Dear Readers:

It is with pride that we present the 2019–2020 edition of the Navy League’s biennial Maritime Policy statement, produced by the organization’s Maritime Policy Committee. In the two years since we published our last statement the future of a return to great power competition has become the present. Russia and China test the limits of American military and diplomatic power with gray–zone conflicts and hybrid–threats combining unconventional measures with information warfare. The “2018 National Defense Strategy” and “National Security Strategy” are designed to meet these near–peer threats, and our deterrence strategy depends on strong maritime forces, forward deployed, to keep wars far from our shores.

We are a nonprofit, nonpartisan civilian, educational and advocacy organization that supports America’s sea services: the Navy, Marine Corps, Coast Guard and U.S.–flag Merchant Marine. The Navy League was founded in 1902 with the encouragement of President Theodore Roosevelt, and our more than 40,000 members and 220 councils across the globe work tirelessly to enhance the morale of service members and their families. We provide a powerful voice to educate the public and Congress on the importance of our sea services to our nation’s defense, well–being and economic prosperity.

The analyses and recommendations are derived from the expertise and decades of experience of our members, open–source materials and public information from the seagoing services. The views expressed in this document are those of the Navy League of the United States and do not necessarily reflect the official views of the U.S. Navy, Marine Corps, Coast Guard or Maritime Administration.

Sea power is America’s unique advantage, which puts our sea services in high demand. Political leadership must resource them according to their mission to avoid a budget driven strategy, we cannot afford to delay or neglect our responsibility any longer. This document is a collection of Navy League recommendations for developing enduring solutions to meet the long–term challenges our nation faces. In doing so, we respect not only our sea services, but the vital mission they carry out.
The Navy League’s Maritime Policy statement is produced by the organization’s Maritime Policy Committee. The analyses and recommendations therein are derived from multiple sources, including the expertise and decades of experience of our members, open-source materials and public information from the seagoing services. The views expressed in this document are those of the Navy League of the United States and do not necessarily reflect the official views of the U.S. Navy, Marine Corps, Coast Guard or Maritime Administration.
EXECUTIVE SUMMARY

In the last several years the future of a return to great power competition has become the present. Gray zone conflict is occurring right now as Russia and China test the limits of American military and diplomatic power. The “2018 National Defense Strategy” (NDS) and “National Security Strategy” (NSS) are designed to meet these near-peer threats, and our deterrence strategy depends on strong maritime forces, forward deployed, to keep wars far from our shores. Sea power is America’s unique advantage, meaning our sea services are in high demand. Political leadership must resource them according to their missions and not let budget drive strategy.

STRENGTHENING SEA POWER

Forward-deployed forces give decision-makers their most precious commodities: options and time. The “2018 Nuclear Posture Review” confirmed the most survivable leg of the nuclear triad is the sea-based deterrent, which constitutes 70 percent of deployed warheads. There cannot be a gap between the retiring Ohio-class SSBNs and Columbia-class deployment. Additionally, to meet expanding national demands, the Navy fleet must expand and Congress must fund our indispensable maritime forces across party and administration lines. We need a third offset strategy to counter emerging threats after the first, the nuclear deterrent, and the second, stealth and guided weapons. This new offset must be a technological overmatch delivered by a strong defense industrial base.

As the nation’s foremost civilian organization dedicated to preserving U.S. security through strong sea services, the Navy League of the United States strongly supports accession to the UN Convention on the Law of the Sea. It would codify freedom of navigation and provide firm legal basis for much of the Navy’s security operations.

THE SEA SERVICES

To successfully carry out the NSS we must properly man, train, and equip our fleet by investing in people, capability, capacity and readiness. Additionally, given a “war for talent” in the job force with only 28 percent of graduating high school seniors eligible to enlist, the services must support family and personal health to ensure retention. Programs to support service members who return from deployment wounded are also critical to retention: the nation has a responsibility to care for their physical and psychological needs, and to help them recover from trauma. Youth programs and STEM education are crucial to preparing the next generation of Sailors, Marines, Coast Guard men and women, and Mariners.

To accomplish its mission, the Navy must reach the 355-ships codified in the 2018 National Defense Authorization Act by building new ships and modernizing existing platforms. The first milestone is 326-ships in 2023. Stability and prosperity at home are tied to freedom of movement on the seas, and these are challenged by a return to a great power competition. With that in mind, the Navy must increase readiness and build a more lethal joint force, strengthen
alliances, and build new partnerships after years of reduced, unstable and late funding. The  
“Navy the Nation Needs” means a fleet that is bigger, more modern, networked, with a more  
talented workforce, more innovative operations and one that is more ready. Years of unstable  
funding have hurt shipbuilding suppliers; we must restore order to the process and provide  
$26.7 billion per year to reach a 355-ship goal by 2050.

While the Marine Corps prepares for the future fight, it must also be ready to fight tonight. The  
expeditionary Marine Air–Ground Task Force (MAGTF) is uniquely suited to the emerging global  
security environment. The MAGTF projects power forward, can rapidly respond to crises, engage  
in multilateral exercises, and can scale from small to large interventions on air and land. To  
achieve success, it requires support from Maritime Prepositioning Ship squadrons owned and  
operated by Military Sealift Command. To meet the future challenges outlined in the NDS, the  
Marine Corps developed the Force 2025 Marine Operating Concept, operationalized through Sea  
Dragon 2025. These phased efforts use extensive war-gaming and analysis to modernize in the  
areas of: resilient command and control, information warfare, long-range precision fires, air  
defense, and protected mobility/enhanced maneuver.

The Coast Guard is a unique instrument of strategic power as both a military service, and law  
enforcement and regulatory agency. In this new era of competition with Russia and China it is  
essential we assert national sovereignty in the Arctic. To achieve this, six Polar Security Cutters  
are needed long-term, with the first delivered in 2023. The service’s 26th commandant has  
articulated three principles to guide his tenure: to be ready, relevant and responsive. Major  
challenges drive Coast Guard priorities, however: Lagging budgets have sapped the service  
of purchasing power when it faces a backlog of unfunded shore infrastructure, and a need to  
recapitalize major sea assets. To strengthen its workforce and mission readiness to keep pace  
with the increase in commerce, the service must increase the number of active-duty members,  
and expand the Reserve to surge during major contingencies. Major acquisition programs are  
currently in key phases and must be supported with funding to recapitalize the aging fleet.  
Lastly to ensure port and waterways infrastructure is secure, investment is needed to counter  
cyber and IT threats.

The United States cannot sustain a war effort without a healthy the U.S.-flag Merchant Marine  
in domestic (Jones Act) and international trades.. New programs are needed to reverse a decline  
in the fleet to under 190 ocean-going vessels, which is inadequate to support Combatant  
commanders’ current plans for 95 percent of materiel for major deployments to be sent by sealift.  
An interagency working group found that the U.S. is 1,800 Mariners short for a sustained sealift  
operation of more than six months, seriously complicating those plans. To reach the necessary  
number of Maritime Academy training billets, three more training ships are needed for a total  
of five. Programs such as the aging Ready Reserve Force ships, and Maritime Security Program,  
under which commercial ships are supported to be available for sealift, need steadily increasing  
funding, but with budget caps returning in 2020 future funding is uncertain. For the United States  
to compete effectively our sea services are essential, and must be resourced appropriately.

The Navy League of the United States, founded in 1902 with the support of President Theodore  
Roosevelt, is a nonprofit civilian, educational and advocacy organization that supports  
America’s sea services: the Navy, Marine Corps, Coast Guard and U.S.–flag Merchant Marine.  
Through national and local programs, the Navy League of the United States provides a powerful  
voice to educate the public and Congress on the importance of our sea services to our nation’s  
defense, well–being and economic prosperity. The Navy League provides support to our sea  
services personnel and their families and youth programs, such as the Naval Sea Cadet Corps,  
Junior ROTC and Young Marines, that expose young people to the values of our sea services.
INTRODUCTION

AMERICAN SEA POWER IS THE BULWARK OF OUR NATION’S DEFENSE

The need to maintain and strengthen America’s maritime forces, both militarily and civilian, is critical to our nation’s ability to compete now and going forward. The current administration’s “National Security Strategy” and the Department of Defense’s (DoD’s) “National Defense Strategy” clearly describe a strategic environment that has shifted back to an era of great power competition for the first time since the end of the Cold War. America’s vital interests and global stability are being challenged by growing threats, both conventional and irregular. American strategic force supremacy is also being challenged by rising capabilities of nation states and non-state actors. For these reasons and many more, it is essential that America continue the revitalization of its Navy, Marine Corps, Coast Guard and U.S.-flag merchant fleets. Sea power is America’s unique advantage.

Challenges to the current status quo are not simply from competition among nation-states, nor found only in traditional warfare domains. They are a complex milieu of state, non-state, transnational and regional criminal actors, combined with significant impacts from climatic events and tectonic shifts in the world’s population and demographics. As a maritime nation, dependent on the free movement of people and goods across the oceans, the United States must continue to influence and evolve the current world order toward a more inclusive, free, stable, globalized and representative society of like-minded nations. This is a just and necessary global responsibility. And while our competitors are striving every day to diminish the impact of American sea power abroad and upset the stability that has benefited the global community of nations, we must be resolute in our national responsibilities to meet all of these challenges with unwavering determination.

As China is rising, it is making investments in its sea services: building a fleet of polar icebreakers and its first domestically built aircraft carrier. It is showing an alarming desire to exert sovereign claims in international waters, building artificial islands in the South China Sea by dredging reefs and building airfields and other military assets on these “islands.” These structures are a direct provocation to China’s neighbors. Its 21st Century Maritime Silk Road initiative is replicating American intermodal systems, and making investments in the ports, maritime communities and infrastructure of other nations — building relationships that could thwart American access and influence.

