. Our shipbuilders are at their best with full, stable and predictable production plans, and we will be laser focused on that goal as we work on the bill.

I also have concerns with the overall plan for amphibious force structure; specifically, how the 2023 budget request and the 30-year shipbuilding plan don't seem to meet the Commandant of the Marine Corps' stated requirement for 31 L-Class ships. I believe you will find that there is bi-partisan support for the Commandant's requirements for L-class shipping, so I hope the witnesses will articulate today how they intend to meet these requirements.

The Department also proposed decommissioning 24 ships, which they have determined are no longer value added to today's fight. With such a large number of proposed retirements, and many so early in their lifecycle, this Subcommittee is taking a hard look at the rationale behind these proposals and whether it is in the nation's interest to retain some of these vessels. I hope we can use today's hearing to better understand how elements like warfare requirements, material condition, and relevance in a modern fight informed the Department's decommissioning plan. At the end of the day, I want to keep capable ships that we can use against the current and emerging threats we face – not just those that serve to boost our numbers on a spreadsheet. That will be our guiding principle as we move forward.

Finally, I would be remiss in not reminding our witnesses that many of us on this Subcommittee have warned for years about the looming – and now very real – pressure put on our shipbuilding priorities by the need to recapitalize our undersea deterrent capabilities. Since 2014, we have fought – and won – support to create the National Sea-Based Deterrence Fund. While the Department has used the contracting authorities resident in the fund to save more than \$1.4B from the Columbia program, it has yet to utilize the core function of the NSBDF – namely, to provide increased flexibility to repurpose funds into it to buy down the fiscal impact of the program on our other shipbuilding priorities. It's time for the Defense Department and the Navy to work with us on putting this fund to its full and intended use.

With that, I thank our witnesses again for being with us today and turn it over to our ranking member, Rob Wittman, for any remarks he would like to make.

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