CC: Hovey

United States Senate

WASHINGTON, DC 20510

May 11, 2009

The Honorable Daniel K. Inouye
Chairman
Committee on Appropriations
United States Senate
The Capitol, S-128
Washington, D.C. 20510

The Honorable Thad Cochran
Vice Chairman
Committee on Appropriations
United States Senate
The Capitol, S-128
Washington, D.C. 20510

Dear Chairman Inouye and Senator Cochran,

As your Committee prepares to consider the Fiscal Year 2009 Defense Supplemental, and particularly its provisions for reconstitution of the armed forces, we ask for your support to provide full funding for the Navy's projected FY-09 unfunded requirements for ship depot maintenance and repair. The supplemental request includes only $155.1 million for ship depot maintenance, leaving a shortfall of $425 million according to information provided by the Navy.

If this requirement is not funded through the remaining FY-09 supplemental, we are deeply concerned that the Navy's near-term readiness and long-term fleet sustainment will be placed at greater risk. There are clear indications that the surface fleet is already experiencing troubling readiness degradations according to assessments by the Navy's Board of Inspection and Survey.

Additionally, the ship-repair industrial base will experience adverse consequences when the Navy is forced to descope scheduled availabilities as the result of its funding shortfall. Ship-repair companies will have no alternative but to lay off skilled workers. Indeed, such reductions in the work force are already underway. One company on the East Coast was informed recently that five of its six habitability projects scheduled for its next round of shipyard availabilities have been cancelled. Some subcontractors are reporting that the annual value of their projected work has shrunk by 75 percent.

Prior to the submission of the supplemental, the Navy reported an unfunded shortfall of $417 million for ship depot maintenance. The supplemental includes $155M for Navy ship depot maintenance, leaving a shortfall of $262M. Additionally, the Navy estimates that it will cost $163.3 million to repair three ships damaged this year in a grounding (USS *Port Royal*) and a separate collision (USS *Hartford* and USS *New Orleans*). The Navy plans to reduce funding for flying and steaming hours for the remainder of the year to cover its shortfall in ship depot maintenance and is evaluating the need for a targeted supplemental funding request to pay for the repairs to the three damaged ships.

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We ask for your support for fully funding the Navy's critical $425 million shortfall in ship depot maintenance and repair. This funding is essential if the Navy is to achieve needed levels of fleet readiness and the projected life for ships now in service. Thank you for your consideration of this request.

Sincerely,

Jim Webb

Mark R Warner

Edward M Kennedy

Mark Begich

Maria Cantwell

Jon Tester

Roland W. Burris

Mary Landrieu

Kay R. Hagan

Patty Murray

Olympia Snowe