Russia’s invasion of Georgia, illegal annexation of parts of Ukraine, military operations in the Baltic States, and never-ending cyberattacks on the United States are challenging American vital interests and those of our partners and allies. Russia has also invested significant resources into its own maritime fleet. Its new submarine classes are demonstrating a significant advancement in the technology and sophistication. There is no doubt that Russia is committed to an aggressive shipbuilding program as part of its efforts to increase its status on the world stage.

Both Russia and China have been developing layered defense systems that could significantly constrain American operations during a potential conflict. North Korea and Iran also remain persistent and unpredictable threats. Iran’s harassment of U.S. Navy vessels is constant and threatens one of the most vital oil transit locations in the world. Both North Korea and Iran continue to sponsor terrorist activities and act as agents of discord globally.

Transnational threats, cyberattacks and climate change continue to present challenges, and are expanding in scope at a rapid pace. New and unexpected threats will continue to appear, and the United States must be prepared to face them. American sea power plays a key role in deterring and mitigating these threats by its inherent flexibility and lethality. Whether the threat be man-made or a force of nature, America’s maritime forces are among the first called to action. This constant demand has put a great strain on
the sea services and U.S.-flag merchant fleet to maintain a ready and capable force. While political leadership often discusses the country’s growing commitments to face these threats, their words must be matched with real bipartisan action and funding to maintain the highest level of readiness, capability and capacity of these critical maritime assets.

The mandate for the United States is clear: We must invest significantly in our sea services or risk abrogating our global maritime responsibilities and status within the great power pecking order. We are the only country whose military is built to fight wars far from our shores — our entire defense strategy is tied to the necessity of keeping war away from our homeland and taking the fight to those who seek to do us or our allies harm. This strategy has kept the peace between major powers for decades. We must continue to preserve that peace by making wise and timely investments in our maritime forces and not allow budgets to drive strategy.

The Navy League of the United States stands ready and is at the forefront of the public debate. We must expand and strengthen our nation’s maritime forces with the right investments and best choices in this crucial time. American sea power must thrive for our nation to continue its vital global role. Our sea services must be ready and forward-deployed to operate freely without obstruction in all of the ocean commons. Our U.S.-flag merchant fleet must maintain its capability in peacetime to provide surge capacity in time of war. Finally, our shipbuilding industry must grow in capacity and resilience to face the growing challenges of an era of great power competition.

The four pillars outlined in the “National Security Strategy” clearly demonstrate the need for strong American sea power.

**PILLAR I: PROTECT THE AMERICAN PEOPLE, THE HOMELAND AND THE AMERICAN WAY OF LIFE**

American sea power gives the United States the ability to rapidly respond to threats from around the globe. Because they are forward-deployed, the sea services take a fight to the enemy instead of putting the American homeland and its people in jeopardy. “The Navy the Nation Needs,” as described by 31st Chief of Naval Operations Adm. John Richardson, means building to the size recommended by several force structure assessments and investing in the next generation of aircraft and weapons that will secure our dominance in the maritime domain against growing threats. Our Marine Corps, the tip of the spear, must be resourced to maintain the highest state of readiness so it can be the most capable when our country is the least ready. The Coast Guard ensures our security from a host of regional and domestic threats. New technology makes our homeland an easier target than ever before and keeps our maritime borders less secure than at any time in recent history. The ships, men and women of the U.S.-flag fleet give us the capacity to sustain and support any long-term engagements and must be preserved. They cannot be reconstituted overnight, and they represent a critical element of strategic risk mitigation during unexpected or protracted events around the world.

The consistent readiness of these forces to act in compa-
ny with our allies and friends (or unilaterally if required on short notice) represent a visible and ready benchmark of our resolve and capability to successfully execute and sustain our global influence and power.

PILLAR II: PROMOTE AMERICAN PROSPERITY

The maritime crossroads and commons are critical to the flow of global commerce, fueling economic prosperity for the United States and our allies. International trade accounts for 30 percent of the U.S. economy, and over 99 percent of overseas cargo tonnage moves by sea. We must ensure the sea lanes remain open and secure — and the most effective way is with American hulls in the water. The uninterrupted and uncontested flow of goods is crucial for a global economy, and the American sea services are dedicated to enforcing and executing this responsibility. The consistent and persistent naval presence from the U.S. Navy, Marine Corps, Coast Guard and U.S.-flag Merchant Marine guarantees that hard-won maritime security, and remains a critical and visible deterrent against those who seek to undermine it.

To get to a healthy U.S.-flag fleet and a 355-ship Navy, a number set in stone by Congress, the government must make significant investments in shipyard innovations.

PILLAR III: PRESERVE PEACE THROUGH STRENGTH

At the founding of our nation, President George Washington told Congress “to be prepared for war is one of the most effectual means of preserving peace,” and it continues to be true today. However, the United States has reduced its military spending and allowed its sea services to shrink after achieving unprecedented military dominance around the world over the past 20 years. Introduced in 2011, the Budget Control Act set arbitrary funding limits for defense spending, creating a budget-driven defense strategy instead of one that reflects the arena of “continuous competition” as described by the “National Security Strategy.” We face continuous competition, as rival powers seek to push forward their own national priorities and economic growth over that of the United States. This new competitive playing field will not be as binary as war and peace — a tradition that the United States is familiar with. These challenges can and will be fought over a variety of domains across a wide spectrum of involvement, from peacetime saber-rattling to clandestine coercion to potential conflicts in multiple regions simultaneously. This new challenge will require a constant state of high readiness and a military that can deter all types of potential threats, from kinetic to cyber, from space to the depths of the oceans and everything in between. The “National Security Strategy” recommends investing in modernization, capacity and readiness to ensure the United States will renew its capability to an extent that will deter potential threats. Maintaining a forward presence through our sea services ensures the United States is ready to engage with various threats in a timely manner before they escalate to threats on our homeland.

It is imperative that the United States maintain naval forces that can sustain our national commitment to global maritime security. However, the biggest impediment to maintaining that force is the consistent underfunding and excessive acquisition timelines of our shipbuilding programs. We need to produce the right quantity and quality of ships, with the right capabilities, for the right price, in economically affordable numbers over the next 25 years for all our sea services. The national need for a 355-ship Navy
is codified in law, and we must make the right investments to achieve these numbers with cost-saving acquisition strategies to best steward taxpayer dollars.

PILLAR IV: ADVANCE AMERICAN INFLUENCE

There is no doubt the global system led by the United States has led to an incredible period of peace among great powers, and the expansion of freedom and representative government around the world. We must continue to develop relationships with other nations that share our values and encourage respect for human rights and human dignity. America must continually strive to remain the beacon of liberty and justice that it has been for so many years. Living up to these ideals is a constant struggle, but one that we must continue to champion and fight for, even when we may fall short of the mark. As a symbol of hope, our country can inspire others to match our commitment to democracy and human rights. In this instance our actions speak volumes.

Application of American “smart power” from the sea is required to deal with tectonic issues like shifting global demographics, massive urbanization of coastal areas and increasing population growth in many unstable regions of the world. Our hyper-connected world has presented American leadership with challenges and limited opportunities to impact events in a timely and effective manner. These shifts in demographics can lead to new competition for resources, new types of battlespace and other challenges, all requiring an emerging demand signal for smart power action by the United States. U.S. sea services bring unique characteristics that enable them to accomplish the required mission. Military exercises like Rim of the Pacific and Panamax bring the sea services together with our allies and partner nations and should be funded appropriately. Our partnerships give us combined agility and strength. Our history of support provided to our fellow nations following natural disasters consistently demonstrates the value of our forward-deployed maritime force structure and strategy. The flight decks, well decks and connectors aboard Navy and Marine Corps ships and Coast Guard cutters provide the self-deploying, self-sustaining means to deliver humanitarian assistance and help cement America’s relationships around the world.

EVOLVING STRATEGIES FOR STRENGTHENING AMERICAN SEA POWER

With a new “National Security Strategy” that posits a return to great power competition, we must explore all the domains, and strategies, that will preserve American maritime superiority to meet our national security goals.

Forward presence remains an integral part of carrying out the four pillars. Forward deployment buys decision-makers that most rare and important resource — time. The power and potential of a forward-deployed naval force, ready and able to respond within hours instead of days, is unparalleled. We can react quickly and pivot as needed from a wide range of complex operational and tactical capabilities. It gives the president options to keep conflict far from our shores and at the low end of the escalation ramp. Forward presence is one of the major contributors to America’s status as a world power. The United States must maintain globally deployed forces to dissuade potential enemies and demonstrate to competitors that the U.S. will continue to maintain its maritime superiority and commitments abroad. It signals our resolve to protect American interests, promote global prosperity and defend freedom of navigation. Being forward-deployed, the sea services provide the only forcible-entry option that can operate completely independent of second-nation constraints. Positioning resources at sea enables maritime forces to respond rapidly and decisively at sea and ashore.

The most critical mission of our military services is maintaining a safe, secure and effective nuclear strategic deterrence capability to deter adversaries and defend the United States and our allies. As confirmed in the “2018 Nuclear Posture Review,” the ballistic-missile submarine force (SSBN) provides the most survivable leg of the nuclear triad. SSBNs will be responsible for approximately 70 percent of deployed warheads under the current treaties. As the Ohio-class SSBN force reaches the end of its operational life, the Columbia class will be the next generation
of SSBNs. With no daylight between the retirement of the Ohio class and the deployment of the Columbia class, it is critical that this program be well-funded to prevent any delays that would leave us without a credible deterrent.

