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UNTIL RELEASED BY THE
SENATE ARMED SERVICES
COMMITTEE

STATEMENT OF
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CHIEF OF NAVAL OPERATIONS
BEFORE THE
SEAPOWERS SUBCOMMITTEE OF THE
SENATE ARMED SERVICES COMMITTEE

ON
NAVY AND MARINE CORPS DEVELOPMENT AND PROCUREMENT

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Mr. Chairman and members of the subcommittee, I appreciate this opportunity to appear before you. I am happy to report to you that the readiness of today's forces has never been better. The results you've seen these last few days represent the return on both the investment - and the wise judgments - of the Congress and the American people in providing for our Navy. I speak for the entire Fleet in thanking you for your exceptional and continuous support.

In my statements to the full committee, I outlined the Navy's overall strategic rationale for this year's proposed budget. In this statement, I will focus my comments on issues of particular relevance to this subcommittee.

Your Navy - Today and Tomorrow

Today, there are 164 ships on deployment, over half of the Navy; this includes seven of twelve aircraft carriers, and nine of our twelve big deck amphibious ships (LHA/LHD). They are deployed in support of the nation's interests in the Persian Gulf, the Mediterranean, the Indian Ocean and the Western Pacific.

In addition, over seventy five percent of the Military Sealift Command's (MSC) total force is operating in direct support of the war on terrorism and Operation Iraqi Freedom (OIF). Over 130 ships, including all 19 of our newest large, medium-speed, roll-on/roll-off (LMSR) ships and all eight of our fast sealift ships have been activated; when combined with other MSC-owned or chartered shipping, MSC has more than 210 ships committed to the sealift of the joint team, the replenishment of Navy carrier battle groups and amphibious ready groups, and on special mission assignments around the globe.

All of these forces are around the world, around the clock, operating with great effect from the vast maneuver area that is the world's oceans and seas. As the 21st century continues to unfold, it is clear your Navy will continue to be a vital part of America's defense.

In this age of unpredictability, with transnational terrorists and regional aggressors pursuing asymmetric strategies, our Navy's ability to sustain a high level of operations and swiftly respond to a broad range of scenarios will require naval forces that are widely dispersed, fully netted and seamlessly integrated with joint forces.

These are the kinds of capabilities that are central to our **Sea Power 21** vision - described in my statement before the full committee - and the kinds of capabilities we are pursuing in this year's budget.

Our FY04 Budget Request

Last year we made plain that current readiness and manpower were our focus and that we would get after future readiness - the ships, aircraft and capabilities needed for tomorrow's Navy - this year.

We have benefited enormously from the \$7.1B added to our current readiness accounts in the last three years. It has produced the most ready force in our history, helped us create a surge capability, and reduced our immediate operational risk. At the same time, we are enjoying the highest retention in our history; our leaders in the fleet have helped us dramatically reduce our manning gaps at sea. Without question, our focus on these efforts has been a key contributor to both our success in the Global War on Terrorism and in our effort to disarm the Iraqi regime.

This budget request sustains these current readiness and manpower gains. More importantly, it brings our guns to bear on our future readiness to enhance the Sea Power 21 capabilities that will be core to our success: agility, precision, reach, persistence, and decisive power.

Sea Power 21 and the Global Concept of Operations (CONOPs) will provide our nation the kind of innovation and force structure that will enable our Navy to operate more effectively as a netted, distributed, joint force. Our vision is more than just hardware; it provides the framework to organize, integrate, and transform our Navy to realize opportunities and navigate the challenges ahead.

I discussed many of these in my earlier statement to the full committee; innovations like our Optimal Manning experiment and Sea Swap programs are part of the Sea Power 21 process, and they are reaping benefits already. USS MILIUS (DDG 69) for example, achieved a 23% reduction in crew size and focused their combat capability; MILIUS was one of the combatants that dispatched Tomahawk cruise missiles in OIF.

Our Navy-Marine Corps Tactical Aviation Integration plan brings our Navy and Marine Corps team closer together, enhancing interoperability and teamwork, and at the same time improves our tactical aviation affordability for the future. Without question, we will continue these kinds of innovations, to improve both our effectiveness and our efficiency.

