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COMMITTEE ON ARMED SERVICES

U.S. House of Representatives

Washington, DC 20515-6035

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ROBERT L. SIMMONS, II, STAFF DIRECTOR

April 6, 2011

The Honorable Tom Latham, Chairman
Subcommittee on Transportation, Housing and Urban
Development, and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

The Honorable John Olver, Ranking
Subcommittee on Transportation, Housing and Urban
Development, and Related Agencies
Committee on Appropriations
United States House of Representatives
Washington, DC 20515

Dear Chairman Latham and Ranking Member Olver:

We are writing to request that funding for the Maritime Security Program (MSP) be included in the Fiscal Year 2012 appropriations bill for the Departments of Transportation, Housing and Urban Development, and Related Agencies in the amount of \$186 million, the same amount proposed to be obligated by the Administration. This amount is the minimum necessary to ensure that the U.S. Maritime Administration, in conjunction with the Department of Defense, has the Congressionally-authorized amount available to fully implement the MSP for FY'12 as set forth in Public Law 108-136, the National Defense Authorization Act for Fiscal Year 2004.

The MSP was originally enacted to ensure that the United States has the U.S.-flag commercial sealift capability and trained U.S. citizen merchant mariners available to crew the government and privately-owned vessels needed by the Department of Defense in time of war or other international emergency. Most importantly, the Maritime Security Program and the uninterrupted operation of its maritime security fleet of 60 U.S.-flag militarily-useful commercial vessels ensures that America will in fact be able to support and supply our troops overseas. It guarantees that American flag vessels and American crews will continue to be available to transport the supplies and equipment our troops need to do their job in behalf of our nation.

Chairman Latham and Ranking Member Olver
April 6, 2011
Page 2

It is extremely important to note that the failure to approve the requested funding for the Maritime Security Program will not only put American troops at risk, but will weaken America's overall security interests and will cost the American taxpayer significantly more than the amount requested for FY'12 for the MSP. Without having the MSP and its maritime security fleet to rely on, the options available to the Department of Defense and to our country to meet America's commercial sealift capability requirements are totally unacceptable.

On the one hand, our country would be faced with the option of giving foreign flag shipping interests and their foreign mariners, interests who may not share America's goals, objectives and values, the responsibility for supporting and advancing America's security interests overseas. These foreign flag shipping services will have to be paid for by the United States and it means our country will be encouraging the outsourcing of American maritime jobs as we spend taxpayer dollars on foreign flag ships and their foreign crews.

On the other hand, our country would be faced with the option of having the Department of Defense build, maintain and operate the requisite vessels itself, at a tremendous cost to the American taxpayer. In fact, a 2006 report prepared for the National Defense Transportation Association – Military Sealift Committee concluded that “the likely cost to the government to replicate just the vessel capacity provided by the MSP dry cargo vessels would be \$13 billion.” In addition, the United States Transportation Command has estimated that it would cost the U.S. Government an additional \$52 billion to replicate the “global intermodal system” that is made available to the Department of Defense by MSP participants who are continuously developing, maintaining and upgrading their systems. In contrast, the commercial maritime industry, through the MSP, will provide the Department of Defense with these same vessels and global intermodal system at a cost to the taxpayer of \$186 million in FY'12, a fraction of what it would cost our government to do the job itself.

In other words, without funding the MSP and ensuring the continued operation of its maritime security fleet, America would either have to place the safety of our troops and the security of our nation in the hands of foreign shipping interests or be forced to spend billions of dollars more of the taxpayer's dollars to achieve the commercial sealift capability that will be lost if the requested funds for MSP are not appropriated.

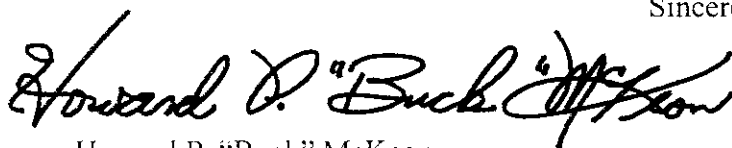
During Congressional consideration of the reauthorization of the MSP in 2003, General John W. Handy, Commander in Chief, United States Transportation Command, told Congress that: “as we look at operations on multiple fronts in support of the War on Terrorism, it is clear that our limited defense resources will increasingly rely on partnerships with industry to maintain the needed capability and capacity to meet our most demanding wartime scenarios . . . MSP is a cost-effective program that assures guaranteed access to required U.S.-flag commercial shipping and U.S. merchant mariners when needed . . .MSP is a vital element of our military's strategic sealift and global response capability.”