This strategic imperative comes at a high cost. Congress has shown its commitment by making a 355-ship Navy law and has demonstrated its commitment to Coast Guard recapitalization and proper sealift capability. However, Congress must follow through and fund these programs appropriately and consistently, regardless of changes in administrations or short-term economic challenges. Without higher funding levels the sea services cannot meet these missions. The growing demands on the sea services and U.S. merchant fleet are exacerbating readiness challenges. Being pulled from crisis to crisis on a near-constant basis, America’s maritime forces have been stretched beyond sustainable levels. A larger fleet is demanded now, and in the future. If Congress does not consistently provide adequate funds, our maritime forces can continue to expect deferred maintenance, less training, overstressed ships and crews, greater risk, and a less secure American citizenry.

The Navy, Marine Corps, Coast Guard and U.S.-flag Merchant Marine must:

- Maintain and expand as the world’s finest maritime force.
- Execute needed recapitalization programs without operations, maintenance and training bearing the cost.
- Preserve the quality of the all-volunteer force and take care of our Sailors, Marines, Coast Guard men and women, and civilian mariners.
- Be forward-deployed as America’s first response to crises around the world.

**LAW OF THE SEA**

As the nation’s foremost citizens’ organization committed to preserving U.S. security through strong sea services, the Navy League of the United States adamantly supports U.S. accession to the U.N. Convention on the Law of the Sea. We urge the U.S. Senate to give its immediate advice and consent to this important treaty.

Joining the convention would reinforce and codify the freedom-of-navigation rights on which U.S. naval forces depend every day for operational mobility: unrestricted passage through critical international straits and freedom to operate in the exclusive economic zones that cover nearly 40 percent of the world’s oceans. In addition, the convention provides a firm foundation for maritime counter-terrorism, counter-proliferation and law enforcement operations. Unfortunately, as long as the United States remains outside the convention, our critical maritime activities must rely on ambiguous legal footing. Older, less advantageous treaties, and unwritten “customary international law,” are easily distorted and can be altered by those who do not share our interests.

The Navy League believes it is long past time for the United States to reassert its leadership and secure the substantial benefits of a convention the United States proposed and helped create more than 40 years ago. The United States should join the Law of the Sea Convention immediately.
THE SEA SERVICES TEAM

The sustained presence of the U.S. Navy, Marine Corps, Coast Guard and U.S.-flag Merchant Marine in hotspots around the globe demonstrates our resolve, ensures access to sea lanes and deters conflict. Our strength shows that the United States can and will prevail across the full spectrum of conflict. We need hulls in the water and boots on deck, globally deployed and ready to act.

Here at home, all our military services are struggling to recruit and retain the force. American sea power is fighting to retain sufficient talent and diverse skills needed to keep the national fleet properly manned, trained and equipped. We must invest in people, capability, capacity and readiness — all are necessary to successfully carry out the “National Security Strategy.”

As the extraordinarily high demand for sea service support across the globe continues, we applaud the funding Congress and the president are beginning to provide. Moving forward, we must ensure budgets restore the readiness of our maritime forces and provide the necessary manpower and training to effectively employ our capabilities. We also recognize that our Navy personnel are deploying for extended periods that are often up to nine months away from their homeport. Marines are deploying at a rate that far exceeds the one-to-two deployed-to-dwell ratio that is needed to keep them highly effective. The demands on Coast Guard personnel continue at a high pace. Given the “war for talent” in recruiting and the small percentage of those who are qualified to serve, it is essential that the sea services support family and personal health to ensure retention. The number of mariners available to man our Maritime Security Program (MSP) and federal reserve sealift ships in time of war continue to fall short of requirements. This shortfall must be addressed to have the necessary surge capability.

As we work our way out of the many years of reduced budgets we must continue to attract, train and retain intelligent, highly motivated and capable men and women. An all-volunteer force that is the premier fighting force in the world must not see its leaders retreat from responsibility. The sea services must have the right people to man and operate its ships, planes and equipment, and be the warfighters our country needs at the tip of the spear.

They must receive adequate pay raises in accordance with the 2003 law that ties military pay raises to private sector growth, as well as high-quality support infrastructure including housing, commissaries and exchanges, and modern office and classroom facilities. Additionally, we must recognize the deleterious effect of reduced training time and resources, extended deployment periods and reduced dwell time on our servicemen and women. This has been exacerbated by continuing resolutions and sequestration, and we must not revert to these budgeting practices again. Recruiting and retention are dependent on compensation, health care benefits, retirement and quality of life to attract and retain dedicated and qualified professionals, while training and education are mandatory for operational readiness. Only 28 percent of today’s graduating high school seniors are eligible to enlist in the services, we must have the tools to compete to attract the right ones.

Navy Manning should be set at 335,000 personnel if the Navy is to fight and win in major combat operations, succeed in irregular warfare and perform humanitarian disaster response. Additionally, ship deployment schedules should not exceed the nominal six-month deployment cycle, with sufficient downtime and training periods to assure the effectiveness of our Sailors.

The Marine Corps’ optimal end strength of 186,500 active duty and 38,500 Reserve forces. This is critical to ensure it is able to reshape the post-drawdown force, maintain
a one-to-two deployed-to-dwell ratio, and is ready to respond when called upon.

The Coast Guard is a critical component of our national defense capability and should be maintained at 47,069 personnel. Since 9/11, the service has been thrust into mission-rich environment but has not been given sufficient personnel. The Coast Guard must be resourced appropriately to safely and proficiently execute evolving missions, while maintaining its core competencies.

The U.S.-flag Merchant Marine remains a critical component of our sea services. As such, sufficient funding for education and training of merchant mariners is needed to ensure an adequate pool of skilled personnel for the commercial maritime industry and military strategic sealift activities. Recapitalization of the five training ships and full funding of maritime academies assistance, including the student incentive programs at the six state maritime academies, will ensure our merchant mariners have the training they need. We must rely on this force to provide sealift in time of peace, crisis and war.

Sea service personnel should be recognized for their extreme value to this nation. Our men and women in uniform make up the finest fighting force and global force for good. Government and industry must invest in workforce training and education to attract and retain high-quality professionals. It is critical that the next generation of Sailors, Marines, Coast Guard men and women, and merchant mariners be prepared to face the challenges ahead and excel as leaders. There are many excellent programs for educating and motivating America’s youth to achieve the highest standards of personal excellence, moral integrity, patriotism, and mental and physical fitness. Supporting youth programs such as the U.S. Naval Sea Cadet Corps, the Navy League Cadet Corps, Young Marines and Junior ROTC is an investment in our nation’s future. There must be a concerted effort to achieve excellence in all areas of educating and training America’s youth, particularly in the areas of science, technology, engineering and math (STEM).

THE NAVY LEAGUE OF THE UNITED STATES SUPPORTS:

- Recruiting and retention policies that ensure adequate personnel for the current and future operational tempo to support multiple, regionally dispersed contingency operations and natural/man-made disaster response, while ensuring the readiness to fight and win in a major theater combat operation.
- Authorized end strength for the Navy of 335,000 active-duty.
- Authorized end strength for the Marines of 186,500 active-duty.
- Authorized end strength for the Coast Guard of 47,069 active-duty.
- Unencumbered training, including providing the material and equipment necessary to accomplish the training in order to meet the demands of full-scale combat and irregular warfare.
- Funding the education and training of merchant mariners to ensure a sufficient pool of skilled personnel for the commercial maritime industry and military strategic sealift activities.
- Recapitalization of the five training ships for the maritime academies, through the National Security Multi-Mission Vessel Program.
- Full funding at authorized levels for the U.S. Merchant Marine Academy and state maritime academies.
- Providing adequate funding to properly maintain and improve sea service shore infrastructure to support current and future missions.
- Continuing care for our wounded warriors throughout the duration of their physical and/or psychological infirmity. The nation’s responsibility to those who are wounded in its service does not end when the emergent, or secondary, medical support is completed. Many, if not most, of our wounded veterans will bear the scars of their wounds — mentally and physically — for the rest of their lives. The Marine Corps’ Wounded Warrior Regiment and the Navy’s Safe Harbor Program provide the type of assistance our wounded/injured Marines, Sailors and Coast Guard men and women need to recover from the trauma of war. The Navy League endorses full support of these programs.
- Increased support for the U.S. Naval Sea Cadet Corps, as well as the Navy ROTC, the Navy and Marine Corps Junior ROTC, STEM programs and maritime-related high school programs.
- Military Officers Association of America (MOAA) legislative efforts to assure the viability of the Tricare program and preclude another hollowed-out force like the United States experienced in the 1980s and ’90s.
- Providing incentives for Navy active-duty/Selected Reserve health care professionals and nuclear-trained professionals to join or remain in the service.
The U.S. Navy is the surest guarantor of safeguarding the ocean’s waterways, ensuring the free movement of goods and services across the globe. It is the U.S. Navy that is forward-deployed, constantly dissuading potential adversaries, assuring allies and building partnerships. It is the U.S. Navy that must ensure that the robust maritime logistics train to support other services in times of conflict will remain intact against potential adversaries. It is the U.S. Navy that is a first responder to any conflict around the world. Investing in America’s Navy will generate jobs, increase the availability of skilled workers, generate secondary and tertiary economic benefits, and help secure America and American interests for generations to come.

In order to accomplish its mission, the Navy must have sufficient resources to balance all elements of being forward-deployed. The fiscal year 2018 National Defense Authorization Act codified into law a goal of 355 ships for the Navy fleet. The Navy’s shipbuilding plan, submitted with the fiscal 2019 budget request, outlines how this goal will be accomplished. The first milestone is 326 ships by 2023. The Navy plan includes modernization and a service life extension program for many ships in the current fleet. Aircraft, weapon systems, and command and control must exist in sufficient quantities and be exercised in realistic scenarios. People must be recruited, trained and retained in our all-volunteer service.