This year's budget request did involve some tough choices - the right choices - to balance our current and future risk and to prepare for both today and tomorrow. Sea Power 21 honed our ability to make these choices by focusing our investments on both the right capabilities - **Sea Strike**, **Sea Shield**, and **Sea Basing** - and against the right capability gaps - the tough, near-land environment where potential enemies will come after us in the unified battlespace of the future.

Our direction to Navy leadership was to weigh the risks, divest ourselves of programs and systems that did less to enhance our warfighting capability, and begin to realize the potential of Sea Power 21. We looked hard at older systems with lesser capabilities, limited growth potential and high operating and support costs and ultimately decided to accelerate the retirement of 11 ships and 70 aircraft and divest more than 50 systems. We found these preferred accelerated cuts in our least capable type-model series would produce \$1.2 billion across the FYDP for recapitalization, modernization of other platforms, and investment in Sea Power 21 - without compromising our ability to accomplish our missions.

Accelerating the retirement of the SPRUANCE Class destroyers, the baseline one TICONDEROGA Class cruisers, and selected OLIVER HAZARD PERRY Class frigates was a difficult decision - but the right decision - and one based on the capabilities needed for both today's and tomorrow's threat environment. These ships are significantly less capable and survivable in the near-land threat environments we'll see in the future. They require additional manning to operate because they lack many of the optimal manning technologies of our newer ships. Most importantly, they provide either redundant or significantly less effective strike and air defense capabilities than our other platforms. In every case, continuing to operate these ships for the few years remaining in their service lives adds little to our aggregate warfighting posture and hampers our ability to move forward with critical recapitalization and transformation efforts.

We recognize that the total number of ships in the inventory has a quality all its own; after all, one ship can only be in one place at a time. However, as we wargame and analyze the risks inherent in tomorrow's threat environments, it is already becoming clear that the type and mix of ships in the future fleet is critically important to the success of future campaigns - not just for the Navy, but for the joint force. Accelerating the retirement of these selected ships adds little risk in the near-term, and helps significantly in facilitating our transition to the numbers, type and mix of ships we will require for the range of missions we anticipate in the 21st century - reducing our future risk.

Investing in Sea Power 21 - Capabilities to Programs

In this year's budget there is a clear link between the capabilities our Navy needs and the programs in which we are investing. Sea Power 21 prescribes a strategy-to-concepts-to-capabilities continuum by which our forces will exploit the opportunities that precision, reach and connectivity give us.

Our FY04 submission requests 7 new construction ships - 2 more than last year - and several conversions. This fundamentally goes to our **Sea Basing vision**; after all, the fleet is the foundation of our ability to project both offensive fires and defensive protection. Our immediate FY04 investment of \$12.2B in shipbuilding and conversion includes:

- 3 **ARLEIGH BURKE Class DDGs**. These ships, and their robust strike, undersea warfare and Aegis air defense capabilities will be a mainstay of our future Carrier Strike Groups (CSG), Expeditionary Strike Groups (ESG) and Missile Defense Surface Action Groups for many years to come.
- 1 **VIRGINIA Class SSN**. The best multi-mission submarine ever built for littoral and regional operations will be configured to conduct mining and mine reconnaissance, unmanned vehicle operations, SOF insertion/extraction, battle group support, anti-submarine warfare, intelligence-collection and surveillance missions, sea-control, and land attack; vastly improving payload flexibility, connectivity and joint interoperability for our undersea forces.
- 1 **SAN ANTONIO Class LPD** for enhanced lift and

survivability in our future Expeditionary Strike Groups.

- 2 **LEWIS AND CLARK Class T-AKES** to sustain our more widely dispersed operating fleet in the future. These ships will include upgraded material handling and transfer systems and multi-purpose convertible cargo holds for dry stores or ammunition. They will be able to double both delivery load weight and rates of transfer.
- the remaining 2 of 4 planned **SSBN-to-SSGN conversions**; to more fully distribute our joint, offensive power with these independent, clandestine strike assets. The first SSGN is expected to be fully operational in FY07.
- the first ship in our **Cruiser Conversion** program.
- service life extension for 3 **Landing Craft Air Cushioned** vehicles.

