Chairman Kelly, Chairman Waltz, Ranking Member Courtney, Ranking Member Garamendi, distinguished members of the committees, good afternoon. It is my honor to join you today with my Senior Enlisted Leader, Chief Master Sergeant Brian Kruzelnick to represent the men and women of United States Transportation Command as we defend the Nation, take care of our people, and succeed through teamwork. I am extremely proud of our team of logistics professionals who lead the Joint Deployment and Distribution Enterprise, continually exceed expectations, and ensure hope, deterrence, and victory are assured as we contribute to our nation's defense.

From competition to crisis, the entire enterprise <u>proudly delivers</u> for our Nation, Allies, and partners. We know our success around the globe would not be possible without the steadfast support of this committee, and the whole of Congress. The fiscal year 2025 budget request continues to make strides in closing gaps in our mobility areas as we prepare for global operations in a contested environment.

A contested environment is <u>the</u> reality of today. Whether in the homeland or abroad, we cannot presume freedom of maneuver to execute operations with full access to our lines of communication.

Our organic fleets, coupled with the vital capacity provided by our commercial transportation partners, must continue to present credible capacity, meaning we must modernize our mobility capabilities to include cyber resiliency and digital modernization initiatives. A connected, aware, and survivable mobility fleet and network is needed to maintain our advantage against a capable and determined near-peer adversary. My top readiness concerns remain sealift and air refueling.

Sealift is the backbone of our ability to deliver a decisive Joint Force, however, the age of the fleet is dragging readiness rates to alarming levels.

Seventeen of the 47 organic Ready Reserve Force ships are 50 years or older. To address readiness and the decrease in capacity due to the planned retirement of 27 ships in the next eight years we must add younger ships to the fleet. TRANSCOM supports the Navy's strategy to acquire used sealift vessels from the commercial market and further requests to provide the Secretary of Defense discretionary authority to purchase foreign-built used ships under favorable market conditions without restrictions.

We acknowledge Congress' intent to include domestic new-build sealift ships to recapitalize the Ready Reserve Force and we are working with the Navy and the Maritime Administration to create an acquisition strategy for new construction that will complement the Buy-Used program.

Admiral Phillips and I recently toured the Philadelphia Shipyard and saw the shipbuilding capacity available there. I believe the Vessel Construction Manager model is viable option for a future sealift construction program. I greatly appreciate your support for timely, predictable, and stabilized funding to meet our sealift recapitalization requirements.

Similarly, air refueling is foundational to our Nation's power projection advantage. It is our most stressed capability. We must ensure continuous modernization and recapitalization of the aging fleet to meet the operational requirements of the modern battlespace. TRANSCOM supports the Air Force strategy for the uninterrupted tanker recapitalization and accelerated fielding of the Next Generation Air Refueling System.

Over the past year we have made great strides diversifying our bulk fuel distribution and delivery posture by having an increased forward presence with fuel afloat in contracted maritime tankers and increasing capacity and access to the US-flagged maritime tanker fleet through the Tanker Security Program.

In addition, we fully support the Maritime Security Program, Jones Act and cargo preference laws that all work to ensure we have the necessary U.S-flag capability and U.S. Merchant Mariners ready to move sensitive defense material during a national emergency. Maritime stakeholders have been experiencing challenges with recruiting and retaining qualified mariners.

We support MARAD and industry efforts to identify strategies that address the mariner shortage and ensure their readiness.

To effectively sense adversary threats and activities in our logistics networks both home and abroad, the Nation must utilize all available resources. Section 702 of the Foreign Intelligence Surveillance Act provides me insights into adversary's intents, capabilities, and activities to contest our logistics capabilities. The loss of this authority adds risk to my mission. Additionally, passing a national defense supplemental is vital for the health of the Transportation Working Capital Fund which preserves essential readiness and ensures response options for the Secretary of Defense.

I am honored to join Rear Admiral Ann Phillips. The relationship between TRANSCOM and MARAD has never been stronger as we work <u>together</u> to strengthen our national security. Thank you once again for your leadership and for the support you provide our workforce.

I look forward to your questions.