Chairman Latham and Ranking Member Olver
April 6, 2011
Page 3

We again ask that you support this highly efficient and low-cost public-private partnership by including \$186 million in your Subcommittee's FY'12 appropriations legislation in order to fully implement the MSP in FY'12. In so doing, you will be saving the American taxpayer billions of dollars because the Department of Defense will be able to utilize privately-owned U.S.-flag vessels to meet its commercial sealift requirements rather than buying and maintaining this capability on its own.

Thank you for your consideration of this request.

Sincerely,



Howard P. "Buck" McKeon
Chairman



Adam Smith
Ranking Minority Member



Duncan Hunter



Todd Akin



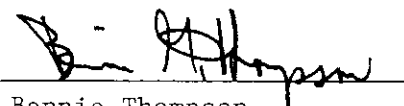
Rick Larsen



Walter Jones



Bob Filner



Bennie Thompson



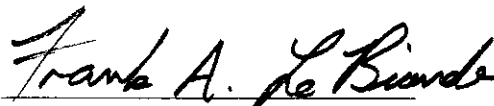
Allen West



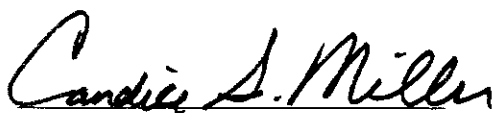
Russ Carnahan



Mazie Hirono



Frank LoBiondo



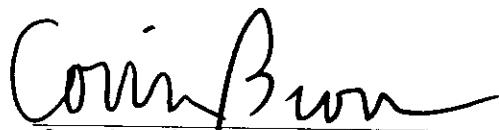
Candice Miller



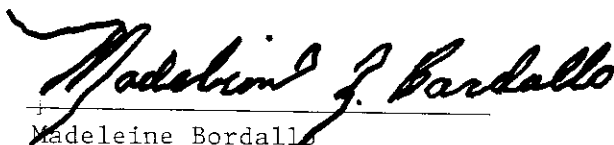
Laura Richardson



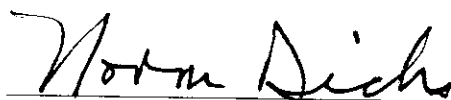
Howard Coble



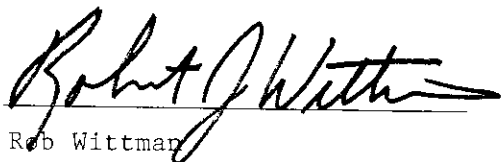
Corrine Brown



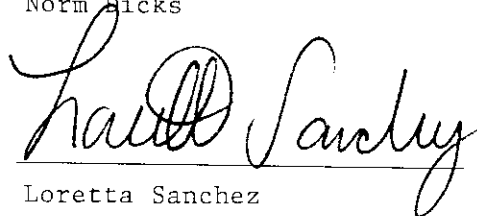
Madeleine Bordallo



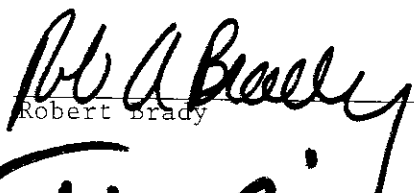
Norm Dicks



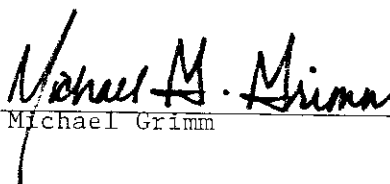
Rob Wittman



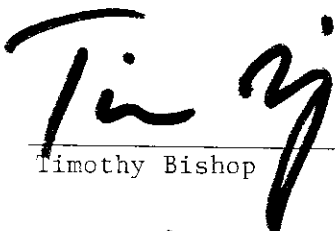
Loretta Sanchez



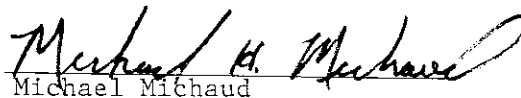
Robert Brady



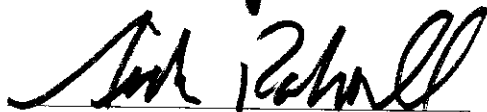
Michael Grimm



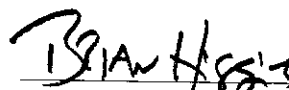
Timothy Bishop



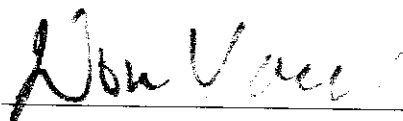
Michael Michaud



Nick Rahall



Brian Higgins



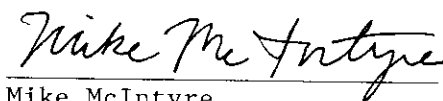
Don Young



Chellie Pingree



Kathy Castor



Mike McIntyre