We are committed to developing the kind of level stream of investment in our shipbuilding accounts needed to deliver on our Sea Basing structure and Global CONOPs operating vision. Multi-Year Procurement, Economic Order Quantity and carefully implemented incremental funding practices help deliver long-lead materials in a cost-effective manner, stabilize the production path, and in our view, reduce per unit cost of ships and increase the shipbuilding rate. We are leveraging these practices in many of our ship and aircraft procurement programs and support their continued use in the future.

We are also reaching beyond the ships listed above to more fully achieve our Sea Power 21 vision. From *Langley* to *Halibut*, *Nautilus* to *Ticonderoga*, the Navy has a legacy of shipbuilding innovation that has revolutionized our ships, aircraft and combat systems - transforming our capability. We will capitalize on this kind of innovation in this century as well. While I discussed many of these initiatives in my earlier testimony to the full committee, there are several key programs worth mentioning.

At the top of our list is the **surface combatant family of ships** centered on the next-generation multi-mission destroyer DD(X), the next-generation cruiser (CG(X)), and the Littoral Combat Ship (LCS). This powerful combination of ships will provide joint force commanders with a robust range of transformational capabilities across the spectrum of warfare.

From the long-range precision strike and volume-fires of DD(X), to the overland, theater and strategic ballistic and cruise missile defensive reach of the CG(X), to the ability to clear the way for the joint force in the tough littoral environment with LCS, the Navy's future surface warships will be designed from their keels up to operate as critical elements of our dispersed, networked, joint force.

At the heart of this family is **DD(X)**. As the primary precision strike fires provider of the "family," DD(X) will be armed with an array of land-attack weapons, Tactical Tomahawk, and the Advanced Gun System (AGS) to provide persistent, distributed, long-range, precision attack needed in support of our joint forces operating deep inland. It is a critical enabler for our Sea Strike vision, which includes the Marine Corps' Expeditionary Maneuver Warfare, Ship-to-Objective Maneuver, and Operational Maneuver From the Sea concepts.

DD(X) will take advantage of advanced stealth technologies to be less detectable and more survivable to enemy attacks than the ships it will replace and will be a key component of future Expeditionary Strike Groups. An open architecture, distributed combat system will support a "plug and play" environment in which to operate AGS, an advanced vertical launching system and a Multi-Function Radar/Volume Search Radar suite. Other features on DD(X) will include an advanced hull form, integrated electric drive propulsion, optimal manning, and extensive automation.

Our DD(X) research and development effort is also the baseline that will enable us to keep pace with today's rapid technological advances; it will spiral promising technologies to both CG(X) and LCS. It will also enable us to upgrade in-service Aegis cruisers and destroyers with selected leading-edge technologies to ensure this vital core of our legacy, multi-mission fleet will maintain operational effectiveness throughout their lifetimes and until the DD(X) and CG(X) programs come to fruition. In FY04, we are committing \$1.058 billion in RD TEN for further development of the electric drive, power grid, and combat system components and anticipate the lead ship contract award in FY05.

The **Littoral Combat Ship** is our most transformational effort and number one budget priority. It will capitalize on emerging unmanned vehicle technologies and deliver the focused Sea Shield missions of Mine Warfare (MIW), Surface Warfare (SUW) and Anti-Submarine Warfare (ASW). It will provide the

fast, affordable, focused-mission capability that will sustain our access and enhance our ability to establish sea superiority not just for our Carrier Strike Groups and Expeditionary Strike Groups, but for all the joint logistics, command and control and pre-positioned ships that must transit the critical littoral threat area to move and support forces ashore.

