



THE SUBMARINE INDUSTRIAL BASE COUNCIL

March 1, 2017

Dear Member of Congress:

On behalf of the Submarine Industrial Base Council, we want to thank you for recognizing the vital role submarines play in our national defense. The submarine industrial base comprises more than 5,000 companies in all 50 states and employs tens of thousands of highly skilled American workers.

This year, we request your support for two submarine program issues.

We request an additional \$200 million for a total of \$2.135 billion in advance procurement (AP) funding in addition to the President's budget request for two Virginia-Class submarines and the Virginia Payload Module (VPM) design in FY18.

Submarines continue the record of excellence in delivery, quality, and cost. For example, the USS ILLINOIS (SSN 786) delivered early to the Navy in August 2016, under target cost (by \$100 million).

An additional \$200M in AP funding is required to support VPM detailed design efforts and long lead time material procurement. Without this additional AP, construction spans will increase up to one year incurring additional costs of up to \$400 million and exacerbate the projected shortfall of fast attack submarines starting in the mid-2020s.

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.

We request DOD funding of \$1.934 billion (\$1.147B in RDT&E, \$787M in SCN) and DOE funding of \$157 million in FY18 for Columbia-Class ballistic missile submarine development.

Ballistic missile submarines (SSBNs) will soon carry nearly 70 percent of the U.S. treaty accountable operational nuclear deterrent arsenal and are the most survivable leg of the nuclear triad. The Ohio-Class SSBNs begin to reach their end of service life in 2027. Between 2032 and 2040, the Navy will only have the minimum SSBN force structure necessary to meet USSTRATCOM's strategic deterrent requirements. Delivery of the Columbia-Class on schedule maintains the minimum force structure necessary to meet USSTRATCOM's requirements.

The Submarine Industrial Base Council and its members are proud of their contribution to our nation's security and economy. With your help, we can continue to design and build the world's best nuclear-powered submarines that help keep America safe today and tomorrow.

Sincerely,

Patricia Herschkowitz
Co-Chair, SIBC

James I. Jelinek
Co-Chair, SIBC

Keith Macdowall
Co-Chair, SIBC