With a rising China and a resurgent Russia, the U.S. does not enjoy a monopoly on sea control or sea power. Rogue regimes such as North Korea and Iran persist in taking actions that threaten regional and global stability. The Navy’s priorities have been clearly defined by the “National Security Strategy,” which directs our Navy to protect the American homeland, promote economic prosperity and advance American influence throughout the world. The “National Defense Strategy” operationalizes these imperatives and articulates the plan to compete, deter and win in a newly competitive security environment. In 2018, the Navy implemented the defense secretary’s Dynamic Force Employment, which ended regular, predictable carrier strike force deployments in lieu of more unpredictable ones.

The “Navy the Nation Needs” is the maritime vision that outlines the Navy’s response to the “National Defense Strategy.” It articulates the Navy’s role as part of the broader military joint force across three lines of effort. First and foremost is the restoration of readiness, while
building a more lethal joint force. Next is strengthening traditional alliances while building new partnerships to expand American influence and fortify global resolve. Finally, the Department of the Navy must achieve greater performance by adopting agile acquisition processes such as digital engineering processes, which promote the digital representation of systems and interfaces, early engagement with industry, and capability iterations that ride the technological curve while being a good steward of America’s tax dollars. Advanced acquisition strategies can help avoid funding spikes that can create problems for commercial providers. Budgetary tools such as industry block buys, multiyear pricing options with innovative funding approaches, and advanced appropriations can stabilize accounts. This requires continuing support from Congress to provide, maintain and operate a global Navy.

Years of reduced, unstable and late funding have contributed to insufficient ships, aircraft and weapon systems, along with the inability to perform scheduled maintenance. The lack of training assets, plus a high tempo of operations have severely affected readiness to the point of increased risk of accidents and incidents. It has even affected the ability of some ships to sail and some aircraft to fly in order to meet scheduled commitments. Stable and predictable funding leads to more planning time, productivity and purchasing power, and restores readiness through precise resource allocation. Steady budgets also sharpen perishable warfighting skills by sailing ships and flying aircraft during critical training events, and stabilize the industrial base, especially shipbuilding, so that it is efficient, agile and responsive. This all leads to the ability to maximize the use of every taxpayer dollar.

Describing “Navy the Nation Needs,” Adm. Richardson, lists six key points.

- **A bigger Navy** is a more powerful Navy; multiple studies have concluded 355 ships is the correct number.
- To build a **better Navy** each platform must be modernized so the same number of ships creates more naval power.
- Create a **more networked fleet** that can share data across the force, and effectively leverage an increased awareness.
- Develop a **more talented workforce** to man the larger, better and networked fleet. The skillsets Sailors will need to succeed in the future are different.
- Operating the Navy requires an **agility** in how it looks at its concepts of operations, constantly developing technology to support distributed maritime operations.
- A **more ready Navy** — maintained and logistically supported.

The nation’s Navy needs to sail out to sea, fly, have full magazines, train effectively, have logistics in place, and have all the parts to do maintenance. All those things bring the fleet to life and turn it into actual energy and capability.

Released in March 2015, the maritime strategy “A Cooperative Strategy for 21st Century Seapower” was updated and identified how the Navy, Marine Corps and Coast Guard will design, organize and employ naval forces in support of the national security interest and homeland security objectives. The strategy emphasizes operating forward and engaging partners across the globe, especially in the Indo-Asia Pacific region. The strategy calls for increasing the Navy’s forward presence to 120 ships by 2020.

**SHIPS AND SHIPBUILDING**

The nation’s capability to build naval ships is at risk due to unpredictable funding. As a result of years of unstable funding, second- and third-tier suppliers have diminished to sole domestic sources, with commercially capable suppliers reluctant to bid on unique naval demands. Shipyards must have strong signals and commitments from Congress to rebuild an offensive naval force. We are at a historical tipping point. Without full-service shipyards and a supporting supplier base, the 355–ship Navy is in jeopardy. Absent a robust industrial base comprising designers, planners, welders, pipefitters and electricians, those national capabilities cannot be sustained.

The U.S. maritime industry includes metal recyclers, principally located in Louisiana and Texas, who employ thousands of American workers to recycle vessels to U.S. environmental and safety standards. The recycled metal is used by the U.S. steel industry and export markets. The money gained from the sale of obsolete government vessels funds maritime heritage grant programs and state maritime school initiatives.

The Navy League strongly supports a U.S. Navy shipbuilding and conversion (SCN) budget of more than $26.7 billion annually to meet the shipbuilding goal. The Navy League also supports fully funding the Ohio replacement program (Columbia class) and strategic sealift recapitalization outside SCN and special legislation to work around continuing resolutions and sequestration, if necessary.
Inclusive in the required ship inventory of at least 355 are no less than:

- **12 aircraft carriers**: Twelve carriers are needed to provide sufficient worldwide coverage of combatant commanders’ Title 10 directed requirements. It is vital to maintain the currently scheduled refueling of the Nimitz-class carriers, which are essential elements of a shipbuilding strategy that ensures our persistent forward presence well into the future. Two-hull buys, and other acquisition strategies can help reduce the cost to taxpayers.

- **56 small surface combatants (SSCs)/littoral combat ships (LCSs)**: Delivering the currently contracted number of LCSs, along with the rapid fleet introduction of the long-delayed combat modules, is a critical element of the Navy’s future force structure. In addition, the backfit of cost-effective and proven lethality and survivability enhancements developed through the SSC program will deliver much-needed capability improvements to these platforms. The initiation of an SSC program is strongly supported. These ships will take full advantage of investments in the LCS and incorporate lethality and survivability upgrades that will make the SSC a cost-effective, multi-mission addition to the Navy’s future force.

- **66 attack submarines (SSNs)**: In an environment with the growing threat of layered, offensive and defensive precision missile systems, our submarine force’s asymmetric stealth advantage and immunity from missile attacks enables success for the entire Joint Force. Sustaining the gold-standard Virginia-class acquisition program — to include procurement of two hulls per year through fiscal 2025, and the Virginia Payload Module (VPM) starting no later than fiscal 2019 — is vital to the sustainment of this critical capability. This strategy minimizes both the depth and duration of the SSN shortfall below the current requirement of 48, and with the VPM, the loss of undersea payload volume in the post-guided-missile submarine (SSGN) era. It also improves payload distribution across the force, which will complicate adversary planning.

- **14 Ohio-class/12 Columbia-class SSBNs and their Trident II D5 ballistic nuclear missiles**: The nuclear triad of strategic bombers, intercontinental ballistic missiles and sub-launched ballistic missiles has provided the United States with strategic deterrence that has prevented global war for more than 50 years. The most survivable leg of the triad, the SSBN, provides 70 percent of the deployed nuclear warheads under the New Strategic Arms Reduction Treaty. Today’s 14 Ohio-class SSBNs are scheduled to be replaced by 12 Columbia SSBNs. This program has been shifted to the right, and all options in further delaying design and construction of the Navy’s top shipbuilding priority have been exhausted.

For the Navy to meet its strategic deterrence mission, the first replacement SSBN must be on patrol in fiscal 2031 and the 12 Columbia SSBNs must be fully funded and delivered on schedule. Understanding that the cost for this national imperative is high, the Navy is driving program costs down to minimize the impact on other shipbuilding programs. The Navy League welcomes the fiscal 2015 National Defense Authorization Act’s creation of a National Sea-Based Strategic Deterrence Fund as a special repository to pay for the Ohio replacement program. Given the national mission of the SSBN, the infrequent need for recapitalization and the tremendous return on investment, we strongly encourage top-line relief for the Columbia. This is consistent with historical funding of previous SSBN classes.

- **38 amphibious ships**: Our forward-deployed amphibious warships, with a full complement of Marines embarked, are an essential element of our maritime security capability. The requirement to enable either a two-Marine Expeditionary Brigade (MEB) amphibious assault or two one-MEB assaults remains valid and is an essential element of maintaining maritime superiority. Thirty-eight ships also would provide forward-deployed amphibious warships in a one-to-three deployment rotation and allow needed Navy-Marine Corps training to units other than those preparing for deployment.

- **104 large surface combatants**: Continuing construction of new Arleigh Burke-class destroyers as well as the modernization of the Navy’s cruiser and destroyer inventory will ensure the sustainment of the land-attack, fleet air, missile-defense and anti-ballistic missile capabilities.
• **32 Combat Logistics Force ships**: Construction of the 20 John Lewis-class oilers begun in 2016 to replace the 15 Henry J. Kaiser-class oilers. Two Supply-class fast combat support ships are essential to ensure combatant forces are capable of long-endurance, forward-deployed missions without having to replenish at distant, vulnerable shore bases.

• **21 Maritime Preposition ships**: While not in the battle force, the plan is to grow from 14 maritime preposition ships in two squadrons to 21 total ships in three geographically dispersed maritime preposition squadrons of seven ships each. Our forward-based maritime preposition squadrons with their civilian mariner and military force protection detachments are critical to the nation’s global humanitarian disaster and crisis response capabilities.