Our modeling and wargaming with smaller, fast, highly maneuverable ships that simulate LCS capabilities have produced results that show LCS increases our warfighting effectiveness in the littoral environment. LCS achieved 70% of the "kills" during simulated choke-point transits and reduced the vulnerability - and losses - of our other carrier and expeditionary strike group ships to submarine torpedo attack in the littorals. Additionally, LCS ships modeled with mine warfare capability provided more effective organic mine warfare support than similarly equipped DDGs - especially during opposed scenarios.

Numerous real-world tests have also been conducted with experimental craft to gather tangible data to determine the optimal hull form for the LCS. In FY04, we are requesting \$79M for hull form, \$66M for mission module development and integration, and \$13M for requirements analysis in RD TEN funding. The Integrated Requirements Document has been completed and we anticipate beginning construction of the first LCS in 2005.

We are also investing in other platforms to support Sea Basing of the joint force.

CVN-21 will be the centerpiece of our Carrier Strike Groups in the future and is scheduled for delivery in FY14. It will combine the most critical technology advancements of the CVN(X)-1 and CVN(X)-2 programs and deliver them on the CVN(X)-1 schedule we defined last year. The FY04 budget request provides \$1.5B in RD TEN and advanced procurement for the first CVN-21 and programs for split-funded construction beginning in FY07.

Our vision for the **Maritime Prepositioning Force Future (MPF(F))** and tomorrow's amphibious force continues to develop into a bright and exciting future for the Navy-Marine Corps team. The Joint Forcible Entry Operations study and Defense Science Board Sea basing study will help refine our effort and

posture us for enhanced sea basing of Navy and Marine Corps assets.

We expect MPF(F) ships to serve a broader operational function than current prepositioned ships, creating greatly expanded operational flexibility and effectiveness. We envision a force of ships that will enhance the responsiveness of the joint team by the at-sea assembly of a Marine Expeditionary Brigade that arrives by high-speed airlift or sealift from the United States or forward operating locations or bases. These ships will off-load forces, weapons and supplies selectively while remaining far over the horizon, and they will reconstitute ground maneuver forces aboard ship after completing assaults deep inland.

Other advances in sea basing could enable the flow of Marine and Army forces at multiple and probably austere points of entry as a coherent, integrated combined arms team capable of concentrating lethal combat power rapidly and engaging an adversary upon arrival. The ability of the Naval Services to promote the successful transformation of deployment practices of the other Services will dramatically improve the overall ability of the Joint Force to counter our adversaries' strategies of area-denial and/or anti-access.

We will know more about these requirements in the next year and will consider other joint missions like the need for an afloat forward staging base, joint command and control ship and afloat medical capabilities for the joint force for extended periods as well. We are investing in RD TEN to examine the future MPF and perhaps other alternative concepts.

We have incrementally funded LHD 8, the last ship in the LHD 1 class. It will be the first big deck amphibious ship powered by gas turbine propulsion, all-electric auxiliary systems, and a computer based Machinery Control System. These changes are expected to realize significant lifecycle cost savings and serve as the basis for spiral development into the future LHA replacement (LHA(R)) class of ships.

The near term **LHA(R)** development effort will be focused on our joint forcible entry needs and integrating several new capabilities including the Joint Strike Fighter, MV-22 Osprey, and Advanced Amphibious Assault Vehicle (AAAV). Our FY04 budget request of nearly \$65M in RD TEN supports design and procurement of the first ship in the class (LHA(R)1) with a planned ship construction award in FY07. The configuration

for remaining ships in the class will be deferred until the Joint Forcible Entry Operations study is complete.

Our Sea Shield vision also has particular relevance to this subcommittee. Sea Shield is about extending our defenses beyond naval forces, to the joint force and allies and providing a defensive umbrella deep inland. The capabilities needed for Theater Air and Missile Defense and Sea/Littoral Control - including anti-submarine warfare (ASW), ship self defense and mine warfare (MIW) - are part of our Sea Shield construct. Our budget request and program includes significant funding for these capabilities.

In Theater Air and Missile Defense, we are pursuing technologies that will enable us to defeat emerging cruise missile threats and ballistic missiles in the boost and ascent phase. This difficult mission requires advanced network-centric operations and high levels of weapon system technology, seamlessly fused to produce the integrated air picture and the engagement profile needed for success.

