

**DUNFORD:** Chairman McCain, Ranking Member Reed, and distinguished members of the Committee, thank you for the opportunity to appear before you today.

I'm honored to represent your Marines and testify on the impact of sequestration.

I'd like to begin by thanking the Committee for your steadfast support over the past 13 years. Due to your leadership, we fielded that the best trained and equipped Marine Corps our nation has ever sent to war.

I know this Committee and the American people have high expectations for Marines as our nation's naval expeditionary force and readiness. You expect your Marines to operate forward, engage with partners, deter potential adversaries and respond to crises. And when we fight, you expect us to win.

You expect a lot of your Marines, and you should. This morning, as you hold this hearing, your Marines are doing just what you expect them to be doing. Over 31,000 are forward deployed and engaged. And, Chairman, I've captured what those 31,000 are doing in my statement. I'd just ask that that be accepted for the record in the interest of time.

Our role as the nation's expeditionary force and readiness informs how we man, train and equip the Marine Corps. It also prioritizes the allocation of resources that we receive from Congress. Before I address what would happen at a Budget Control Act level of funding with sequestration, let me quickly outline where we are today.

As we have experienced budget cuts and fiscal uncertainty over the past few years, we prioritize the readiness of our forward deployed forces. But in order to maintain the readiness of our forward deployed forces, we've assumed risk in our home station readiness, modernization, infrastructure sustainment, and quality of life programs. As a result, approximately half of our non-deployed units, those who provide the bench to respond to the unexpected, are suffering personnel, equipment and training shortfalls. In a major conflict, those shortfalls will result in a delayed response and/or additional casualties.

We're investing in modernization at an historically low level. We know that we must maintain at least 10 percent to 12 percent of our resources on modernization to field a ready force for tomorrow.

To pay today's bills, we're currently investing 7 percent to 8 percent. Over time, that will result in maintaining older or obsolete equipment at higher cost and more operational risk. And we are (ph) funding our infrastructure sustainment below the DOD standard across the future year's Defense programming. At the projected levels, we won't be properly maintaining our enlisted barracks, training ranges, and other key facilities.

While we can meet the requirements of the Defense Strategic Guidance today, there is no margin. And even without sequestration, we will need several years to recover from over a decade of war and the last three years of flat budgets and fiscal uncertainty.

In that context, BCA funding levels with sequester rules will preclude the Marine Corps from meeting the requirements of the Defense Strategic Guidance.

Sequester will exacerbate the challenges we have today. It will also result in a Marine Corps with fewer active duty battalions and squadrons than would be required for a single major contingency. Perhaps disconcerting (ph), it will result in fewer Marines and sailors being forward deployed in a position to immediately respond to crises involving our diplomatic posts, American citizens or interest overseas. While many of the challenges associated with sequestration could be quantified, there's also a human dimension to what we're discussing today, and the other chiefs (ph) have addressed that.

Our soldiers, sailors and Marines and their families should never have to face doubts about whether they will be deployed without proper training and equipment.

The foundation of our -- the all-volunteer force, as General Odierno has said, is trust. Sequestration will erode the trust that our young men and women in uniform, civil servants and families have in their leadership. And the cost of losing that trust is incalculable.

Given the numerous and complex security challenges we face today, I believe DOD funding at the Budget Control Act level, with sequestration, will result in the need to develop a new strategy. We simply will not be able to execute the strategy with the implications of that guidance.

Thank you once again for the opportunity to appear before you this morning. And I look forward to your questions.