



SUBMARINE INDUSTRIAL BASE COUNCIL

VIRGINIA-CLASS SUBMARINE PROGRAM

Proven Shipbuilding Success

Incorporation of the Virginia Payload Module and accelerated advance procurement (AP) funding to support continued production of two Virginia-Class Submarines per year is essential for the Navy to maintain undersea dominance and strike capability.

Virginia-Class submarines deliver what warfighters need today and in the future

- Excels in execution of undersea dominance missions in both the littoral and open-ocean environments
- Collects critical Intelligence, Surveillance and Reconnaissance information supporting U.S. national priorities and is able to deliver, support, and recover clandestine Special Operating Forces
- Operating invisibly by virtue of their stealth, these submarines bring advanced sensors and large payload volumes to distant shores, making them critical to pave the way for follow-on forces
- Submarines continue the record of excellence in delivery, quality, and cost. For example USS ILLINOIS (SSN 786) delivered early to the Navy in August 2016, under target cost (by \$100 million) and was commissioned in October 2016

The latest Virginia-Class submarines (Block V) will include the Virginia Payload Module, significantly increasing its capability and capacity

- Virginia Payload Module (VPM) is the most cost effective way to restore the Navy's undersea strike capacity, which will drop by 60% as the current SSGN force will be retired by 2028. VPM's open architecture design enables the submarine to deliver a large variety of capabilities including weapons, unmanned systems including Large Displacement Unmanned Undersea Vehicles, seabed sensors and other undersea capabilities

- The additional undersea payload capacity provided by VPM is critical to counter adversary investments in long range surveillance, targeting and precision munitions designed to destroy our surface ships and aircraft
- The submarine industrial base has over 5000 suppliers supporting thousands of high-skill, high-wage manufacturing jobs at shipyards, government furnished equipment factories, and supplier companies in all 50 states. Greater numbers of these highly skilled workers will be necessary to build the VPM

Accelerated Advance Procurement (AP) funding is critical to maintain program cost, schedule and design requirements

- An additional \$200M in AP funding is required to support VPM detailed design efforts and long lead time material procurement. This funding already exists in the five year future year's defense plan. Pulling it forward into FY18 enables the shortest possible ship construction spans, resulting in lower costs and helping to maintain timely deliveries of our submarines to support our Navy's operational needs.
- Without this additional AP, construction spans will increase up to one year and exacerbate the projected shortfall of fast attack submarines starting in the mid-2020s. PACOM Commander, Admiral Harris, testified to Congress that "[m]y submarine requirement as a combatant commander in the Pacific is not being met." In particular, Admiral Harris gave the Virginia-Class attack submarine high marks. "I can't get enough of them, and I can't get enough of them fast enough."
- The program will incur additional costs (above the \$200M requested) of up to \$400M without pulling this funding forward from full funding to AP.

**REQUEST
FOR ACTION
IN FY 2018**

Authorize and appropriate an additional \$200M for a total of \$2.135 billion in Advance Procurement (AP)

Authorize and appropriate \$3.296 billion in funding for two Virginia-Class submarines

Authorize and appropriate \$72M in RDT&E funding for Virginia Payload Module design