FY04 investments include upgrades to the Aegis weapon system and further development of the DD(X) destroyer's volume search radar, the E-2C Advanced Hawkeye (Radar Modernization Program (RMP)) aircraft, and the Extended Range Active Missile (ERAM). Networks will encompass the cooperative engagement capability (CEC) and Link-16 systems and weapons will be the extended range, over-the-horizon, and ballistic missile defense versions of the Standard missile, and new models of the advanced medium-range air-to-air missile (AMRAAM).

Our **sea-based missile defense** programs experienced tremendous success on the test range during 2002, scoring 3 hits and conducting 3 successful tracking events; proving in the near term that Aegis BMD has the ability to destroy ballistic missiles in space and can provide surveillance and cueing of intercontinental class weapons directed at our homeland. We are accelerating work with the Missile Defense Agency (MDA) to deploy initial sea-based ballistic missile defense systems in FY04. In partnership with MDA, we will transfer USS LAKE ERIE (CG-70) to MDA to facilitate a more robust testing program for missile defense. In turn, MDA is requesting funding to modify a number of Aegis DDGs to bolster homeland defense surveillance; equip a larger number of Aegis combatants with a BMD engagement capability; and acquire a number of SM-3 missile

interceptors to provide the capability at sea to intercept short and medium range ballistic missiles in the boost and ascent phases of flight. We will build on our successes and develop a vital capability for our nation by 1 October 2004.

The *Ticonderoga*-class **cruiser conversion** program will extend the Aegis combat system's capabilities against projected threats well into the 21st century and, with the DDG-51 destroyers, serve as the bridge to the surface combatant family of ships (DD(X), LCS, and CG(X)). The cruisers will provide multi-mission offensive and defensive capabilities, and operate independently or as part of CSG, ESG and Surface Action Groups (SAG) well into this century. Core to these conversions is installation of the Cooperative Engagement Capability, which enhances and leverages the air defense capability of these ships, and the 5"/62 Gun System with Extended Range Guided Munitions to be used in support of Sea Strike and Marine warfighting needs. This program is a mid-life upgrade that will provide selected Aegis cruisers with land attack, force protection, and Area Air Defense Commander capability while extending the service life to over 35 years. These converted cruisers will be viable candidates for a ballistic missile defense role. The first conversion begins in FY04 and our budget requests \$194M.

The **Cooperative Engagement Capability (CEC)** will enable battle group and joint task force ships and aircraft to act as a single, geographically dispersed combat system. CEC has demonstrated significantly improved battle force air defense capabilities by integrating multiple sensors into a single, real-time, fire-control-quality composite track picture. In the future, it will integrate airborne radar and IFF sensors into the battle group composite tracking network providing long-range detection and tracking with integrated fire control for improved over-the-horizon battle group air defense. CEC will provide the Fleet with greater defense-in-depth and the mutual support required to confront the evolving threat of anti-ship cruise missiles and theater ballistic missiles. We anticipate the Block 2 Decision Milestone in April 2003 and are requesting \$226M in the FY04 budget.

The **E-2C Advanced Hawkeye (Radar Modernization Program)** will enable our Navy to deploy an unprecedented capacity to conduct defensive air warfare deep inland against cruise missiles and aircraft. The range and overland detection

capabilities achieved with the Advanced Hawkeye, combined with the networking of CEC, will expand significantly our ability to defend critical ports, airfields, and joint forces ashore - initially with Aegis Standard Missiles and F/A-18E/Fs Super Hornets using the Advanced Electronically Scanned Array (AESA) radar and medium-range air-to-air missiles (AMRAAM), and ultimately with the next-generation over-the-horizon ship-launched Extended Range Active Missile. The FY04 budget invests \$352M for continued development and aircraft production begins in FY08.

