United States Senate

WASHINGTON, DC 20510 November 17, 2015 COMMITTEES:
APPROPRIATIONS
BUDGET

HEALTH, EDUCATION, LABOR, AND PENSIONS

HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS

The Honorable Thad Cochran Chairman Committee on Appropriations Subcommittee on Defense United States Senate Washington, DC 20510 The Honorable Richard Durbin Ranking Member Committee on Appropriations Subcommittee on Defense United States Senate Washington, DC 20510

The Honorable Rodney Frelinghuysen Chairman Committee on Appropriations Subcommittee on Defense United States House of Representatives Washington, DC 20510 The Honorable Pete Visclosky Ranking Member Committee on Appropriations Subcommittee on Defense United States House of Representatives Washington, DC 20510

Dear Chairman Cochran, Ranking Member Durbin, Chairman Frelinghuysen, and Ranking Member Visclosky:

As you continue negotiations on the Fiscal Year 2016 Defense Appropriations Act, we write in support of Section 8104 of S. 1558, the Senate Appropriations Committee-reported bill. This provision, which is identical to Section 8123 of H.R. 2685, the House-passed bill, will maintain the U.S. Navy's historical and mutually beneficial relationship with the domestic shipbuilding industrial base by continuing policies that have served U.S. national security and the public interest for almost 25 years.

Section 8104 would prohibit expenditure of funding for the T-AO(X) fleet oiler program unless critical shipboard components (main propulsion engines, reduction gears, propellers, etc.) are manufactured in the United States. This is not a new requirement, but rather would ensure continuation of a nearly quarter-century policy initially put into law through the FY 1991-1993 National Defense Authorization Acts and subsequently restated in every annual Defense Appropriations Act. We respectfully request that the provision be included in the final agreement.

In its FY 2015 budget submission, the Navy proposed (for auditability purposes) moving the funding for sealift and auxiliary ships out of NDSF into the Shipbuilding and Conversion, Navy (SCN) account, effectively eliminating the existing statutory requirement that certain major components of these historically NDSF-funded ships are manufactured in the United States. Navy officials, in public meetings, have indicated that eliminating the U.S.-manufacture requirement by moving the funding from one account to the other was an "unintended"

consequence." Section 8104 will ensure that these critical industrial base requirements will be applied to the T-AO(X) program.

It is important to recognize that maintaining this industrial base also has a direct impact on all other combatant and amphibious ships, submarines and aircraft carriers. Because Navy nuclear programs prohibit access by foreign nationals (NOFORN), they must be able to depend on this same specialized U.S. manufacturing and supplier base. The U.S. manufacturers impacted by Section 8104 ensure the readiness of all Navy ships through life-cycle support, including technical expertise, certified repair parts, and availability of service personnel around the world, 24 hours a day. Failure to adopt Section 8104 and maintain this U.S. manufacture requirement could jeopardize the readiness and affordability of the entire Navy fleet.

We urge you to include this identical Senate Committee-reported and House-passed provision in the final conference agreement. Thank you for your consideration of this request and for your work on behalf of our servicemembers.

Sincerely,

Tammy Baldwin United States Senator Thom Tillis United States Senator