**ODIERNO:** Thank you, Chairman McCain, Ranking Member Reed, other distinguished members of the Senate Armed Services Committee. Thank you for allowing us the opportunity to talk about this important topic today.

As I sit here before you today as sequestration looms in 2016, I'm truly concerned about our future and how we are investing in our nation's defense. I believe this is the most uncertain I have seen the national security environment in my nearly 40 years of service. The amount and velocity of instability continues to increase around the world.

The Islamic State in Iraq, the Levant's unforeseen expansion, the rapid disintegration of order in Iraq and Syria have dramatically escalated conflict in the region. Order within Yemen is splintering. The Al Qaida insurgency, Shia expansion continues there, and the country is quickly approaching a civil war.

In north and west Africa, anarchy, extremism and terrorism continues to threaten the interests of the United States, as well as our allies and partners. In Europe, Russia's intervention in the Ukraine challenges the resolve of the European Union and the effectiveness of the North Atlantic Treaty Organization.

Across the Pacific, China's military modernization efforts raise concerns with our allies and our regional interests, while the cycle of North Korean provocation continues to increase. The rate of humanitarian and disaster relief mission, such as the recent threat of Ebola, heightens the level of uncertainty we face around the world, along with constant evolving threats to the homeland.

Despite all of this, we continue to reduce our military capabilities. I would like to remind everyone that over the last three years, we have already significantly reduced the capabilities of the United States Army. And this is before sequestration will begin again in 2016. In the last three years, the Army's active component end strength has been reduced by 80,000; the reserve component by 18,000. We have 13 less active component brigade combat teams. We've eliminated three active aviation brigades. We are removing over 800 rotary-wing aircraft from the Army inventory. We have already slashed investments in modernization by 25 percent.

We've eliminated our much-needed infantry fighting vehicle modernization program and we have eliminated our Scout helicopter development program. We have significantly delayed other upgrades for many of our systems and aging platforms. Readiness has been degraded to its lowest level in 20 years. Fiscal year '13 under sequestration, only 10 percent of our brigade combat teams were ready.

Our combat training center rotation for some brigades were canceled and almost -- over a half-billion dollars of maintenance has been deferred, both affecting training and readiness of our units. Even after additional support from the BBA,

today we only have 33 percent of our brigades ready to the extent we would expect them to be if asked to fight. And our soldiers have undergone separation boards, forcing us to involuntary separate quality soldiers, some while serving in combat zones.

Again, this is just a sample of what we have already done before sequestration even kicks in again in 2016. When it returns, we'll be forced to reduce another 70,000 out of the active component, another 35,000 out of the National Guard, another 10,000 out of the Army Reserves. We will cut an additional 10 to 12 combat -- brigade combat teams. We'll be forced to further reduce modernization and readiness levels over the next five years because we simply can't draw down end strength any quicker to generate the required savings.

The impacts will be much more severe across our acquisition programs, requiring us to end, restructure or delay every program, with an overall modernization investment decrease of 40 percent. Home station training will be severely underfunded, resulting in decreased training levels. Within our institutional support, we'll be forced to drop over 5,000 seats from initial military training, 85,000 seats from specialized training, and over 1,000 seats in our pilot training programs.

Our soldier and family readiness programs will be weakened and our investments in installation, training and readiness facility upgrades will be affected, impacting our long-term readiness strategies.

Therefore, sustainable readiness will remain out of reach with our individual and unit readiness rapidly deteriorating between 2016 and 2020. Additionally, overall, the mechanism of sequestration has and will continue to reduce our ability to efficiently manage the dollars we in fact do have. The system itself has proved to be very inefficient and increases costs across the board, whether it be in acquisition or training.

So how does all of this translate strategically? It will challenge us to meet even our current level of commitments to our allies and partners around the world. It will eliminate our capability on any scale to conduct simultaneous operations, specifically deterring in one region while defeating in another.

Essentially, for ground forces, sequestration even puts into question our ability to conduct even one long, prolonged, multi-phase combined arms campaign against a determined enemy. We would significantly degrade our capability to shape the security environment in multiple regions simultaneously. It puts into question our ability to deter and compel multiple adversaries simultaneously. Ultimately, sequestration limits strategic flexibility and requires us to hope we are able to predict the future with great accuracy, something we have never been able to do.

Our soldiers have done everything that we've asked of them and more over the past 14 years, and they continue to do it today. Today, our soldiers are supporting five name operations on six continents, with nearly 140,000 soldiers committed and deployed to forward station in over 140 countries. They remain professional and dedicated to the mission, to the Army and to the nation, with the very foundation of our soldiers and our profession being built on trust.

But at what point do we, the institution and our nation, lose our soldiers' trust -the trust that we will provide them the right resources; the training and equipment
to properly prepare them and lead them into harm's way; trust that we will
appropriately take care of our soldiers and their families and our civilians who so
selflessly sacrifice so much?

In the end, it's up to us not to lose that trust. Today, they have faith in us, trust in us, to give them the tools necessary to do their job. But we must never forget our soldiers will bear the burden of our decisions with their lives.

I love this Army I've been a part of for over 38 years. I want to ensure it remains the greatest land force the world has ever known. To do that, though, it is our shared responsibility to provide our soldiers in our Army with the necessary resources for success. It is our decisions, those that we make today and in the near future, that will impact our soldiers, our Army, and the joint force and our nation's security posture for the next 10 years. We do not want to return to the days of a hollow Army.

Thank you so much for allowing me to testify today, and I look forward to your questions.