The **Extended Range Active Missile (ERAM)** is the next variant of the family of Standard Missiles (SM-2 Blocks III, IIIA, IIIB, Block IV). It marries much of the proven Standard Missile motor with the AMRAAM missile seeker to enable the extension of naval cruise and ballistic missile defense overland. We are requesting \$34M in the FY04 budget to develop this missile.

Sea/Littoral Control is central to our ability to assure access and freedom of maneuver for joint forces moving from the sea to objectives inland. We continue to invest in ASW, Ships Self Defense and MIW technologies and programs that will counter surface and subsurface threats, such as modern ultra quiet submarines, small, fast surface combatants, and an array of floating, moored, and buried mines.

Anti-Submarine Warfare remains a challenging task, not just in the deep ocean, but also in the shallow littoral regions and against modern quiet submarines. Programs and technologies that will enhance our warfighting effectiveness in this environment include:

The new **MH-60 helicopters**, which will carry reconfigurable sensors and weapons customized for the littoral environment, will link their data to the force as they perform anti-mine, anti-submarine, and anti-surface sea control missions. The MH-60R helicopter with its Advanced Low Frequency Sonar will specifically provide improved capability against submarines in the littorals. In FY04, we are requesting 6 MH-60R and 13 MH-60S.

We will recapitalize our Maritime Patrol capability - currently conducted by aging P-3C aircraft - with the **Multimission Maritime Aircraft (MMA)**. MMA will transform the Maritime Patrol/Reconnaissance force by fully integrating manned and unmanned vehicles. In FY04, we are requesting \$76.2 million in RD TEN funding and anticipate IOC in the 2012 timeframe.

Initial testing of the **SURTASS Low Frequency Active (LFA)** system in the Western Pacific has demonstrated detection capability that provides us added assurance that we can deal with the diesel-electric threat as it becomes even quieter, and we have accelerated development of an **Advanced Deployable System (ADS)** off-board sensor variant, to start in FY05, that will eliminate the requirement to cable the system to a shore site.

Acquiring the **Automatic Radar Periscope Detection and Discrimination (ARPDD)** system will provide further enhancements to our capability for large area search. Additionally, the capability for our surface combatants to survive attacks from threat torpedoes will be enhanced through the Surface Ship Torpedo Defense effort.

We will fund the **Common Undersea Picture (CUP)** to integrate undersea warfare sensors across multiple, dissimilar ASW platforms and nodes for a shared tactical picture. We will begin to outfit carrier strike groups in FY05. CUP will greatly enhance our net-centric capability in undersea warfare mission planning, vulnerability assessment, situational awareness and collaboration.

Large area ASW cueing and search is supported via funding of the USQ-78B acoustic processor for the P-3C AIP fleet. This enhancement provides the capability for **Improved Extended Echo Ranging (IEER)** processing which is a high search-rate acoustic tool focused on the shallow water, acoustically harsh environment.

The FY 2004 budget also supports an FY06 IOC of Mk 48 Mod 7 Common Broadband Acoustic Sonar System (CBASS) Heavyweight Torpedo specifically designed for use against advanced diesel submarines employing countermeasures in the difficult littoral environment. Also supported is the FY04/05 IOC of the **MK-54 Lightweight Torpedo (LWT)** for use in shallow waters by helicopter and patrol ASW aircraft against the diesel threat, significantly enhancing littoral capabilities.

Finally, the success of the **Acoustic Rapid COTS Insertion (ARCI)** program in providing significant improvement in ASW sensor processing for our submarine force has spawned similar efforts in submarine combat control, communications, and upgrades to the surface fleet's SQQ-89

combat suite. These programs validate the Navy's decision to use commercially available technology to deliver superior performance at less cost.

We are investing in *Ship Self Defense* programs and systems that will enhance our capability to defeat small and swarming boats. In the far-term, we are investing in the LCS to enhance this capability dramatically.

In the near term, our Navy will continue investment in the ***Rolling Air Frame Missile and the NATO Evolved Sea Sparrow missile*** as part of our layered defense against anti-ship cruise missiles.

