
Ensuring Naval Readiness Act

Since 2016, the Force Structure Assessment for the United States Navy has projected a force of 355 ships will be minimally necessary to ensure a ready and capable Navy.¹ Currently the U.S. Navy operates with 291 ships, with shipbuilding plans now extending into the 2050s.²

Controlling acquisition and construction costs while ensuring timely delivery of a quality product is essential for the United States Navy's ability to protect and defend the United States. The Navy currently has three options for procurement of ships: 1) Build new ships domestically, 2) Refurbish old ships, or 3) Purchase a limited number of used foreign-built ships with authorization from Congress.

Repairing older ships in the fleet, often beyond a 60-year lifecycle, not only puts the U.S. at a disadvantage against high-tech adversaries, but the Navy found repairing ships beyond lifecycle is three times more expensive and takes double the projected time to complete.³ The cost to build a new ship domestically is even more expensive. Former Transportation Command General Steve Lyons stated, "used ships vary, \$20 million-\$60 million depending on the age, and a new ship is 26 times that."⁴

Congress must provide a path for long-term, fiscally responsible naval vessel procurement. One option is to allow some or all construction of a vessel in the shipyards of trusted allies. This would mitigate security risks that could be raised by building some or all of a vessel in a foreign shipyard. This does not mean that the Navy would have to build a vessel (or a component) in a foreign shipyard, rather it would give the Navy the option to procure valuable equipment at lower rates, increasing readiness and ensuring security of our nation's naval systems.

Bill Specifics

- Allows the U.S. Navy to construct a vessel or a major component of the hull or superstructure in a foreign shipyard if:
 - The shipyard is located in a NATO member country or in an Indo-Pacific country with which the U.S. has a current mutual defense agreement AND
 - The cost is cheaper in such shipyard than it would otherwise be in a domestic shipyard
- Ensures shipyard security by requiring the Secretary of the Navy to certify, prior to construction of a U.S. vessel, that the foreign shipyard is not owned or operated by a Chinese company or multinational domiciled in China

¹ [2016 Navy Force Structure Assessment](#) (FSA), December 14, 2016.

² Congressional Research Service, "Navy Force Structure and Shipbuilding Plans: Background and Issues for Congress," March 1, 2024.

³ Congressional Research Service, "Shipping Under the Jones Act: Legislative and Regulatory Background," May 17, 2019.

⁴ House Armed Services Committee, "[Subcommittee on Seapower and Projection Forces and Subcommittee on Readiness Joint Hearing: U.S. Transportation Command and Maritime Administration: State of the Mobility Enterprise](#)," March 7, 2019, video time 1:37:00-1:40:29.

For more information concerning this bill or to be added as a cosponsor, please contact Katherine Thompson (Katherine_Thompson@lee.senate.gov) or Karina Mariotti (Karina_Mariotti@lee.senate.gov) in Senator Lee's office.