**AIRCRAFT AND WEAPON SYSTEMS**

Essential to the combat strength of our fleet is the naval aviation capability provided by a minimum of 12 carrier air wings, a fully integrated maritime patrol inventory, a modernized fleet helicopter force and complementary unmanned aerial systems (UASs). Key to that capability is the timely introduction of the F-35C Lightning II joint strike fighter to our carriers and the continued upgrade of the fleet’s F/A-18 E/F Super Hornet strike fighters. The multiyear procurement of the EA-18G Growler electronic attack aircraft and the E-2D Advanced Hawkeye airborne warning and control aircraft should continue until the current programs of record are complete. F/A-18 depot work and spares funding needs to support an increase in aviation readiness to quickly reset our forces, conduct battle and collision damage rapidly, and enable them to quickly return to combat-ready status. Fleet Logistics Support also requires investment, including continued support for C-130 maintenance and procurement of the CMV-22B Carrier Onboard Delivery replacement. Full support for the procurement of the P-8A Poseidon long-range anti-submarine warfare, intelligence, surveillance and reconnaissance aircraft and the Triton Broad Area Maritime Support UAS will ensure our maritime patrol supremacy well into the future.

Cutting-edge command, control, communications, computers, intelligence, surveillance and reconnaissance (C4ISR) is central to a naval strike group’s combat capability and is a critical force multiplier. C4ISR is not just an enabler of more efficient and effective operations, it also provides the information, command and control (C2) and precision targeting essential to ultimate success.

Continued investments in weapons innovation, to include unmanned underwater and aerial vehicles, and non-kinetic weapons, such as the rail gun and lasers, are an essential element of sustained surface and undersea dominance. A family of unmanned vehicles — from the Large Displacement Unmanned Undersea Vehicles to torpedo tube- and 3-foot launcher payloads — will enable execution of higher-risk missions with low unit costs while furthering the undersea forces’ reach.

The Navy League applauds the direction the Navy is taking in cyberwarfare and cybersecurity to promote assured C2, electromagnetic maneuver warfare, cyber and integrated fires. We must be ready to fight and win in contested and denied environments by leveraging our superior technology. The integration of all elements of cyberwarfare — from policy and requirements to research and development, training, fielding and operations under the Navy Cyber Command/U.S. 10th Fleet — has established the Navy as one of the nation’s critical resources in this complex and rapidly evolving warfare discipline.

**INDUSTRIAL BASE**

The United States must maintain our industrial base capacity and capability. Our industrial base — and our “intellectual industrial base” of research institutions — breeds competition that results in greater innovation. This innovation ensures that our Sailors, Marines and Coast Guard men and women have the best American industry can deliver. A strong industrial base guarantees that we can rapidly build capability and capacity to enable us to prevail in war.

We are entering an era where we need a third “offset strategy” to counter the emerging threats around the world. The first offset strategy was designed to counter the advantage the Soviet Union had of sheer numbers. The destructive impact of nuclear weapons was the first offset. Once the Soviet Union achieved nuclear parity, our industrial base delivered increased stealth and guided mun-
In September 2018, the administration released its report, “Assessing and Strengthening the Manufacturing and Defense Industrial Base and Supply Chain Resiliency of the United States,” the first step toward realizing a third offset. The technological margin that our military enjoys is eroding at an accelerated pace. This report details the drastic effects of intellectual property and research theft from our industrial base by other countries who seek parity with our forces. We depend on our industrial base to give our services the “technological overmatch” to give our allies confidence that we will be there when needed and that we can win. This shrinking margin may also undermine deterrence.

Today, we need a third offset strategy in order to sustain and advance our technological advantage over China, Russia, Iran and North Korea. There are three facets to this effort:

- What can we do now with what we have?
- What can we develop from basic research?
- What basic research can develop into long-range research?

For example, using current technology, the Navy recently used a Block IV Tomahawk cruise missile to create a 1,000-mile anti-ship missile that could be cued from an aircraft to hit a moving target. The only change was to put an advanced seeker on the Tomahawk, and the result will
mean increased — and distributed — lethality in the fleet. Another example is making sure that we have considered all joint requirements for the new family of UASs.

The Navy is a smaller customer than it once was, but today's industrial base is merely adequate to support the Navy at its present size. The surge capacity that the service has depended upon in times of conflict is nearly gone. As a result, the sea services must employ more thoughtful acquisition processes and policies for repair parts, since those spares cannot be manufactured with short lead times in a crisis. Low production rates and unstable funding causes costs to rise faster than current inflation rates.

The naval services are challenged to maintain decades-old aircraft, ships and submarines. This means that the cost of maintaining this equipment is projected to soar. The industrial base can help, but it requires informed acquisition policies to ensure key battle spares are on the flight line or on the pier when and where needed to quickly return our fleet to operations. Performance-based logistics (PBL) is a time-tested way to incentivize our industrial base to provide the service and support that our weapon systems need to be ready to fight and win. With the proper incentives, industry can provide effective readiness for the maritime services' weapon systems. With expanded use of PBL, the industrial base could be incentivized to invest in components that break less often.

The services are already seeing the readiness of non-deployed forces fall to unacceptable levels, and an enlightened procurement strategy to sustain our weapon systems is the only way to improve the readiness of these forces.
Operating from expeditionary forward locations, amphibious warships and alternative sea-based platforms, Marines remain forward-deployed around the world, protecting not only our nation, but also supporting the international order that underpins our prosperity and security. In a world of brushfire instabilities, violent extremism, nonstate threats and struggling sovereign entities, Marines are needed to respond to unfolding crises and support and defend U.S. interests.

The Marine Air-Ground Task Force (MAGTF) is a unique, scalable and flexible warfighting organization that combines the presence and power-projection capabilities of the entire naval force and leverages and applies the power and capabilities of joint, allied and coalition forces. In any crisis, contingency or major war, the operational and combat synergy of the MAGTF and the joint or allied expeditionary force is far more powerful and effective than the simple sum of its unit elements. Powerful maritime force combinations leverage their control of the seas and littorals to influence the affairs of populations ashore.

The Marine Corps remains America’s expeditionary force in readiness. This amphibious expeditionary role reflects the intent of the 82nd Congress in the early 1950s when it directed, “The nation’s shock troops must be the most ready when the nation is least ready ... to provide a balanced force in readiness for a naval campaign and, at the same time, a ground and air striking force ready to suppress or contain international disturbances short of large-scale war.” On a daily basis, this prescient guidance shapes the culture, organization, training, equipment and priorities of the Marine Corps and the Navy-Marine Corps team. Everything the Marine Corps undertakes must tangibly and visibly contribute to its combat readiness and effectiveness. They have the ability to execute unforeseen deployments around the world with ready, relevant and capable forces, supported by ISR assets that strengthen joint and combined capabilities.

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for joint commanders, or as an early entry capability for the larger joint force.

As the MV-22 Osprey tiltrotor aircraft completes fielding, the game-changing nature of the aircraft already has expanded MAGTF capabilities during both combat and crisis response operations. The capability of the fifth-generation short–takeoff/vertical–landing F-35Bs operating from amphibious flight decks or dispersed expeditionary airfields will increase the organic capabilities of the MAGTF and provide more options and greater flexibility for joint planners and commanders. These two unique Marine Corps platforms are informing and shaping MAGTF combat development and will result in a far more combat-ready and capable Marine Corps in the future.

Additionally, the Marine Corps’ response capabilities are enhanced by two specialized maritime prepositioning ship squadrons. Originally designed for pier–side or near–shore in–stream offload, this family of Military Sealift Command–owned and –operated platforms continues to be refined and upgraded so that Marine forces and equipment can be tactically offloaded at sea. This expands the ability to project relief and influence or reinforce combat power without dependence on secure infrastructure. The Marine Corps continues to be closely aligned and partnered with the Navy in its collective efforts to restore relevant global U.S. maritime force capability and capacity.

The Navy and Marine Corps amphibious expeditionary team now is facing an emerging security environment that seems perfectly aligned with their day–to–day naval capabilities for crisis response, building partner capacity, expeditionary access and disaster response. In larger contingencies, amphibious expeditionary Marines still provide an operational asymmetry from amphibious and other sea–based platforms that forces would–be opponents to defend across the range and depth of the conflict region. This multipurpose utility makes the Marines, and Navy amphibious expeditionary warships and forces, a compelling security investment in uncertain times.

MARINE FORCE 2025

The “U.S. Marine Corps Service Strategy 2016” provides a 10–year outlook and defines the strategic ends to organize, train and equip the force consistent with the character of war in the first half of the 21st century. The Marine Operating Concept (MOC) describes how the Marine Corps will use its capabilities to fulfill its Title 10 mission responsi-
understand, plan and execute information environment operations as an integral component of MAGTF operations. To address these shortcomings, the Marine Corps is standing up the MEF (Marine Expeditionary Force) Information Group (MIG) as a MEF Command Element subordinate command dedicated to planning, coordinating, and/or supporting information environment ops missions across the MEF’s area of interest. The development of the MIG enables the MAGTF to rapidly identify threats, vulnerabilities and opportunities to shape the information environment — where our rivals already have a presence.

- **Long-range precision fires**: The Marine Corps must expand its capability in the future operating environment to counteract the enemy’s capacity for long-range precision fires and mass counter-battery fires. This requires sufficient and affordable long-range, precision naval surface fires capabilities, such as the long-range land attack projectile for joint crisis response, contingency and forcible-entry operations.

- **Air defense**: The future operating environment can no longer assume air supremacy as the Marine Corps has had in past conflicts. The Marine Corps must be able to defend against the emerging counter-UAS threat and persistent aerial threats, such as rotary-wing and fixed-wing aircraft and cruise missiles.

- **Protected mobility/enhanced maneuver**: The Marine Corps must close its protected mobility gap to effectively maneuver in the future operating environment. Protected mobility includes protection on land, air and sea maneuvers.
THE WAY FORWARD: MCF2025 AND SD25

SD25 is designed to inform MCF2025 efforts to ensure the MAGTF is postured to address future challenges in accordance with the “National Defense Strategy” and defense planning guidance. As part of SD25, Marine Corps Combat Development Command and the Marine Corps Warfighting Laboratory, in partnership with operating forces and leading defense scientists and scholars are leveraging existing exercises and deployments in order to inform MCF2025 force design decisions. New structures, organizations, tactics, techniques and procedures, along with emerging technologies, are being assessed and implemented across the MAGTF.