The ***Phalanx Close-in-Weapon System (Block 1B)*** will upgrade our current terminal defense capability against anti-ship cruise missiles and high-speed aircraft penetrating outer fleet defensive envelopes. In surface mode, the Block 1B program will defend against small, fast, surface craft and slow flying aircraft and include better sensor support and lethality for close-in engagements. The CIWS Block 1B Upgrade Kit procurement remains a high surface warfare priority.

The ***Surface Electronic Warfare Improvement Program (SEWIP)*** is a spiral development effort initiated to provide a robust, full spectrum electronic warfare system following cancellation of the Advanced Integrated Electronic Warfare System in FY 2002. SEWIP will build on the legacy SLQ-32 system to field capabilities against next-generation threats.

We are pursuing installation of minor caliber guns on our deploying ships to improve our ability to counteract a small boat threat in the 0 to 8,000 yards range. We soon will install stabilized minor caliber guns on two DDGs. Arming the MH-60R and MH-60S helicopters mentioned above provides an additional layer of lethality against small boat attack.

We have increased our investment in our *Mine Warfare* plan; adding over \$67 million in FY04 and \$482 million across the FYDP since last year's budget. Major changes from last year's plan include additional funding for LCS MIW mission modules, MCM ship diesel engine replacements, MCM ship operations and maintenance, and acceleration of assault breaching systems R&D.

Our Mine Countermeasures (MCM) Certification Plan will assure access to Naval and Joint forces by defeating the asymmetric mine threat proliferating worldwide. It supports our commitment to a dedicated MCM force while simultaneously fielding an organic MCM capability to the CSGs beginning in 2005. The stealthy and lethal LCS and its MIW module will add new dimensions to our ability to counter mines and is the future of our organic battle group capability.

We are investing in the ship-launched **Remote Minehunting System (RMS)** for 6 DDG-51 Flight 2A ships beginning in FY05. RMS is also a candidate for the LCS MIW mission module - the future of our organic battle group capability.

We are also investing in several unmanned undersea vehicle (UUV) systems. The **Long-Term Mine Reconnaissance System (LMRS)** will provide a covert mine-reconnaissance capability from SSN 688 Class submarines and is on track for IOC in FY05. The Mission Reconfigurable UUV, an outgrowth of the LMRS program scheduled to begin development in FY04, will provide "plug and play" sensor packages for potential missions such as ISR, Tactical Oceanography, Remote ASW tracking, and monitoring for weapons of mass destruction. The FY04 budget invests \$82M in this program.

We will purchase five organic mine systems to be integrated in the MH-60S helicopter. Additionally, the **Rapid Airborne Mine Clearance System (RAMICS)**, a helicopter-borne gun system, will provide us the capability to neutralize surface and near-surface mines with a special 30mm supercavitating projectile. This projectile is specially designed to penetrate a submerged or surfaced mine casing - causing destruction of the mine. RAMICS IOC is scheduled for FY 2007.

Sea Strike is about projecting precise, responsive, and persistent offensive striking power - in the form of weapons, Marines and Special Operations Forces. Three of its critical capability subsets are Time Sensitive Strike, Persistent Intelligence, Surveillance, and Reconnaissance and Marine Corps Ship-to-Objective Maneuver; these capabilities are of particular interest to the subcommittee.

Time Sensitive Strike investments will enable us to link persistent sensors, emerging knowledge enhancement and decision making systems and long range precision weapons

against an array of targets in ever-shortening time periods. We are already pursuing investments that will greatly reduce our target planning timelines and enhance our striking power.

The **Tactical Tomahawk (TACTOM)** Block IV upgrade preserves the Tomahawk's long-range precision-characteristics and adds an in-flight retargeting capability that will enhance responsiveness and flexibility at a lower total cost than existing variants. The FY04 budget requests full rate production under a five-year multiyear procurement (FY04-08) contract.

Procurement of **Precision-Guided Munitions (PGM)** continues to be a high priority. Laser Guided Bomb production is currently at maximum rate, the Joint Direct Attack Munition is forecast to meet maximum rate by August 2003, and we are increasing our inventory of the Joint Stand Off Weapon and ramping up production of a new variant. Our partnership with the Air Force in several of our munitions programs will continue to help optimize both our inventories and our research and development investment. In FY04, we are requesting over \$911 million.

