

# VIRGINIA SHIP REPAIR ASSOCIATION



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January 27, 2011

The Honorable Jim Webb  
United States Senate, SR-248  
Washington, DC 20510

**Re: CONTINUING RESOLUTION FY 2011**

Dear Senator Webb:

On behalf of the 200 member companies of the Virginia Ship Repair Association (VSRA), we write to express our concern for losing jobs if the current funding of Navy ship repair is maintained at FY2010 levels. Member shipyards are having maintenance availabilities modified (reduced in scope) that have been planned for months in advance and specifically staffed to meet these defined requirements. This job loss is the direct result of the lack of projected funding stemming from the current appropriations impasse. The situation is exacerbated as more immediate repairs are performed and the available funding for the purchase of any long-lead items for future alterations or maintenance is consumed, creating a potential bow wave into FY2012.

In Norfolk, Navy ship maintenance planned and executed in FY2010 was below the normal levels of previous years. Our shipyards spent significant time well in advance of the year working with the Navy to level-load the port as best possible within the constraints of the ship operating schedules. We knew the workload would be reduced and planned our workforces accordingly. That same planning effort was utilized for FY2011 where the ship operating schedules resulted in a significant increase in planned ship alterations and maintenance that was authorized in the President's FY2011 Defense Authorization Bill. The total funding for FY2010 Ship Depot Maintenance was \$5.265B. The FY2011 request for the increased planned ship depot maintenance work is \$6.028B.

Our shipyards have planned for the increase in maintenance work and have assembled their workforces to accomplish the authorized level of execution. If the level of funding of FY2011 Ship Depot Maintenance is not increased above the FY2010 level, the impact will be both immediate and multi-year in effect, as FY2011 alterations and availabilities will be curtailed. This will have both an immediate and long term impact on jobs as shipyards and sub-contractors will not be able to maintain their manning levels without the work to employ those workers and the advanced materials needed for FY2012 are not ordered.

**If Navy maintenance funding is maintained under a Continuing Resolution that lasts the entire year, we request that all efforts be placed on specific language in the new Continuing Resolution that increases the Ship Depot Maintenance line (1B4B) in the funding appropriation to that level requested in the President's 2011 Defense Authorization Bill. Absent that funding, our shipyards will be forced to reduce their workforces in the very near future.**

While the immediate concern with less funding is loss of jobs and deferred maintenance, the longer term impact must be viewed as a national concern. We are committed to insuring Navy maintains ship force structure with a Fleet facing increased operational maritime commitments worldwide. The CNO has stated 220 of the 284 ships in service today must be in service in 2020 in order to meet these commitments. Execution of scheduled ship maintenance is the key enabler for this to occur. As a result, ship maintenance equals force structure.

We respectfully request your strong support in securing adequate ship depot maintenance funding that will meet the planned maintenance for FY2011 and allow the purchase of long-lead material for alterations and maintenance in future years. We look forward to working with Congress and the U.S. Navy in continuing to provide world class ship repair services and growing and maintaining a Navy fleet force sufficient to meet the demands of our Nation's defense and support demands.

Very truly yours,

A handwritten signature in black ink, appearing to read 'M. Branch', written in a cursive style.

Malcolm P. Branch  
President / CEO