SD25 is a 10-year, three-phase approach, designed to explore, refine and validate emerging concepts, and identify ways to maintain and refine the current force while enabling it to counter future threats. SD25 phase one is already completed and includes observations of 3rd Battalion, 5th Marine Regiment (the service’s experimental force), as they participate in large-scale exercises, pre-deployment training and certification and combined joint force exercises while deployed. SD25 phase two began in fiscal 2018 with a focused look at hybrid logistics to examine the capabilities of the MCF25 Combat Logistics Battalion to support Marine forces in amphibious operations. Two major experiments are planned in conjunction with an integrated training exercise in Twentynine Palms and Trident Juncture 18 in Norway. This will be followed by experiments with the newly formed MIG in fiscal 2019 and with the expeditionary advance base concept, phase three, in fiscal years 2020 and 2021.

READINESS

As the Marine Corps modernizes for 2025 and beyond, it still must be ready to fight tonight. Since 2003, the Marine Corps has been engaged in Operation Enduring Freedom and Operation Iraqi Freedom, while the 2011 Budget Control Act and continuing resolutions have harmed its funding. The combined effects of extended operations, and inconsistent and insufficient funding, have devastated readiness. With the passage of the fiscal year 2019 National Defense Authorization Act on time for the first time in over a decade, the Marine Corps has a better opportunity to rebuild and increase its lethality. With this budget, the aviation, field- and depot-level maintenance, joint-naval force integration, cyber operations, MIGs, innovation and experimentation and joint/multilateral training exercises will receive increased funding. The Marine Corps’ path to achieve maximum readiness both in the near- and far-term combines key modernization efforts, investments to improve select legacy systems, force design adjustments, and training infrastructure enhancements to attain an optimally effective force. These efforts are mutually interdependent and cannot be executed in isolation or effected in a singular budgetary cycle.

MANPOWER

The biggest single fiscal obligation of the Marine Corps is manpower. The Marine Corps must operate with the force it can afford. While the size of the Marine Corps will grow slightly due to the addition of 1,100 Marines to enhance cyber, information operations, intelligence and special operations capabilities, the Marine Corps acknowledges the fact that its force is, by necessity, becoming older and more expensive. Therefore, apart from an increased requirement for a few new specialized skills, the Marine Corps’ end strength will remain relatively unchanged. The service will however require full funding to reset, sustain and modernize to meet current and future force structure, infrastructure, training and readiness requirements.

A Marine with Kilo Company, 3rd Battalion, 5th Marine Regiment, assists his squad by providing reconnaissance with an InstantEye unmanned aerial system at Marine Corps Air Ground Combat Center Twentynine Palms, California, Aug. 5, 2016.
The new 26th Commandant, Adm. Karl Schultz, has articulated three inter-dependent guiding principles for his tenure, that, along with the recent release of the "Coast Guard Strategic Plan 2018–2022," emphasize maintaining course while accelerating execution for the service:

- **Ready:** Ensuring Coast Guard personnel are prepared to focus on, and execute, their missions. As the operational center of gravity, the workforce needs effective recruiting and retention strategies, including how to become the employer-of-choice, how to address health care and child care issues, and how to better understand and leverage the risks and advantages of the new blended-retirement system.

  The service has already taken some action. In a series of all-workforce policy messages in May and June 2018, the Coast Guard focused on a number of initiatives to "streamline processes, support members and their families, improve training and empower leaders in order to enhance the mission-ready total workforce."

  Major strategic plans are being updated, including cybersecurity; human capital; and a new “Sexual Assault Prevention, Response and Recovery Strategic Plan,” which, along with a general order prohibiting sexual harassment, was released in August 2018.

- **Relevant:** Ensuring the Coast Guard continues to actively engage and lead in all mission areas, adding value to all partners and stakeholders. This includes supporting DoD’s combatant commanders in defense of our national interests; participating in joint interagency task forces in the DoD and joint task forces in the Department of Homeland Security (DHS); executing the maritime aspects of any comprehensive border security strategy.

The Coast Guard continues to punch above its weight and provide a strong return on taxpayers’ investment. The service remains a unique strategic instrument of national power as the only agency that is simultaneously both a military service as well as a law enforcement and regulatory agency. This ability to be “jurisdictionally bilingual” provides broad authorities for the service to execute its 11 statutory missions, ranging from national defense to homeland security, from search and rescue to drug interdiction and environmental protection.

To execute these missions in the most effective and efficient way, the Coast Guard has been guided by the foundational doctrine found in Coast Guard Publication 1, which identifies seven principles of Coast Guard operations, including clear objectives, effective presence, unity of effort, on-scene initiative, managed risk, flexibility and restraint.
by “pushing out” our borders as far as practicable; and better understanding statutory, budgetary and operational requirements in the Arctic and Antarctic, where Chinese aspirations and long-standing Russian aggression must be addressed. Additional strategic plans are being refreshed, including: the Arctic, energy and Western Hemisphere strategies; a recently released “Maritime Commerce Strategic Outlook; and a refreshed “Coast Guard Strategic Plan for 2018–2022.”

- **Responsive:** Ensuring the Coast Guard retains the agility and bias for action needed to remain an effective and efficient maritime first-responder. Nothing else matters if responses are not timely and successful.

Despite the early initiatives, substantial challenges remain.

**CHALLENGES DRIVE THE SERVICE’S PRIORITIES**

**LAGGING BUDGETS**

Lagging budgets have impacted operations and mission support. The Coast Guard must find greater efficiencies to mitigate budget erosion. Though its budget has increased since 9/11, it still lags behind operational needs, losing about 10 percent in real purchasing power over the last six years. Inadequate Operations and Support (O&R) budgets have required the service incur substantial operational risks.

In fiscal year 2017, 300 ship days were lost due to unplanned repairs, as well as 4,500 hours lost for aviation repairs, which is the loss-equivalent of three medium-endurance cutters and seven MH-65 helicopters per year. In fact, the aviation community has had to cannibalize older aircraft to provide spare parts to keep the rest of the aging fleet flying. The Inland Fleet of tenders and barges is an average of 55 years old, with the oldest commissioned in 1944. An alternative analysis is looking at needed capabilities for modern cutters to cover more area of responsibility.

After a significant lobbying effort by the Navy League the service received $835 million in February 2018 for supplemental hurricane appropriations and is now working to quickly execute storm damage repairs at District 7 and District 8 shoreside facilities. This funding will enable the Coast Guard to repair and rebuild destroyed infrastructure to modern resiliency standards. The Coast Guard’s $1.6 billion in unfunded shore infrastructure backlog increases operational risk and cannot be put off indefinitely.

**STRENGTHENING WORKFORCE AND MISSION READINESS**

Critical personnel shortages, particularly regarding marine inspectors, pilots and operations specialists, are putting undue pressure on readiness and operations. Marine prevention has not kept pace with the scale needed for today’s commerce. On day one of his tenure, Adm. Schultz prioritized civilian marine inspector hiring as one of his early action items. New, higher-tech assets, and the pace of cyber and IT advances, require a specialized workforce and training support to maintain that workforce.

The Reserve Force has often surged to successfully support contingency operations. The force has atrophied over the past few years and, under the stresses of multiple surges (including activation to support the 2017 hurricane responses), requires attention. To that end, a strategic review is currently underway to reassess how to best employ the Reserves, and to identify the force’s requirements, make up and organization.

Trained locally and deployed globally, the Coast Guard Reserve Force touches many mission areas, including national defense. In fact, a Coast Guard Reserve commander has taken command of Charlie Company, Navy Coastal Riverine Squadron One, in Alameda, California. These capabilities need to be nurtured and strengthened.

**ACQUISITION AND THE AGING FLEET**

The Coast Guard’s acquisition priorities to “acquire the right assets” require strong support. An aging fleet, well beyond its designed life, will eventually degrade readiness and operations and put personnel at undue risk. Five major programs require strong management and financial support:

- **Reconstituting a polar security cutter (PSC) capability:** A 2016 DHS mission needs statement concluded three heavy and three medium icebreakers were required.
- **Offshore patrol cutters (OPCs):** The largest acquisition program in DHS history, was awarded in fall 2018. Delivery of the first ship is expected by the fourth quarter of fiscal 2021, with the long-lead contract for OPC No. 2 in fiscal 2018 with a fourth quarter fiscal 2022 delivery date.
- **National security cutters (NSC):** Continued support is needed for these very capable platforms, particularly regarding the critical logistics tail to maintain and sustain the assets.
THE NAVY LEAGUE OF THE UNITED STATES SUPPORTS:

- Authorizing the $750 million requested in the president’s fiscal year 2019 budget request to fully fund the first PSC, which is needed now, and continue appropriations for a total of six PSCs as authorized in the 2019 National Defense Authorization Act.
- Increase the Coast Guard’s operating and support funding by at least 5 percent annually to offset the sustained erosion of purchasing power over the past six years.
- Maintaining at least $2B per year in the Coast Guard’s Procurement, Construction and Improvement (PCI) account to continue major recapitalization efforts, including the:
  - OPCs program-of-record of 25.
  - FRCs: Fund two additional FRCs at $100 million in fiscal year 2019 to continue to replace the overused 110-foot patrols boats at Pacific Forces Southwest Asia.
  - WCC program-of-record to replace the inland fleet.
  - Fund $300 million in fiscal 2019 to decrease the $1.6 billion shore infrastructure backlog to directly enhance operational readiness. The backlog comprises over 95 projects that include piers, sectors, stations, aviation facilities, base facilities, training centers and housing facilities.
  - Fund a $20 million down payment for operationally critical cyber and IT investments.

