

**DEPARTMENT OF DEFENSE  
INFORMATION PAPER**

**SERVICE/AGENCY:** Department of the Navy  
**SUBJECT:** FY17 Continuing Resolution Impacts  
**DATE:** 23 March 2017

**QUESTION:** What are the near-term readiness impacts to the Department of the Navy if funded under a year-long continuing resolution (CR) for FY17, or if DoN does not receive additional funding from the FY17 Request for Additional Appropriations?

**RESPONSE:** If held to a year-long CR or if additional funding is not received by 28 April 2017, the Navy and Marine Corps will be forced to take significant action, including the following impacts to our Sailors, Marines and current naval operations:

Department of the Navy

1. Must reprogram from other accounts to meet FY17 National Defense Authorization Act (NDAA) mandated pay raises.

U.S. Navy:

1. Operations:
  - a. Cancel three surface ship deployments, resulting in gaps in European and Central Commands.
  - b. Shut down four of nine non-deployed Carrier Air Wings, causing delayed deployments and gaps in carrier strike groups in FY19.
2. People:
  - a. Reduce flight hours for all aviation. A 15-20% reduction in Fleet Replacement Training Squadrons; one-third of junior aviators will not complete basic qualifications and certifications. As a result, Squadrons will be under-manned by 20-30%, causing impacts to squadron manning and readiness for several years.
  - b. Cut Navy accessions by 1,000 total beginning in April, creating gapped billets at sea and ashore.
  - c. Delay personnel receiving orders until one month before their transfer, resulting in undue family stress and separations. Shore duty orders will be delayed to FY18.
  - d. Stop bonus payments on most critical skills, impacting retention of experienced and specialized Sailors.
3. Material:
  - a. Due to depot maintenance and parts funding shortfalls, only one-third of all aircraft will remain fully mission capable for the remainder of FY17, and will take months to recover.
  - b. Cancel or defer 14 depot maintenance periods on carriers, surface ships and submarines, impacting private shipyard and contractor work in Pearl Harbor, San Diego, Norfolk, and Mayport. This will contribute to the deployment delay described in paragraph one.

- c. The lack of contracting authorities caused by a CR would adversely impact completion of DDG 115, LCS 13-16, LPD 27, JHSV 10, and EPF 10 as well as severely limit procurement quantities on key weapons and systems.

4. Other Impacts:

- a. Cancel 29 remaining Blue Angels shows across 20 states.
- b. Cancel Exercise Northern Edge in Alaska.
- c. Reduce or cancel Fleet Weeks across four states (NY, FL, CA, and WA).
- d. Nine construction projects to housing, runways, piers and wharves will not start on seven CONUS and two OCONUS installations.

U.S. Marine Corps:

1. Operations:

- a. Stop CONUS Flight Operations for 24 Squadrons. Cease flight operations for all squadrons who are not deployed or next to deploy. This will significantly worsen aviation readiness shortfalls.
- b. Cuts in Exercises. Curtail exercises resulting in reduction of scope and scale to include support for forward deployed exercises.

2. People:

- a. Cancel Reserve Force Drills. RPMC is \$44M less than the PB17 request of \$746M. RPMC reduction will drive wide-scale cancellation of drills in the 4th quarter at reserve centers throughout the country and deployments of reserve personnel in support of Combatant Commanders.

3. Material:

- a. Shipbuilding. The loss of one amphibious ship – LPD 28.
- b. Cuts in maintenance. Reversal of gains in aviation readiness recovery, due to loss of secondary repairable and spares.
- c. Reverse modernization. Reversal of gains in modernization of warfighting equipment (JLTV, ACV/AAV, G/ATOR, etc). This would also severely limit procurement quantities on key ground and air procurements.
- d. Reduce munitions. Precision and training munitions would be further diminished (e.g. 284 of 363 - 78% - GMLRS AW lost). Runs the risk of mission critical munition shortfalls for contingency operations.
- e. Defer infrastructure projects. Defer 32 infrastructure projects, reducing facilities sustainment to 65%.