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STATEMENT OF
GENERAL JAMES T. CONWAY
COMMANDANT OF THE MARINE CORPS

BEFORE

THE HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON DEFENSE

On

FY07 SUPPLEMENTAL

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General James T. Conway **Commandant of the Marine Corps**

General Conway was born in Walnut Ridge, Arkansas and is a graduate of Southeast Missouri State University. He was commissioned in 1970 as an infantry officer. His company grade assignments included multiple platoon and company commander billets with both the 1st and 2nd Marine Divisions; Executive Officer of the Marine Detachment aboard the USS Kitty Hawk (CVA-63); series and company commander at the Marine Corps Recruit Depot in San Diego; aide to the Commanding General, and Director, Sea School.

As a field grade officer, he commanded two companies of officer students and taught tactics at The Basic School; he also served as operations officer for the 31st Marine Amphibious Unit to include contingency operations off Beirut, Lebanon; and as Senior Aide to the Chairman, Joint Chiefs of Staff. Promoted to Lieutenant Colonel, he was reassigned to the 2d Marine Division as Division G-3 Operations Officer before assuming command of 3d Battalion, 2d Marines in January 1990. He commanded Battalion Landing Team 3/2 during Operations Desert Shield and Desert Storm. Selected for colonel, he served as the Ground Colonels' Monitor, and as Commanding Officer of The Basic School. His general officer duties included Deputy Director of Operations, J-34, Combating Terrorism, Joint Staff, Washington, D.C.; and President, Marine Corps University at Quantico, VA. After promotion to Major General, he assumed command of the 1st Marine Division. In November 2002, Major General Conway was promoted to Lieutenant General and assumed command of the I Marine Expeditionary Force. He commanded I Marine Expeditionary Force during two combat tours in Iraq. In 2004, he was reassigned as the Director of Operations, J-3, Joint Staff, in Washington, D.C.



General Conway graduated with honors from The Basic School, the U.S. Army Infantry Officers' Advanced Course, the Marine Corps Command and Staff College and the Air War College.

General Conway's personal decorations include the Defense Distinguished Service Medal with palm, Navy Distinguished Service Medal, Legion of Merit, Defense Meritorious Service Medal, Meritorious Service Medal with two Gold Stars, Navy Commendation Medal, Navy Achievement Medal and the Combat Action Ribbon.

Introduction

Chairman Murtha, Congressman Young, and distinguished Members of the Subcommittee; thank you for the opportunity to report to you on the state of your Marine Corps. I want to specifically thank you for your steady and generous support for the training and equipment that is saving lives and enabling your deployed Marines to succeed in their mission against a determined enemy. As you know, the Planning Guidance I published when I assumed duties as the 34th Commandant of the Marine Corps re-asserted that it would be these valiant warriors in combat that would remain our number one priority—always and without fail.

Your Marines recognize that this is an important time in history to serve our country. The majority of them joined the Corps after our Nation was already at war, knowing they would go into harm's way. They joined with the understanding of what their Nation expected of them and they have shouldered this significant duty with courage and grit. Your Marines remain committed to their mission and know that the American people and its government support them in their endeavor. It is on their behalf that I report to you today and respectfully request the speedy passage of the funding necessary to support these Marines in combat.

Strain on the Force

Though Marines in the operating forces are pushed hard by the tempo and frequency of operational deployments, their morale is at an all time high—because they believe they are making a difference. Thanks to you, your Marines know that the people of the United States and the Government are behind them. Support has been exceptional—from the rapid fielding of life-saving equipment to the proposed increase in end strength, and with your continued support, mission accomplishment will remain completely viable and achievable.

The Long War is taking a considerable toll on our equipment, and we have tough choices ahead of us—we must continue to support our Marines and their families, while deciding whether to replace our rapidly aging equipment with similar platforms or modernize with next generation equipment.

Extended combat operations have severely tested our materiel. While the vast majority of our equipment has passed the test of sustained combat operations, it has been subjected to a lifetime's worth of wear stemming from high vehicle mileage, unprecedented operating hours,

and harsh environmental conditions. This increased maintenance requirement is a consequence of not only operational tempo and operating environments, but also the sheer amount of equipment employed in operations. Approximately thirty percent of all Marine Corps ground equipment and nearly twenty-five percent of our active duty aviation assets are currently engaged overseas; as you know, these percentages will increase during the ongoing plus-up operations in Iraq. Most of this equipment is not rotating out of theater at the conclusion of each force rotation; it remains in combat, used on a near-continuous basis at an operating tempo that far exceeds normal peacetime usage.