- Fast-response cutters (FRCs): Two FRCs funded in fiscal year 2018 for Patrol Forces Southwest Asia, with a need in fiscal year 2019 for two additional hulls. Phase two of the contract was awarded in May 2016 to complete the program of record of 58. FRC No. 28 was commissioned in August 2018.
- Waterways commerce cutter (WCC): Recap the inland river tender and barge fleet, with the WCC, which was appropriated $26 million in fiscal 2018.

ARCTIC COMPETITION

Adversarial competition in the polar regions has national sovereignty implications that must be addressed. A strong polar capability is critical to protect our national interests and sovereignty, in light of growing Russian aggression and Chinese aspirations.

Changing conditions in both polar regions are increasing operational tempo, as longer periods of open water are sending fishermen further offshore, expanding access to natural resources and offering greater tourism possibilities. Russia has 46 icebreakers with several more nuclear icebreakers on the drawing board, while China has declared itself a “near-Arctic” nation and has called for a “Polar Silk Road.” China has one polar icebreaker in service, recently launched its first domestically built ship and has a nuclear-powered vessel planned. In this geopolitical environment, the nation needs assured access and a persistent presence in the polar regions.

Six polar security cutters are needed in the longer term, at least three of which need to be heavy icebreakers, and one of which is needed immediately, with the award of detail design and construction planned for fiscal 2019.

CYBER AND IT THREATS

Rapidly evolving cyber and IT threats require an operational necessity investment. With the pace of obsolescence, the cyber and IT expertise needed to address vessel and operational vulnerabilities requires an expensive investment. But, as Vice Adm. Dan Abel noted, “You don’t have a choice not to do it.”

Like other organizations, the Coast Guard faces difficulties in recruiting and retaining cyber and IT expertise.

Despite the expense and pace of cyber and IT investments, smaller scale progress is under review, such as using mobile technology to facilitate the work of maritime inspectors in the ports.
The nation’s ability to deploy and sustain forces is dependent on having a sufficiently large oceangoing U.S.-flag fleet operating in foreign and domestic trades, along with an adequate pool of skilled U.S.-citizen merchant mariners to crew each commercial and government-owned reserve sealift vessel both in peace and war. Consequently, although promulgated in 1989, this longstanding U.S. sealift policy remains relevant today. However, there are now serious challenges to meeting its objectives. Commercial U.S.-flag vessels engaged in international trade, and the Navy’s and Maritime Administration’s (MARAD’s) reserve sealift fleets have declined dramatically and are under economic and fiscal pressures that are impacting their long-term ability to surge and support our joint forces in a crisis.

The National Security Directive on Sealift states, “Sealift is essential both to executing this country’s defense strategy and to maintaining a wartime economy. ... The United States’ national sealift objective is to ensure that sufficient military and civil maritime resources will be available to meet defense deployments and essential economic requirements in support of our national security strategy. ... The U.S.-owned commercial ocean carrier industry, to the extent it is capable, will be relied upon to provide sealift in peace, crisis and war. This capability will be augmented during crisis and war by reserve fleets comprised of ships with national defense features that are not available in sufficient numbers or types in the active U.S.-owned commercial industry.”

The Jones Act

- $100B in total economic output
- $10B in tax revenue
- $29B in annual wages
- $46B added to the value of economic output

Creates 500,000 jobs: 1 shipyard job creates 4 jobs elsewhere in the economy

The domestic component of the U.S.-flag fleet is governed by the Jones Act, which requires vessels in domestic waterborne trade to be owned by U.S. citizens, built in the United States, U.S.-flagged and crewed by U.S. mariners, has stabilized recently due to recent recapitalization of ships
in the Hawaii and Puerto Rico trades, and new tankers to transport shale oil. Without the Jones Act the Coast Guard and Customs and Border Protection would have the enormous and costly new burden of ensuring foreign mariners are properly vetted at hundreds of inland waterway locations to preclude homeland security incidents.

While the domestic fleet has stabilized, the number of non-Jones Act U.S. vessels in international trade has declined by more than 20 percent over the last five years, from 106 to 83. This is the result of several factors: a 50 percent decline in government-impelled cargo revenue since 2012 due to reduced military operations in Iraq and Afghanistan, shrinkage in the U.S. global military presence, inability of the Export-Import Bank to provide guarantees for greater than $10 million, legislation that reduced cargo preference requirements for food aid, and challenges related to uniform implementation of cargo preference across federal activities. New programs are needed to reverse this decline, such as expanding the Maritime Security Program (MSP) and/or reservation of a percentage of export cargoes on U.S.-flag ships. Full compliance by government agencies and shippers needs to be enforced through rulemaking or new legislation to ensure the long-term sustainability of the U.S.-flag fleet.

Retaining the current MSP fleet is critical since it makes up 75 percent of the total U.S.-flag commercial fleet in foreign trade, with only about 20 other ships supported only by preference cargoes or long term MSC charter arrangements.

Combined maritime services shortfall of 1,800 mariners to crew all U.S.-flag commercial and government reserve sealift vessels during a full mobilization for a sustained period of more than six months.

(Each figure represents 100 mariners)
Additionally, the deactivation of Maritime Prepositioning Squadron One and the reduction of Army prepositioning ships has cut the number of seagoing billets. These and other losses of “blue-water” U.S.-flag vessels have also resulted in the loss of thousands of mariner jobs. A working group comprising members from U.S. Transportation Command, the Office of the Secretary of Defense, the Coast Guard, Navy and MARAD assessed that we have a shortfall of 1,800 mariners to crew all U.S.-flag commercial and government reserve sealift vessels during a full mobilization for a sustained period of more than six months. Additionally, budget sequestration and continuing resolutions have negatively impacted the funding provided to support U.S.-flag vessels operating in international trade and the readiness of the federal government reserve sealift fleets.

Although funding for the MSP and other MARAD initiatives have been fully supported by congressional actions over the last two years, future funding is uncertain due to the Budget Control Act funding caps that return in 2020. The 60-vessel MSP, authorized through fiscal year 2025, provides a foundation to support the U.S. commercial fleet operating in the international trade and an economically viable U.S.-flag Merchant for national defense and economic security. Sustaining the MSP for future surge and sustainment operations requires full, long-term funding for program stability, including continued exemption from sequestration, even during continuing resolutions. The successful MSP model provides a natural baseline for

- Export of a percentage of liquefied natural gas and crude oil on U.S.-built, U.S.-flag ships, as called for in the 2018 Energizing American Shipbuilding Act: This will help stem the decline of U.S. shipping in foreign trade, boost mariner employment, and provide additional work for U.S. shipyards. Similarly, a program for automobile exports should be supported to increase the number of militarily useful ships under U.S.-flag.
- Budgetary and legislative measures that preclude capital and operations-related changes in the application of U.S. tax laws: This is to counter Internal Revenue Service advice that land components of intermodal transport activities do not qualify as “qualified shipping activities” under the tonnage tax law, and that MSP payments are subject to regular corporate rates of taxation, which could seriously impact the cost to operate vessels under the U.S. flag, jeopardizing their economic viability.
- The repeal of current Internal Revenue Code language: This is so Capital Construction Fund deposits and earnings are treated the same way for purposes of the corporate alternative minimum tax as they are under the regular corporate income tax, helping to expand U.S. shipping by making the financing of U.S. ship construction less expensive.

The 2016 graduating class of Kings Pointers stand during their graduation ceremony at the U.S. Merchant Marine Academy in Kings Point, New York, June 18.

THE NAVY LEAGUE OF THE UNITED STATES ALSO SUPPORTS:

- A strong strategic sealift officer component in the U.S. Navy Reserve: This ensures critical skills and experience are retained to support Navy and sealift transportation, and to provide a backup pool of licensed mariners.
- A robust military-to-mariner program: This facilitates the transition of former Army, Navy and Coast Guard sailors/mariners to certificated/licensed merchant mariner positions to help address projected shortfalls.
- World War II mariners: Legislation for the Department of Veterans Affairs to treat merchant mariners as veterans of World War II as they do all other veterans.
- National defense features: Navy funding of such features on both U.S.- and foreign-built vessels is needed to enhance their military utility in support of contingency operations.
- Dual-use vessels: The Navy and MARAD should actively work to operationalize the concept of the dual-use vessel on AMH for recapitalizing the RRF, or to propose another viable alternative, by developing and implementing legislative and policy changes for enactment in fiscal 2020.
- Consolidation of MARAD program authorizations in the National Defense Authorization Act and appropriations in the Defense Appropriation Bill: This would ensure MARAD’s programs are properly funded to meet national security requirements, including Title XI, NSMV, research and development, AMH, etc. The current arrangement results in a fragmented program execution and insufficient resources.
expansion of the U.S.-flag international fleet. For example, if the ongoing "Mobility Requirements and Capabilities Study" (MCRS) supports it, doubling the number of MSP roll-on-roll-off ships and creation of an MSP-like program for 30 product tankers to meet wartime requirements could eliminate the current wartime manpower shortfall and reduce the need for RRF recapitalization. Funding for MARAD’s Ready Reserve Force (RRF) of 46 vessels and MSC’s 15 reduced operating status vessels has been inadequate to maintain both fleets’ readiness, and sequestration could impact it further. This could reduce reserve sealift readiness and capacity below levels that would fully meet the combatant commanders’ operational plans for major deployment of ground forces, which call for 95 percent of unit equipment and sustaining supplies to be moved by strategic sealift. Reduced funding will decrease the number of mariners employed on these vessels, and without adequate sealift and sealift manning, mission capability will be compromised.

