

# United States Senate

WASHINGTON, DC 20510

May 12, 2017

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

You have spoken forcefully about your promises to build a 350-ship Navy, revitalize American manufacturing, strengthen the defense industrial base, and preserve American jobs, especially in the Midwest. I am writing to urge you to uphold these commitments and to share my strong belief that their fulfillment requires the inclusion of funding for three Littoral Combat Ships (LCS) in your forthcoming Fiscal Year 2018 (FY18) budget request.

As our Nation looks to increase its naval strength, even the most optimistic future fiscal scenarios will include budget constraints that will drive decisions on the appropriate size and composition of the fleet. As our Navy's most affordable warship, the LCS/Frigate represents the best balance between cost and capability. That balance will be needed to achieve your goal of a 350-ship fleet and to meet the growing operational demands of our Combatant Commanders to maximize U.S. global presence to reassure allies, deter adversaries, and ensure freedom of navigation and maritime commerce.

The Navy continues to clearly state its requirement for 52 small surface combatants, which is the Program of Record and validated by the Joint Chiefs of Staff and our Combatant Commanders. Currently, the LCS/Frigate program provides the Navy with the critical capabilities to address existing gaps and enhance its warfighting posture while also simultaneously incorporating significant lethality and survivability upgrades. These upgrades to the capacity and capability of the Navy fleet are taking place while the LCS program has seen overall improved performance, including successful operational deployments, downward cost trends, and timely production schedules.

You and I share the goal of supporting American workers, which is why I believe we can work together on the LCS program. Indeed, the LCS is a quintessential Made in America program, and its strength, like that of American manufacturing, rests in the strength of the U.S. worker. More than 2,200 hardworking men and women are directly employed at the shipyard in Marinette, Wisconsin, building the Freedom-class LCS, with another approximately 4,700 jobs throughout the supply chain and in the communities of my home state. Across the Nation, the Freedom-class LCS depends on 800 suppliers in 42 states and supports more than 12,000 high-paying, skilled jobs.

I have long been a champion for "Buy American and Hire American" policies that support U.S. companies and workers, and I am pleased that you have promised to make these policies a key element of your Administration. As we recently discussed at the White House, Buy American

policies are incredibly important to ensuring that the hard work of Wisconsinites—who we both have the honor of representing—and of workers across the United States, is respected and rewarded. The LCS/Frigate program is the ideal opportunity for us to work together and demonstrate our shared commitment to the principles of “Buy American, Hire American.”

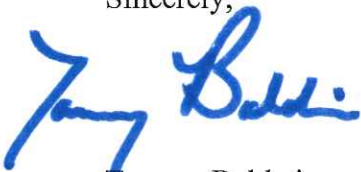
A total of three LCS each year maintains steady shipyard employment, with an average of 1.5 ships entering each of the two LCS-producing shipyards per year. The shipyards are optimized for this production rate, benefiting from serial construction and workforce learning. In testimony before the House Armed Services Committee last week, Rear Admiral John Neagley, Program Executive Officer, Littoral Combat Ships, confirmed this, saying, “We think about three ships a year or 1.5 per shipyard per year it is the right number to maintain the workforce and to leverage the efficiencies from the investment in those yards.”

Including fewer than three LCS in your FY18 budget request would result in layoffs of highly-skilled manufacturing workers in the Midwest beginning next summer. In Wisconsin, only two LCS in FY18 would result in approximately 450 direct shipyard worker layoffs, or 20% of the workforce at the yard, and a total of 1,200 jobs lost across the state. Only one LCS in FY18 could result in up to 800 layoffs at the shipyard, or 36% of the workforce, and a total of 1,850 jobs lost across the state. In addition to the pain and hardship experienced by these Americans and their families, layoffs of this magnitude would have dire impacts on the ability of the Marinette shipyard and supply chain to compete for the Navy’s Frigate, which will soon follow the LCS. That would result in reduced competition in the Frigate acquisition, driving up costs to the taxpayer, and harm to our national security by undercutting the strength of our domestic industrial base. Indeed, Secretary of the Navy Sean Stackley has testified about the importance of preserving industrial base jobs, noting that a failure to do so will ultimately harm the American taxpayer in the form of increased costs and decreased quality.

Mr. President, such outcomes would be inconsistent with your goals to build a 350-ship Navy, revitalize American manufacturing, strengthen the defense industrial base, and preserve American jobs, especially in the Midwest. I urge you to hold fast to these objectives, support this Made in America program and these American workers, and include no less than three LCS in your FY18 budget request.

Thank you for your consideration. I stand ready to work with you on our shared “Buy American and Hire American” priorities.

Sincerely,



Tammy Baldwin  
United States Senator