As our priority for equipment is to support Marines serving in combat, we have drawn additional equipment from the Maritime Prepositioning Ships and prepositioned stores from the caves in Norway; we have also retained equipment in theater from units that are rotating back to the United States. The results of these efforts have been outstanding—the average mission capable rates of our deployed forces' ground equipment remain above ninety-five percent—but there is a price.

The cost of this success is a decrease in readiness for units returning from Iraq and for non-deploying units and home stations, as well as an increase in the maintenance required per hour of operating time and accelerated aging of equipment retained in theater. Equipment across the Marine Corps is continuously cross-leveled and redistributed to ensure that units preparing to deploy have sufficient equipment to conduct our rigorous pre-deployment training programs. Because the priority of equipment distribution and readiness is to units preparing to deploy, there has been a trade-off in unit training, skill-proficiency, and equipment readiness for other contingencies the Marine Corps may be required to perform. The timely delivery of replacement equipment is crucial to sustaining the high readiness rates for the Marines in theater, as well as improving the rates for the forces here at home. While the Congress has funded a significant portion of our equipment replacement requirements, some crucial equipment is still many months from delivery.

Cost of War Funding

Supplemental Funding up to and including Fiscal Year 2007 Title IX Bridge Supplemental funds have predominately been used to cover "must fund" expenses or Costs of

War. These are expenses incurred as a result of combat and combat support operations such as fuel, in-theater maintenance and transportation costs, pre-deployment training, ammunition, special pay and allowances, and pay and allowances for our mobilized reserves and active component end strength in excess of 175,000. The table below shows actual appropriation for Cost of War expenses from Fiscal Year 2002 through 2006 but reflects our Title IX appropriation and our Full Supplemental Request for Fiscal Year 2007.

	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07
Manpower	\$0.2	\$1.2	\$0.8	\$1.6	\$1.3	\$1.5
Operations	0.1	1.7	1.2	2.2	3.3	3.6
Investment	•	0.1	0.1	0.4	0.5	3.8
BISOG	0.5	0.7	0.2	0.2	0.2	0.8
Cost of War Total	\$0.8	\$3.7	\$2.3	\$4.4	\$5.3	\$9.7
\$ in billions						

The investment figures for Fiscal Year 2007 show an increase from previous years, because, for the first time, we are including the cost of theater specific equipment and the cost of accelerating new capabilities and capacities for the prosecution of the Global War on Terror (GWOT). A good example of this type of initiative is the initial procurement of the Mine Resistant Ambush Protected (MRAP) vehicle.

In response to a Joint Urgent Operational Needs Statement from the Theater Commander, we have used Fiscal Year 2007 Title IX Bridge funding to purchase the MRAP, a vital force protection capability. These wheeled vehicles possess a “V” shaped hull and other design features which provide enhanced protection against the three primary kill mechanisms of mines and improvised explosive devices—fragmentation, blast overpressure, and acceleration. Funding has been received and contracts have been written to procure up to 805 of these vehicles that provide the best available protection against improvised explosive devices. Our Fiscal Year 2007 Supplemental funding request includes resources for an additional 217 vehicles.

Our sister services have also recognized the necessity for these vehicles and in November 2006, Marine Corps Systems Command released a Request for Proposal to produce up to 4,200 MRAP vehicles to meet the Joint requirement. We are moving out as swiftly as possible to work

with industry to expand the current production capacity for these vehicles and accelerate their delivery to operating units and training facilities. Subsequent to the submission of this request, the force commander in Iraq has forwarded a requirement for approximately 2,500 additional vehicles. We would like to work with the Committee to identify a strategy to accelerate the fielding of this critical warfighter need. With the help of the Congress, we will rapidly field the best possible vehicle protection for our Marines.

Reset the Force Effort

In addition to funding required to resource expenses associated with the GWOT, beginning with Fiscal Year 2006 Title IX Appropriations, the Corps began to request and the Congress appropriated funding to repair or replace equipment that was rapidly being attrited. This effort, which has become known as “Reset the Force,” is intended to ensure your Corps remains equipped for success in the GWOT and that it exits the conflict in Iraq at least as capable as when it entered. In October of 2005, our reset estimate was \$11.7B, but this estimate is being revised due to definition standardization by DoD. To date, the Congress has appropriated \$10.2B to be applied towards our reset effort. Despite significant challenges, the Marine Corps has committed or obligated 85% of the reset funding from Fiscal Year 2006 and 40% of the funding made available in October 2006 as part of the Fiscal Year 2007 Title IX Emergency Supplemental Appropriation. The funding received has satisfied the majority of our known resource requirements to completely reset the Corps.