The **Joint Fires Network (JFN)** integrates the best elements of three existing systems into a converged joint architecture and automates, coordinates, and correlates the multiple data streams to provide time critical fire control solutions for advanced weapon systems. It reduces the sensor to shooter timeline from hours to minutes; provides precision targeting data for coastal and deep fire support; and uses data from responsive and persistent ISR assets to improve both the Common Operational Picture and our intelligence preparation of the battlespace. The FY04 budget includes \$159 million for JFN. JFN is at sea in OIF and will continue to serve as a critical building block for our Sea Strike vision and enabled by FORCEnet.

Persistent Intelligence, Surveillance, and Reconnaissance will be a key enabler for both our Sea Strike and Sea Shield capabilities. Unmanned underwater vehicles, discussed earlier, and unmanned air vehicles (UAV) are a key component of our ISR future. We are committed to accelerating development of UAVs and procuring an operational capability as soon as possible. They will provide persistent and comprehensive situational awareness; key to projecting both our offensive and defensive power.

Two **Global Hawk Maritime Demonstration** vehicles (GHMD) will be procured from the Air Force in FY05 for maritime CONOPS development, sensor technology experimentation, and fleet orientation prior to the introduction of the Broad Area Maritime Surveillance UAV in FY09. The **Broad Area Maritime Surveillance (BAMS)** UAV will be a multi-mission ISR system to support strike, signals intelligence, and communications relay while operating independently or in direct collaboration with other assets in the maritime environment. We are requesting \$25M in the FY04 budget submit and anticipate IOC in FY09. We will also continue our investment in the **Unmanned Combat Air Vehicle/Navy (UCAV/N)** and have budgeted for two Science and Technology demonstrators in this request.

We have renewed our interest in the **Fire Scout/Naval Vertical Takeoff and Landing Tactical UAV (VTUAV)** and will evaluate its utility for LCS and potentially other air capable ships. We will also examine its ability to carry modular mission payloads and operate using the Tactical Control System, and Tactical Common Data Link. It will provide real time Information, Surveillance, Reconnaissance and Targeting, communications relay, and battlefield management.

Ship to Objective Maneuver: Together with our number one joint partner, the United States Marine Corps, we will provide the capability to deploy, support, and reconstitute a persistent, operationally flexible, expeditionary capability across the spectrum of warfare.

We are working to ensure that near, mid, and long-term **Naval Surface Fire Support (NSFS)** capabilities are met. In the near-term, we anticipate IOC of the Naval Fires Control System (NFCS) to connect ships digitally to ground forces ashore in FY04. In the mid-term, the Navy is developing Extended Range Guided Munition (ERGM) and Autonomous Naval Support Round (ANSR) with both systems headed for a "shoot off" in FY05 to determine which round will provide greater range, lethality, and accuracy and ultimately be incorporated into the Navy's arsenal.

The Commander, Fleet Force Command and the Office of Naval Research have also taken the lead in experimenting with the electromagnetic rail gun technologies to determine its feasibility and perhaps accelerate this enhancement via the

Sea Trial process. We are requesting nearly \$35M in for the ERGM and NFCS alone in FY04.

Conclusion: A Commitment to Victory

The President has called upon us to "be ready to strike at a moment's notice in any dark corner of the world." We are answering that call in the Global War on Terrorism and in the opening salvos of Operation Iraqi Freedom. Your support has been critical to our success.

The FY04 budget submission enhances our ability to answer this challenge in the years ahead. By investing in our Sea Power 21 vision, the FY04 request balances near term and future readiness and risk, charts a course to deliver decisive capabilities, and enables our most valuable asset - our people - the means to do the mission to the very best of their ability.

I thank the subcommittee for your continued strong support of our Navy and our active, reserve, and civilian Sailors. Working together, I am confident that we will be victorious in the Global War on Terrorism and in Operation Iraqi Freedom, leading to a more stable and peaceful world.