

May 17, 2004

The Honorable Gordon R. England
Secretary of the Navy
1000 Navy Pentagon
Washington, D.C. 20350-1000

Dear Mr. Secretary,

We examined with interest the Force Structure Review (Review) submitted by the Department of Defense to the Congress in accordance with subsection (a) of Section 2912 of the Defense Base Closure and Realignment Act of 1990 (PL 101-510). After completing our analysis of the document and associated appendices, we are left dissatisfied with the evaluation of capacity at Naval shipyards and the criteria used to define difficult-to-reconstitute assets. Please know we are also writing the Secretary of Defense on this same subject.

The Review noted no increase in excess capacity since 1989 at the nation's public shipyards. In fact, the data provided in the Force Structure Review shows that public shipyards have reduced their excess capacity by 16 percent since the 1989 baseline. Additionally, the number of employees at Naval shipyards has gone from 70,000 to 22,000 during the same period. Moreover, current employment levels reflect reductions taken from the naval shipyards that remained after completion of naval shipyard closures from the 1995 BRAC.

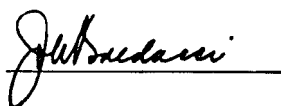
The Review also gives an incomplete and unspecific accounting of what assets would be classified as difficult-to-reconstitute. Although we note a constant emphasis on the need to protect difficult-to-reconstitute assets exists throughout the Review, no definitive criteria are presented for this asset category. The Review correctly mentions deep-water ports as such an asset, but fails to list assets unique to shipyards that are difficult, if not impossible to reconstitute. Piers and dry-docks, nuclear licenses and other special permits, critical trade skills, and strategic location are difficult or impossible-to-reconstitute assets that are not accounted for by the Review.

We respectfully request you provide us in writing the existing guidance and direction you and the Navy have given the various working groups at the Department of Defense and the Navy charged with evaluating facilities and work reassignments in order to make recommendations for the upcoming BRAC round. Additionally, we respectfully request you provide us in writing the information, methodology and data used to determine the level of excess capacity calculated at Naval shipyards and the criteria being used to categorize an asset as difficult-to-reconstitute.

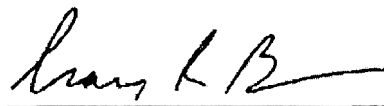
We fully expect this guidance would result in Naval shipyards being categorized as difficult-to-reconstitute assets. We also fully expect the Department of Defense and Navy working groups would be tasked to ensure that Joint Cross Service workload reassignments were focused on maximizing the utilization of difficult-to-reconstitute assets and their retention to support future roles and missions.

Thank you for your continued service to our nation.

Sincerely,



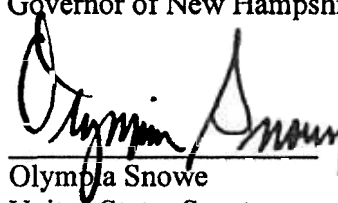
John Baldacci
Governor of Maine



Craig Benson
Governor of New Hampshire



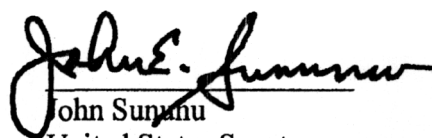
Judd Gregg
United States Senator



Olympia Snowe
United States Senator



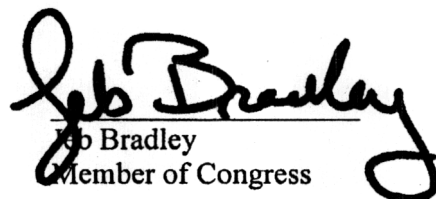
Susan Collins
United States Senator



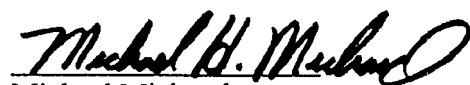
John Sununu
United States Senator



Thomas Allen
Member of Congress



Bob Bradley
Member of Congress



Michael Michaud
Member of Congress



Charles Bass
Member of Congress