	FY 06	FY 07
Operations	\$0.4	\$0.5
Investment	4.1	3.8
Blue In Support of Green (BISOG)	0.6	0.8
<i>Reset Total</i>	<i>\$5.1</i>	<i>\$5.1</i>

Equipment Delivery Lag Time

Although the Corps’ reset initiative has been extremely successful thanks to efforts of the Congress, we have not yet realized a significant increase in our equipment readiness. The first money appropriated for this effort was not available until nearly 4 years after combat operations began. Added to the delay in appropriating the required funding are significant delays in

production of major equipment end items. Together, these two factors conspire to extend the delay fielding of replacement equipment out several years. The table below highlights specific examples of this challenge.

Capability	First Loss		Funding Appropriated	Replacement		Lag Time*
	Equip	Date		Equip	Date	
Utility Helo	UH-1N	Dec 01	Oct 06	UH-1Y	Apr 09	88
Transport	KC-130R	Jan 02	Oct 06	KC-130J	Apr 10	99
Attack Helo	AH-1W	Jan 03	Oct 06	AH-1Z	Apr 09	75
Medium Lift Helo	CH-46E	Mar 03	Jul 06	MV-22	Sep 09	78
Wheeled Recon	LAV-25	Apr 03	May 05	LAV-25	Dec 07	56
Medium Wheeled Transport	MTVR	May 03	May 05	MTVR	Apr 06	35

*Months

Remaining Fiscal Year 2007 Supplemental Requirements

Our remaining Fiscal Year 2007 Supplemental request is \$4.9 billion, of which \$4.8B is required to fund the remaining Cost of War expenses for the FY 2007. The remaining \$0.1B is required to continue the reset effort and to accelerate the fielding of specific force capabilities necessary to prosecute the Long War. Funding to man, train, and equip the 9th Marine Regiment is included in our request.

As I reported to you in our last hearing, the current tempo of operations has placed a strain on both individual Marines and our Corps as an institution. Many of our Marines are experiencing a deployment-to-dwell ratio of 1:1 or less. Your continued support will ensure our Marines will have the equipment they require, the training they need to deploy, and increased time between deployments to be with their families. An increase in active component end strength to 202,000 Marines will go a long way toward reducing the strain both on individual Marines and on our institution.

Make no mistake, the underlying requirement for an end strength increase is separate from, indeed it pre-dates, the plus-up operation in Iraq. If this end strength increase is approved, our first task will be to build three new infantry battalions of the 9th Marine Regiment and the

required supporting structure—approximately 4,000 Marines. As noted above, the resources for this force have been included in our Fiscal Year 2007 Supplemental. These funds will pay for initial costs associated with the stand up of these infantry battalions as well as critical enablers, which are vital for not only the current fight, but are also critically needed to support long-term Marine Corps capabilities to accomplish other missions. These enablers include combat support and combat service support such as intelligence, military police, and civil affairs capabilities. These additional Marines will begin to alleviate the strain on the force and recover our ability to respond in accordance with timelines outlined in OPlans for our Combatant Commanders; thereby, reducing future operational risks.

Following this initial force capability generation, we will then grow by approximately 5,000 Marines per year. The costs associated with the sustained growth necessary to achieve the 202,000 end strength are included in our Fiscal Year 2008-2012 budget plan. This end strength will do more than just add the much needed infantry battalions—we will balance the Marine Air Ground Task Force (MAGTF) and reduce the strain on military occupational specialties that are experiencing a 1:1 deployment-to-dwell ratio or less. These include rotary wing squadrons, military police, intelligence units, engineers, and other combat support and combat service support fields. In growing our Corps, we plan to gradually lengthen our dwell periods, so that our Marine Corps will continue to be the two-fisted force our Nation expects: equally adept at counterinsurgency as well as full spectrum operations. Our goal is to achieve a 1:2 deployment-to-dwell ratio for active component units and 1:5 for reserve units.

This end strength is important not only for the current requirements, but also to posture the Marine Corps for the Long War and future mission requirements as the Nation's force in readiness.

Conclusion

We need the Congress to act expeditiously on our Fiscal Year 2007 Supplemental request to cover the ongoing costs of war to preclude costly and disruptive work arounds needed to cash flow operating costs. Later than anticipated receipt of Fiscal Year 2006 Supplemental funding necessitated the use of baseline budget funds to finance GWOT operations for nearly two months. While we are able to cash flow some degree of our "must fund" GWOT operating costs

from our baseline budget, we cannot do so indefinitely without negatively affecting training, facilities sustainment and restoration maintenance projects, and base operations.

Know that I am committed to providing you honest and forthright assessments of your Corps and your Marine Corps is always cognizant of its obligation to judiciously commit the resources entrusted to her by the American people; it remains our responsibility to prudently manage these resources even while accelerating procurement to support our valiant men and women in combat. I thank your unwavering support of these American heroes.