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America's Strength Campaign Statement on the Department of the Navy's 30-Year Plan

The Department of the Navy's latest 30-year shipbuilding plan highlights troubling issues for the future of our nation and our global leadership that need to be addressed.

The plan's objective of 308 ships is not achievable under current funding projections. To reach this objective, the Navy projects it will need from \$2 billion to \$6 billion more in shipbuilding funding per year than it has received over the past 30 years, and more than is requested in the president's fiscal year 2016 budget request.

More shipbuilding funding is unlikely without Congressional action. If the Budget Control Act budget caps remain in place, the Department of the Navy will have less funding for shipbuilding in the future, not more. And even if Congress provides more supplemental funding, as is being discussed for the next fiscal year, those funds are intended to cover war costs and cannot be applied to shipbuilding.

This funding gap will become significantly worse at the end of the current decade when construction will start on the next class of ballistic missile submarines. At \$5 billion to \$6 billion per ship, this program could "gut" ship construction as stated by Secretary of the Navy Mabus.

But even this 308-ship fleet, as hard as it will be to build, may not be large enough to address the increasing pace of Navy and Marine Corps operations. That would require a 450-ship fleet, as stated by the Chief of Naval Operations.

The nation and Congress must recognize that underfunding and overextension of the Navy-Marine Corps team is placing our national defense, our Sailors and Marines, and the stability of the global economy at risk. We must make a commitment now to make a significant investment in the Department of the Navy to avoid a detrimental impact on our ability to counter threats from our enemies, promote regional stability, protect commerce at sea and respond to humanitarian crises.

Background:

1. The Department of the Navy's objective is a 308-ship fleet, but even that fleet will likely be pressed to deploy for greater lengths and more frequently than the Navy plans. That is because the 308-ship requirement assumes lower levels of overseas presence than what combatant commanders have established as their requirement to address U.S. security objectives in their regions. The Navy would

need about a 450-ship fleet to meet these combatant commander requirements. As a result, even if the Navy meets its objective, the supply of ships will still not meet demand.

2. Per the new shipbuilding plan, the Navy will reach its objective in 2021. But that assumes shipbuilding spending will be \$2 billion to \$3 billion higher each year from fiscal year 2017 to fiscal year 2020 than is proposed in the president's fiscal year 2016 budget. If the Budget Control Act caps remain in place, the Department of the Navy will have less funding for shipbuilding than proposed for fiscal year 2016, not more. And even if Congress provides more supplemental funding, as is being discussed for fiscal year 2016, those funds are intended to cover war costs and cannot be applied to shipbuilding.

3. Due to continued budget constraints, the Department of the Navy is likely to fall short of its inventory objective. The fleet will continue to strain to meet combatant commander requirements and deployments will remain longer and more frequent than planned.

4. This situation will become significantly worse at the end of this decade. When construction starts on the next ballistic nuclear missile submarines (SSBNs), annual shipbuilding spending is expected to rise to about \$19.5 billion in 2021 and average about \$18.5 billion per year until 2025. This is more than \$5 billion more than the historical average (\$13.9 billion per year). As the Department of the Navy notes in the plan, from 2021 to 2035, SSBN(X) and aircraft carrier construction will take up half the historical level of annual shipbuilding funding; therefore the fleet will shrink precipitously if shipbuilding funding stays at historical levels.

5. Specific ship types will suffer more during the 2021 to 2035 period. SSNs bought two to three per year in the 1990s will decommission at the same rate, while new SSN construction will be one per year, even with the Department of the Navy's rosy funding projections. Destroyers (DDGs) will be in a similar situation.