Another issue with the RRF is the advanced age of most of its vessels, now averaging more than 43 years. Without substantial increases to future shipbuilding budgets, the Navy will not have sufficient funds to recapitalize these ships during the next decade when they reach the end of their expected service lives. While some of these ships can have their lives extended five or 10 years, the Navy hasn’t provided sufficient funds for such extensions, and the ships eventually will need to be replaced. In addition to buying used ships and building a new class of common hull auxiliary multi-mission platform vessels, one other alternative explored by the Navy is the option of supporting the development of coastwise services of dual-use vessels (commercial ships with military utility). These commercial ships would alleviate congestion, road wear and pollution along the I-5/I-95/I-10 corridors in peacetime by carrying domestic 53-foot tractor trailers/boxes along these American Marine Highways (AMH), while also being quickly available to support a major deployment of military equipment through participation in the Voluntary Intermodal Sealift Agreement program. This program, in which all MSP vessels and at least 50 percent of the Jones Act fleet participate, fulfills the intent of the national sealift policy that commercial ships have priority in meeting sealift requirements. The Title XI Federal Ship Financing Program can partially support recapitalization of Jones Act tonnage, and new capacity to meet the AMH shipping needs. There are currently several hundred million dollars in pending and expected applications for new vessel construction in U.S. shipyards that cannot be fully funded.

Beyond the availability of sealift shipping, the training of U.S. mariners is a critical issue. Even though the number of ships has reduced, the demographics of current mariners and the demands of the offshore oil and inland waterway industries have resulted in a robust demand for graduates of the U.S. Merchant Marine Academy, the six state maritime academies and industry training schools. Fewer training billets afloat, and aging training ships at the state maritime academies and industry schools are making it increasingly difficult to provide these new entrants the increased sailing time to meet licensing and training requirements. This is crucial as the International Maritime Organization’s Standards for Training, Certification and Watchkeeping that went into effect on Jan. 1, 2017. The academies need five new training vessels through the National Security Multi-Mission Vessel (NSMV) program, the first delivered by 2022, will prepare them for their role in the maritime community. Two of the ships have already been authorized, and three more will be eventually required to fully meet training requirements.
MARINE TRANSPORTATION SYSTEM

The U.S. Marine Transportation System (MTS) consists of waterways, ports and their intermodal connections, vessels and vehicles. The more than 41,000 American-built, American-crewed vessels operating in domestic maritime transportation contribute more than $100 billion per year to the U.S. economy. These vessels move more than 1 billion tons of cargo annually and create 500,000 direct jobs. Additionally, annual taxes generated by the domestic fleet top $11.5 billion.

The U.S. Army Corps of Engineers’ dredging and new construction program funds projects, such as a second Poe-sized lock on the Great Lakes and upgrades to U.S. Coast Guard navigation aids in river and harbor channels that connect U.S. ports to the world. The Harbor Maintenance Trust Fund (HMTF), resourced from the Harbor Maintenance Tax fees of about $1.7 billion a year, was intended to pay for the construction and maintenance of harbor and navigation channels and aids when it was developed in 1986. While the Water Resources Reform and Development Act (WRRDA) of 2014 set targets for increasing expenditures to 100 percent of funds received in the HMTF by fiscal year 2025, recent appropriations and budget submissions have not always met targets. Appropriation of the full authorization is mandatory since there are billions of
dollars in project backlogs, including urgent investments to accommodate the larger ships using the expanded Panama Canal. The Inland Waterway Trust Fund (IWTF) is used to repair/replace aging infrastructure on the inland waterway system. The system is capable of carrying huge additional amounts of freight and petroleum products at a fraction of the cost of other modes of transport. Any increased revenue generated for this fund needs to be invested in reducing the billions of dollars in backlogged maintenance to upgrade/replace much of the obsolete and unreliable river lock-and-dam infrastructure.

As one of the world’s trade leaders, the United States requires a technologically advanced, secure, efficient and environmentally sound MTS. Our economic prosperity is dependent on international trade, of which more than 99 percent of overseas trade, by weight (excluding Canada and Mexico), moves by water. Roughly $2 trillion of trade flows through U.S. ports. Trade flowing through the nation’s ports and waterways is expected to increase substantially by 2030, creating greater congestion on overburdened land, port, water, passenger and freight delivery systems. Only a truly seamless, integrated, multimodal transportation system with an expanded AMH system as part of the “National Freight Strategic Plan” and associated “National Maritime Transportation Strategy” will meet the nation’s growing needs.

significant disincentive for increased domestic waterborne transport.

- Additional resources for the U.S. Army Corps of Engineers’ dredging and new construction projects, and appropriating the full amount called for in the 2014 WRRDA.
- Additional resources for the Inland Waterway Trust Fund.
- Increased investment in maritime research and development on par with other modes of transportation.
- Priority access to terminals, vessel berths and staging areas at the 17 commercial strategic ports for military cargo that support the short-notice military surge deployments under the National Port Readiness Network. Funding for a MARAD program for contingency contracts may be needed to ensure strategic seaports can guarantee access to staging areas, equipment and facilities to support major force deployments.
- Efforts to develop a national capacity for the MTS to recover from major disruptions to ensure the continuity of key maritime activities. This should include the maintenance of a robust U.S. salvage vessel and oil spill recovery capability to ensure expeditious clearing of vital channels and harbors.
- Increased share of grants for funding intermodal and freight-related maritime projects from provisions in the Infrastructure for Rebuilding America and Better Utilizing Investments to Leverage Development Transportation Discretionary Grants programs. These grants, and the credit assistance provided through the Department of Transportation’s Transportation Infrastructure Finance and Innovation Act and Railroad Rehabilitation Improvement Financing programs, can help improve the movement of freight through ports and reduce congestion.

The crew of USCGC Kiska (WPB 1336) fly a battle ensign upon completion of a patrol as part of Operation Kohala Guardian Feb. 11, 2016.
CONCLUSION

The Navy League of the United States is civilians in support of the sea services, founded to educate the American people on the need for a strong Navy the only path to project power. The mission continues today, as most Americans never travel the high seas and thus suffer from “sea blindness” or an ignorance of maritime affairs. The Navy League exists to change that. Through advocacy to legislative and executive branch leadership and education of average citizens, our mission is to educate the American people on the need for strong Navy, Marine Corps, Coast Guard and U.S.-flag Merchant Marine.

Our dynamic world requires a different approach to security and global engagement. After years of budget driven strategy, the sea services are now guided by strategically prepared documents with leadership looking to a contested future. The question is whether our maritime Services will be adequately funded to achieve those aims. 2019 was the first year in 10 that defense funding passed on time. The Bipartisan Budget Act helped ensure funding levels were as high as the services needed, not set by an arbitrary funding cap. In order to restore American strength, this must be the norm. This is the least we owe to the men and women we ask to serve our country and who put their lives on the line for our security and prosperity.

The “National Security Strategy” and “National Defense Strategy” posit a return to great power competition in which the advantages built over decades are eroding to near-peers. If we want to maintain prosperity and deter conflict, the United States demands strong naval forces. A forward-deployed force of ships, aircraft and people designed to project American power abroad should be the product of a functional national dialogue. The American people maintain a consensus that the values of freedom, liberty and prosperity are worth protecting. These values require capable sea services.

The United States is a maritime nation. We are a land bookended by two great oceans, and a maritime power since the beginning of the 20th century due to the initiative to build strong maritime forces — the great ships of the Navy, the nation’s emergency forces in the Marines, the guardians of the nation’s waters in the Coast Guard, and the life lines to the world in the Merchant Marine. These forces must be resourced according to the missions demanded of them by our nation. We cannot afford to delay or neglect our responsibility any longer. We must meet long-term challenges with long-term solutions. In doing so, we respect not only our sea services, but the vital mission they carry out.

“A good Navy is not a provocation to war. It is the surest guaranty of peace.”

- President Theodore Roosevelt
Dec. 2, 1902
2nd annual message to Congress
The United States is a maritime nation — we need to invest in our Sea Services to deter conflict, open seas for commerce and reverse the damage to readiness from years of overuse and underfunding. We must make the right investments for a return to great power competition posited in the “National Defense Strategy” and “National Security Strategy” and begin strengthening our forces. Working toward the following priorities in the 116th Congress will be our mission towards this call. For more information, visit: www.navyleague.org/programs/legislative-affairs.
**TOP 3 USCG PRIORITIES**

1. $2B/year PCI
2. Polar Security Cutter
3. 5% annual growth in O&S

**NEED: $750M STARTING IN FY2019 | 3 heavy, 3 medium**

**5% annual growth in Operations and Support**

**INVEST IN READINESS**

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**The Jones Act**

- $100B in total economic output
- $10B in tax revenue
- $29B in annual wages
- $46B added to the value of economic output
- Creates 500,000 jobs:
  - 1 shipyard job creates 4 jobs elsewhere in the economy

**CARGO PREFERENCE**

Maintain Merchant Mariner jobs through:
- Government cargo on U.S.-flag ships
- Energizing American Shipbuilding Act:
  - Cargo preference for oil shipments

**TOP 3 USMM PRIORITIES**

1. Jones Act
2. Cargo Preference
3. Maritime Security Program

**MSP**

- $300M annual funding
- $5M per ship
- Replicating would cost $13B

**NATIONAL SECURITY MULTI-MISSION VESSEL**

Crucial vessels for Maritime Academy Training and national emergencies
The Navy League of the United States is a nonprofit organization dedicated to educating our citizens about the importance of sea power to U.S. national security and to supporting the men and women of the U.S. Navy, Marine Corps, Coast Guard, and U.S.-flag Merchant Marine and their families.